Auditor's Individual Morality In Moderating The Love Of Money And Machiavellian Characteristics Of Accounting Fraud Tendencies

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ABSTRACT

A survey conducted by the Association of Certified Fraud Examiners (ACFE) in 2022 revealed 2,448 reported fraud cases across 125 countries, with Indonesia leading the Asia Pacific region at 36 cases. This research aims to analyze the influence of Love of Money and Machiavellian traits on accounting fraud tendencies, with individual morality as a moderating variable. The study, conducted in Makassar City Public Accounting Firms (KAP), involved 65 auditors as respondents. Data were analyzed using Moderated Regression Analysis (MRA). The findings indicate that Love of Money and Machiavellian traits significantly affect accounting fraud tendencies. Furthermore, individual morality moderates the relationship between Love of Money and Machiavellian traits on fraud tendencies. This study is essential due to its focus on understanding behavioral factors that contribute to accounting fraud in Indonesia, a country with significant fraud cases. The contribution of this research lies in providing insights for improving auditing practices by emphasizing the importance of moral values in preventing fraud.

Keywords: Love Of Money; Machiavellian; Individual Morality; Accounting Fraud.

PERAN MORALITAS INDIVIDU AUDITOR DALAM MEMODERASAKAN HUBUNGAN LOVE OF MONEY DAN KARAKTER MACHIAVELLIAN TERHADAP KECENDERUNGAN KECURANGAN AKUNTANSI

ABSTRAK

Sebuah survei yang dilakukan oleh Association of Certified Fraud Examiners (ACFE) pada tahun 2022 mengungkapkan 2.448 kasus kecurangan yang dilaporkan di 125 negara, dengan Indonesia menduduki peringkat pertama di kawasan Asia Pasifik dengan 36 kasus. Penelitian ini bertujuan untuk menganalisis pengaruh Love of Money dan sifat Machiavellian terhaap kecenderungan kecurangan akuntansi, dengan moralitas individu sebagai variabel moderasi. Penelitian ini dilakukan di Kantor Akuntan Publik (KAP) Kota Makassar dengan 65 auditor sebagai responden. Data dianalisis menggunakan Moderated Regression Analysis (MRA). Hasil penelitian menunjukkan bahwa Love of Money dan sifat Machiavellian berpengaruh signifikan terhadap kecenderungan kecurangan akuntansi. Selain itu, moralitas individu dapat memoderasi hubungan antara Love of Money dan sifat Machiavellian terhadap kecenderungan kecurangan akuntansi. Penelitian ini penting karena fokusnya pada faktor-faktor perilaku yang menyebabkan kecurangan akuntansi di Indonesia, negara dengan kasus kecurangan signifikan. Kontribusi penelitian ini memberikan wawasan untuk memperbaiki praktik audit dengan menekankan pentingnya nilai moral dalam mencegah kecurangan.

Kata Kunci: Love Of Money; Machiavellian; Individual Morality; Accounting Fraud

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INTRODUCTION

Based on the results of a survey conducted by *the Association of Certified Fraud Examiners (ACFE) in 2019 show that fraud The most common occurrence in Indonesia is corruption, with a percentage of 64.4%, misuse of assets at 28.9%, followed by financial statement fraud at 6.7 per cent*. Fraud is an important problem and issue that is faced and is the focus of joint resolution. *The Association of Certified Fraud Examiners (ACFE) has discovered 239 fraud cases in Indonesia,* with losses to the state amounting to IDR. 873,430,000 and losses per case of Rp. 7,248,879,668.

This loss originates from fraud (*fraud*), such as corruption, misuse of assets, and fraudulent financial statements. However, this research will focus on financial statement fraud because financial reports are the most important part of a company, and they present all company information to internal and external parties. The total loss in cases of financial statement fraud was IDR 242,260,000,000. Financial reports are a communication tool that conveys financial information to users. Therefore, the financial reports must follow Kerangka Konseptual Pelaporan Keuangan (KKPK) and meet qualitative characteristics with primary and secondary qualities.

In Indonesia, accounting fraud has occurred a lot, both in the scope of BUMN, private companies, and other organizations. In 2019, there were several findings of disgraceful cases carried out by Public Accounting Firms (KAP). There are three well-known Public Accounting Firms that are involved in cases related to financial reports. In fact, two of them were proven to have violated applicable provisions. Based on the periodic report of the Center for Financial Profession Development (P2PK) of the Ministry of Finance in the second quarter of 2019, since the beginning of the year until June 2019 alone, there have been five Public Accounting Firms whose licenses have been frozen. In addition, 3 Public Accounting Firms were given recommendations, 8 Public Accounting Firms were given warnings, 2 Public Accounting Firms had their entities restricted, and two other Public Accounting Firms had their services restricted. In addition to Public Accounting Firms, there are also Public Accountants involved in fraud cases, namely 10 Public Accountants recorded as having been given warnings, 1 Public Accountant was given restrictions on the provision of certain services, and one other Public Accountant had his license frozen.

Accounting fraud cases involving Public Accounting Firms that occurred in Indonesia, such as the case of KAP Satrio, Bing, Eny, and Rekan affiliated with Delloite, with SNP Finance, where the results of the OJK audit found that both parties deliberately manipulated financial reports to apply for loans to 14 banks with a total value of IDR 14 trillion. In this case, the KAP with its client, SNP Finance, had been in a relationship for 8 years, resulting in a psychological closeness between the two. This can be pressure for public accountants to be able to fulfill their clients' wishes. This case resulted in poor credibility for accountants, as well as the loss of banking trust in the audit results of the accountant's financial statements.

The next case occurred in one of the BUMDs in Makassar, South Sulawesi. In 2021, the South Sulawesi High Prosecutor's Office examined a number of witnesses from the public accounting firm that conducted audits at PDAM Makassar in 2016, 2017, and 2018. The examination was carried out to determine

the extent of budget management activities by the PDAM scope in that year. At the same time, to find out the results of the audit by the public accountant at that time. The South Sulawesi High Prosecutor's Office suspects that PDAM Makassar has committed corruption worth Rp 31 billion. Starting from the BPK RI audit which found excess bonus payments to employees in 2017 and 2019 worth around Rp 8 billion.Various factors, including individual traits and motivational factors, can influence fraud accounting trends. One factor that influences tendencies in fraud accounting is the love of money. Love of money refers to a strong urge or desire to earn and acquire money, regardless of moral values or possible consequences. In addition, Machiavellian traits can also influence tendencies in *fraud accounting*. Machiavellian traits refer to an individual's tendency to manipulate, take personal advantage, and disregard norms and morality in achieving their goals.

However, other factors may moderate the relationship between *love of money*, Machiavellian traits, and tendencies to *fraud accounting*: individual morality. Individual morality refers to a set of values, norms, and attitudes toward actions that are considered good or bad. Research by Nurjanah & Purnamasari (2020) and Lestari (2018) both found a significant positive influence of Machiavellian traits on the tendency for accounting fraud, with individual morality moderating this influence.

However, Lestari (2018) also found a positive influence of the *love of money* towards tendencies towards accounting fraud that are not moderated by individual morality. In contrast, Ayunda & Helmayunita (2022) did not find a significant effect of love of money towards the tendency for accounting fraud but found a positive influence of Machiavellian traits on the tendency for accounting fraud. Research by Giovano et al. (2020) found that the love of money influences the tendency for accounting fraud. These studies collectively suggest that individual morality can play a role in moderating the influence of certain factors on accounting fraud tendencies.

This research uses individual morality as a moderating variable. Morality can be interpreted as a quality that shows whether a person's attitudes or actions are good or bad. A person is said to be moral if he has the attraction to behave well, which has a positive value in the cultural assessment of the local community. The fact is that many people act and behave according to their desires, which violates the law so that they can harm other people for their gain. Someone who does not have morals tends to commit acts or deeds to commit fraud that will harm or even endanger other people (Lestari, 2018). Lestari (2018) found that individual morality could not moderate the love of money towards accounting fraud tendencies, while individual morality could moderate the Machiavellian tendency towards *fraud accounting*.

The difference between this research and previous research is that this research focuses on the influence of the love of money and the Machiavellian nature of tendencies of *fraud accounting* with individual morality as a moderating variable. This research will be conducted at the Public Accounting Firm (KAP) in the Makassar City area. This research will be carried out by distributing questionnaires to professional accountants at Public Accounting Firms (KAP) in the Makassar City area. This public accounting firm is a service company that

audits financial accounting and can also act as a consultant in providing recommendations on the results of audits (Ananda & Zulvia, 2018).

The collected data will be analysed using statistical regression analysis to determine the effect *of the love of money and the Machiavellian nature of tendencies in fraud accounting*. Next, moderation analysis will test whether individual morality moderates the relationship between *love of money*, Machiavellian traits, and tendencies to *fraud accounting*. It is hoped that the results of this research will provide a better understanding of the factors that influence trends in *fraud accounting* among accounting professionals. Apart from that, it is also hoped that this research can contribute to developing prevention strategies for *fraud accounting* and developing accounting professional ethics.

Heider (1958) proposed the attribution theory, which explains the impact of motives and behaviour on individuals. When someone describes the goals and motivations behind another person's behaviour, this is called attribution. Fritz Heider proposed the idea of attribution, which states that internal and external factors influence a person's behaviour. Attribution theory states that individuals tend to try to find the causes of their behaviour or the behaviour of others. They try to explain why a behaviour occurs through attribution, which is analysing and identifying internal factors (such as personal characteristics) or external factors (such as the situation or environment) that influence a particular behaviour.

In the context of the love of money, Individuals prioritising money and material things tend to link their behaviour to external factors such as money and financial rewards. They may assume that their desire for wealth or financial success results from external factors such as stressful situations or strong financial needs. Meanwhile, individuals who have Machiavellian characteristics tend to attribute manipulative and unethical behaviour in accounting to external factors such as competition, situational pressure, or the need to survive. They may see underhanded methods as an effective way to achieve their personal goals.

In the case of accounting fraud, individuals who engage in these unethical practices will attribute it to unrealistic targets or corporate pressure to achieve better results. They will feel pressured to commit accounting fraud to meet the expectations or pressures they face. Accounting fraud (*Fraud* Accounting) is any illegal action deliberately carried out by someone in the context of accounting to deceive other people and gain financial gain. It involves data manipulation, theft of company assets, presentation of false or distorted financial information, or other actions to harm other parties and gain personal gain.

In 1985, Belk published the first edition of his book, The Nature of Love of Money, which discusses the relationship between human materialism and the need to earn money. People do not always look for money because their financial situation is very difficult; instead, the psychological need for money drives them (Yelvita, 2022). Money is a legal means of payment regulated by statutory regulations. It is important and provides value to several aspects of daily life. Money is a great opportunity for individuals to exercise self-control and engage in diligent effort (Muhaimin, 2021). Individuals with a high love of money *will try to do anything to meet their needs,* even if the act violates the applicable ethics (Made et al., 2023).

Machiavellian traits are considered bad because they ignore the importance of integrity and honesty in achieving goals (Utami Dewi & Gayatri, 2020). Machiavellianism refers to individuals who believe that using manipulative strategies is a common practice in life, aiming to achieve power and personal gain. These characteristics may hurt human and societal well-being and can be dangerous if not managed effectively. A person with a pronounced Machiavellian disposition may commit fraud, justifying their actions as legitimate and customary (Sagara & Atikah, 2021). Individual morality is an individual's ability to solve problems in ethical dilemmas by judging whether social and dignified actions are right or wrong. Moral reasoning: Individual morality determines whether an ethical decision is right or wrong. An individual is said to be moral when he behaves according to the values of society (Septiani et al., 2023).

A person begins to practice ethics by looking at the moral standards absorbed from family, church, friends, and society. They begin to ask whether these standards are reasonable or unreasonable and what their implications are for situations and problems. The morality of a person or a group of people is not only related to what a person or group of people does but also to what they think and view about what is good and what is not good, about what is right and what should not be done (Setiawan, 2018).

Influence *Love of Money* Fraudulent activity in accounting is often researched within the corporate environment's framework of ethical behaviour and integrity. The Term "Love of Money" indicates a strong desire for monetary prosperity, and its association with dishonesty can be understood through several processes. This research uses attribution theory because it states that individuals try to find the causes of their behaviour or the behaviour of others.

Individuals with a strong tendency towards *Love of Money are* less likely to commit accounting fraud to meet their financial goals. *Love of Money* may cause accounting fraud by manipulating financial statements, embezzling assets, or engaging in other behaviour to obtain illegal financial gain. Empirical studies often aim to measure how much *Love of Money influences fraudulent behaviour* in accounting. Data collection and analysis of relationships between variables *Love of Money* and fraud can be perpetrated using research techniques such as surveys or case studies.

This research investigates the effects of the **love of money** and **Machiavellian traits** on accounting fraud tendencies, with **individual morality** serving as a moderating variable. By applying **attribution theory**, this study aims to understand how internal and external factors influence unethical behaviour in accounting practices. The research will contribute to the understanding of accounting fraud dynamics, offering insights into the psychological and ethical factors that drive such behaviours. The findings will also inform strategies for fraud prevention, ethical training, and policy implementation in public accounting firms. By addressing gaps in previous studies, this research will provide empirical evidence on the moderating role of morality in reducing fraud tendencies, ultimately supporting the development of more effective mechanisms to uphold the integrity of financial reporting.

Studies have explored the relationship between the love of money and accounting fraud. Ayunda's (2022) and Lestari's (2018) research both report a

positive influence of the *love of money* against the tendency of accounting fraud. These studies collectively suggest that the love of money may influence the propensity for accounting fraud. Therefore, the hypothesis taken from this research is: H1: *Love of Money* influence on fraud *Fraud Accounting*

Machiavellian traits include those influenced by the ideas of Niccolò Machiavelli, a famous 16th-century Italian philosopher and statesman best known for his book The Prince. Individuals who exhibit Machiavellian qualities are characterised by strong pragmatism, an unwavering pursuit of power, and a potential disregard for moral or ethical principles.

The relationship between Machiavellian characteristics and accounting fraud arises because people with Machiavellian tendencies tend to use deceptive or manipulative tactics to achieve personal or collective goals. Individuals ignore ethical and legal standards for personal gain or specific goals.

Lestari's (2018) research found that Machiavellian traits positively influence accounting fraud, with individual morality moderating Machiavellian traits. Suryandari & Pratama (2021) show that Machiavellian traits positively influence the occurrence of fraud in managing village funds. This means that the higher the Machiavellian nature, the greater the possibility of fraud. Therefore, the hypothesis taken from this research is: H2: Machiavellian traits influence on fraud *Fraud Accounting*

Individual morality is one element of personality that encourages fraud (Basri et al., 2023). The relationship between the Love Of Money and accounting fraud can be understood by examining individual behaviour within the corporate environment. Love Of Money is an individual's tendency to prioritise wealth and possessions as the main goal in his life. Accounting fraud refers to unethical or unlawful activities carried out by individuals or organisations within a corporate environment to manipulate financial accounts for personal or collective gain.

Individual Morals significantly influence the relationship between *Love Of Money* and accounting fraud. Individuals with high morality often demonstrate strong integrity and strictly adhere to ethical principles in their business conduct. They may have a greater capacity to resist the temptation to participate in fraudulent accounting practices, even when they have a strong desire to achieve financial well-being.

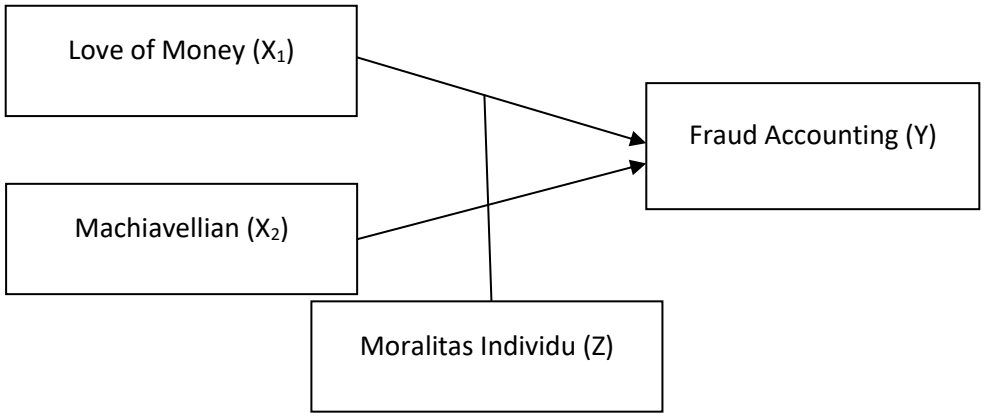
Individual morality acts as a mediator in the relationship between *Love of Money* and accounting fraud. The interrelationship of these aspects contributes to the complexity of understanding behaviour in the corporate environment. Promoting a strong sense of morality through teaching ethics and implementing strict monitoring systems can reduce the likelihood of accounting fraud from the excessive pursuit of money.

Research by Lestari (2018) and Ayunda (2022) found that love of money positively affects the tendency to account for fraud, moderated by individual morality. Then, it supports the role of individual morality in reducing the tendency for accounting fraud. Giovano (2020) found that the love of money influences the tendency for accounting fraud. Therefore, the hypothesis taken from this research is: H3: Individual morality can moderate *Love of Money* against Fraud *Fraud Accounting*

Machiavellian traits include cunning, manipulative, and immoral behaviour, often associated with individuals. The relationship between Machiavellian characteristics and accounting fraud can be seen through the lens of people who tend to engage in fraudulent activities to achieve their goals. Individuals who exhibit Machiavellian qualities are more susceptible to accounting fraud because they view fraud as a morally acceptable means of achieving their personal or organisational goals. They may view ethical standards and accounting regulations as obstacles that can be avoided or circumvented for their benefit.

Basri et al. (2023) stated that individual morals are one of the personality elements that encourage fraud committed by individuals. Personal morality significantly influences the way Machiavellian characteristics are associated with the occurrence of accounting fraud. Individuals with high morality tend to resist temptations to participate in deceptive activities, even if they have Machiavellian characteristics. In contrast, people with low levels of morality may be more susceptible to Machiavellian influence and more likely to participate in deceptive behaviour. Research by Lestari (2018) and Ayunda (2022) found that Machiavellian traits positively affect the tendency for accounting fraud, which is moderated by individual morality. Then, it supports the role of individual morality in reducing the tendency for accounting fraud. Therefore, the hypothesis taken from this research is: H4: Individual Morality can moderate Machiavellian Traits against Fraud *Fraud Accounting*

A thinking framework is a conceptual model used as a theory related to several factors identified as important problems. The dependent variable used in this research is the tendency to *Fraud Accounting* (Y). Independent Variable (X), namely Love of Money (X1), Machiavellian Nature (X2), and the moderating variable, namely Individual Morality (Z). The framework for thinking in this research is as follows:



Picture 1. Thinking Framework

Source: Processed data, 2024

RESEARCH METHODOLOGY

The population in this study includes all auditors working in Public Accounting Firms (KAPs) located in Makassar City, registered with the Indonesian Ministry of Finance in 2023. A **saturated sampling** technique is used in this study.

According to Sugiyono (2017), saturated sampling involves selecting the entire population as the research sample when the population size is manageable. This method is akin to conducting a small-scale census.

Table 1. List of Names of Makassar City Public Accounting Firms

No	KAP name	Number of Auditors
1	Drs. Harly Weku & Priscilla	4
2	Jacob Ratan, CPA	5
3	Drs. Thomas, Blasius, Widartoyo & Colleague	5
4	Drs. Usman & Partners	6
5	Drs. Rusman Thoeng, M.Com, BAP.	7
6	Yaniswar & Partners	8
7	Ardaniah Abbas & Partners	6
8	Dra. Elly Noorlisyanti & Partners	5
9	Masnawaty Sangkala, SE,. M.Si., Ph.D., Ac., CA., CPA	4
10	Benny, Tony, Frans & Daniel (cab)	3
11	Beautiful	3
	Amount	61

Source: Processed data, 2024

This study used a saturated sampling technique where the study took all samples in the population totaling 61 people. Data were collected by distributing questionnaires using a Likert scale. The dependent variable used in this study was the tendency to Fraud Accounting (Y). The tendency to Fraud Accounting refers to the tendency to engage in dishonest practices, such as hiding the truth, cheating, manipulating, or deceitfully misrepresenting financial statements, engaging in corruption, and misappropriating assets, all with the ultimate goal of achieving financial gain (Sholehah & Ishak, 2020). Love of Money (X1) is defined as the love of money. Money is a very important aspect of life. When work and life pressures increase, people will value and prioritize money more. Machiavellianism (X2) refers to a strategic approach to social interaction in which a person cunningly manipulates others for their benefit, usually at the expense of the common good. Individual morality (Z) refers to the value system and principles used by a person to determine what is right or wrong in their actions.

Moderated Regression Analysis (MRA) is an approach that maintains sample integrity and provides a basis for controlling moderator influences (Ghozali, 2014). The following is the MRA regression equation model:

$Y = \alpha + \beta1X1 + \beta2X2 + \beta3X1*Z + \beta4X1*Z\ e$……(1)

Where :

Y: Trends in Accounting Fraud

α: Constanta

β: Regression Coefficient

βX1: Love of Money

β2X2: Machiavellian traits

β3X1*Z-β4X2*Z : X1* Individual Morality, X2*Individual Morality

Z: Individual Morality

e: Error

RESULTS AND DISCUSSION

This research was conducted at the Public Accounting Office (KAP) in the Makassar City area. The number of questionnaires distributed was 61, but the auditors returned 34 questionnaires. Yaniswar & Partners Public Accounting Firm (KAP) filled out the research questionnaire with as many as 8 auditors. Apart from that, the number of auditors who filled out the questionnaire was 2 auditors, 3 auditors and 4 auditors, which can be seen in Table 5. Of the 61 questionnaires distributed via Google Forms to 61 auditors as respondents, all questionnaires have been filled in completely and correctly so that they are appropriate For further analysis for this research.

Table 2. Validity Test Results

Variable		Sig. (2-tailed)	Information
Love Of Money	X1.1	0,017	Valid
	X1.2	0,019	Valid
	X1.3	0,005	Valid
	X1.4	0,033	Valid
	X1.5	0,000	Valid
Machiavellian traits	X2.1	0,047	Valid
	X2.2	0,003	Valid
	X2.3	0,017	Valid
	X2.4	0,036	Valid
	X2.5	0,006	Valid
Individual Morality	Z.1	0,037	Valid
	Z.2	0,032	Valid
	Z.3	0,074	Valid
	Z.4	0,032	Valid
	Z.5	0,033	Valid
Trend *Fraud Accounting*	Y.1	0,033	Valid
	Y.2	0,033	Valid
	Y.3	0,003	Valid
	Y.4	0,002	Valid
	Y.5	0,017	Valid

Source: Processed data, 2024

The results of validity testing on the variable Love of Money, Machiavellian Characteristics of Audit Quality with Individual Morality as moderation at the Public Accounting Firm in Makassar City, with a total of 20 question items tested, show that all question items are valid because they have a sig value of less than 0 .05.

Table 3. Reliability Test Results

Reliability Statistics	
Cronbach's Alpha	N of Items
0,856	20

Source: Processed data, 2024

The table above shows the results of testing the reliability of the variable Love of Money, Machiavellian Characteristics of Audit Quality with Individual Morality as moderation at the Public Accounting Firm in Makassar City with a total of 20 question items tested, where from the results of the reliability testing a value was obtained *Cronbach's alpha* greater than 0.60, so it can be concluded that all statement items are declared reliable or trustworthy as measuring instruments.

Table 3. Moderated Regression Analysis (MRA)

Model		*Unstandardised Coefficients*		*Standardised Coefficients*		
		B	*Std. Error*	*Beta*	*t*	*Say.*
1	(Constant)	1.102	3.802		5.813	0.000
	Love Of Money	0.966	0.433	2.280	4.545	0.000
	Machiavellian traits	0.255	0.494	0.488	1.516	0.010
	Love Of Mon * Indi Morality	-0.079	0.018	3.026	4.402	0.000
	Machia's Nature * Morality Ind	-0.011	0.020	0.552	1.524	0.004

Source: Processed data, 2024

As a result of processing the regression data, a multiple regression equation can be created as follows.

$Y = \alpha + \beta1X1 + \beta2X2 + \beta3X3 + \beta4X1*Z + \beta5X2*Z + e$……(2)

$Y = 1.102 + 0.966 + 0.255 + -0.892 + -0.079 + -0.011 + \varepsilon$

The results of the processed regression equation data show that the regression coefficient for Love of Money (X1) is 0.966, meaning that as Love of Money increases, the tendency for accounting fraud among Public Accountants (KAP) in the city of Makassar will increase by 0.966. This relationship is statistically significant with a significance level of 0.000, which is less than 0.05.

For Machiavellian Characteristics (X2), the regression coefficient is 0.255, indicating that an increase in Machiavellian Traits will lead to a 0.255 increase in the tendency for accounting fraud among Public Accountants in Makassar. This finding is significant, with a significance level of 0.010, which is also less than 0.05.

The regression coefficient for the moderation of individual morality and Love of Money (X3) is -0.079. This suggests that as Individual Morality increases, it will reduce the impact of Love of Money on the tendency for accounting fraud among Public Accountants in Makassar by -0.079. This relationship is statistically significant with a significance level of 0.000, which is below the 0.05 threshold.

Lastly, the regression coefficient for the moderation of individual morality and Machiavellian Characteristics (X4) is -0.011. This indicates that as Individual Morality increases, it will reduce the influence of Machiavellian Characteristics on the tendency for accounting fraud among Public Accountants in Makassar by -0.011. The significance level of 0.004 confirms the statistical significance of this result, as it is also below 0.05.

R2 Test (Coefficient of Determination)

Table 4. R2 Test Results (Coefficient of Determination)

Model Summary				
Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*
1	0.961[a]	0.923	0.910	0.796

Source: Processed data, 2024

From the table above, it is known that the value of R = 0.865, which means that *Love of Money*, Machiavellian Traits, and Individual Morality have a strong relationship to Propensity *Fraud Accounting*. Then, the Adjusted R number square

of 0.923. This shows that the independent variables studied, namely Love of Money, Machiavellian Traits, and Individual Morality, explain as much as 92.3% of the Tendencies of *Fraud Accounting* KAP in Makassar City. In comparison, the remaining 7.7% is explained by other variables outside of this research model.

Table 5. F Test Results

Model		*Sum of Squares*	*df*	*Mean Square*	*F*	*Say.*
1	Regression	214.261	5	42.852	67.527	0.000[b]
	Residual	17.769	28	0.635		
	Total	232.029	33			

Source: Processed data, 2024

The F test results in Table 4.9 state that the significance level obtained is 0.000 or smaller than 0.05. With a significance value of 0.000<0.05, it can be concluded that the independent variables, namely Love of Money, Machiavellian Characteristics, and Individual Morality, simultaneously influence the dependent variable used in the research, namely Accounting Fraud tendencies.

The results of this research can be briefly seen in the following table:

Table 6. Summary of Research Results

Hypothesis	Information	Results
H_1	*Love of Money* has a positive effect on fraud *Fraud Accounting*	Accepted
H_2	Machiavellian traits have a positive effect on fraud. *Fraud Accounting*	Accepted
H_3	Individual Morality can moderate the *Love of Money* against Fraud *Fraud Accounting*.	Accepted
H4	Individual Morality can moderate Machiavellian Traits against Fraud *Fraud Accounting*.	Accepted

Source: Processed data, 2024

Regression coefficient results *Love of Money* (X_1) shows a value of 0.966; this means that if Love of Money increases, then the trend *Fraud Accounting* Public Accountants (KAP) in the city of Makassar will increase by 0.966 with a significance of 0.000<0.05 so that the first hypothesis (H1) is accepted.

Love of money by cheating or *fraud accounting* can happen because individuals who love money tend to have a strong urge to gain quick and large financial profits. Hence, individuals feel compelled to commit fraudulent acts in financial records to achieve this goal. Attribution theory helps explain how individuals try to understand and explain the causes of their own and others' behaviour.

Love of Money can also make individuals more willing to take big risks, including the risk of being caught cheating. They feel that the potential for large profits is worth more than the risk of possible punishment. Research by Ayunda (2022) and Lestari (2018) shows a positive influence on *Love of Money* against the tendency to commit financial fraud. This research indicates that individuals who love money are likelier to engage in fraudulent activities to achieve their financial goals.

Regression coefficient results in Machiavellian traits (X_2) show a value of 0.255; this means that if Machiavellian traits (X_2) increases, then the trend *Fraud*

Accounting Public Accountants (KAP) in the city of Makassar will increase by 0.255 with a significance of 0.010<0.05 so that the second hypothesis (H2) is accepted.

The connection between Machiavellian traits and financial fraud lies in the core characteristics of Machiavellianism itself. Machiavellian traits, based on Niccolò Machiavelli's teachings, include extreme pragmatism, a relentless pursuit of power, and a frequent disregard for moral or ethical principles. Individuals with this trait use manipulative and deceptive tactics to achieve their goals.

The findings of this research are in line with Lestari's (2018) research showing that Machiavellian traits have a positive influence on accounting fraud. This means individuals with Machiavellian traits are more likely to commit accounting fraud because they focus more on personal gain or specific goals than on compliance with ethical and legal standards.

In addition, research by Suryandari and Pratama (2021) shows that Machiavellian traits have a positive influence on the occurrence of fraud in managing village funds. This means that the higher a person's Machiavellian level, the more likely they are to engage in fraud in the management of public funds.

Thus, the hypothesis is accepted that individuals with high Machiavellian traits are more likely to engage in financial fraud. This is due to their tendency to ignore ethical and legal standards to achieve personal or collective goals and use manipulative tactics to achieve power and profit.

The regression coefficient results in moderation of individual morality and *Love of Money* (X_3) shows a value of -0.079; this means that if Individual Morality (X_3) increases, it will decrease *Love of Money* towards tendencies *Fraud Accounting* Public Accountants (KAP) in the city of Makassar is -0.079 with a significance of 0.000<0.05, so the third hypothesis (H3) is accepted.

Love of Money is an individual's tendency to place wealth and possessions as the main goal in his life. Individuals with a high love of money tend to be motivated to achieve financial well-being, which can encourage them to commit accounting fraud. Accounting fraud is an unethical or unlawful act committed to manipulate financial accounts for personal or collective gain.

The findings of this research are in line with research by Lestari (2018), Ayunda (2022), and Giovano (2020), which shows that there is a positive influence between the love of money and the tendency to commit accounting fraud. That is, the higher an individual's level of love of money, the more likely that individual is to engage in accounting fraud practices.

The results of this study indicate that individual morality can weaken the influence of the love of money on tendencies in *Fraud Accounting*. Individuals with high morality tend to have a greater capacity to resist the temptation to commit fraud, even though they strongly desire financial well-being. In contrast, individuals with low morality tend to engage in accounting fraud when they love money the most.

Individual morality has a significant role in moderating the relationship between *Love of Money* and *Fraud Accounting*. With strong morality, the influence of the love of money on the tendency to commit accounting fraud can be minimised. Therefore, promoting high morality through teaching ethics and strict monitoring systems can effectively reduce accounting fraud practices.

The regression coefficient results in moderation of individual morality, and Machiavellian Traits (X_4) show a value of -0.011; this means that if Individual Morality (X_4) increases, it will reduce the Machiavellian nature of tendencies *Fraud Accounting* Public Accountants (KAP) in the city of Makassar is -0.011 with a significance of 0.004<0.05, so the fourth hypothesis (H4) is accepted.

Machiavellian traits include cunning, manipulative, and immoral behaviour. Individuals with this trait tend to use all means, including unethical methods, to achieve their goals. This research shows that individual morality can function as an obstacle or reduction against Machiavellian tendencies to engage in Fraud Accounting. Individuals with high morality tend to have greater resistance to the temptation to participate in fraudulent activities, even though they have Machiavellian characteristics. This research's findings align with those of Lestari (2018) and Ayunda (2022), who found that Machiavellian traits have a positive effect on the tendency for accounting fraud. However, individual Morality has an important role in reducing the tendency of *Fraud Accounting* individuals with Machiavellian traits.

CONCLUSION

This research found that Love of Money positively and significantly influences the tendencies of accounting fraud in public accounting in Makassar City. Similarly, Machiavellian traits also have a positive and significant impact on the tendencies of accounting fraud in the same context. Additionally, individual morality plays a significant moderating role in the relationship between Love of Money and accounting fraud tendencies, reducing its impact. Furthermore, individual morality also acts as a check against the influence of Machiavellian traits on accounting fraud tendencies, highlighting its important moderating effect.

The limitations that need to be considered in order to develop this research further, namely this research is only limited to several research variables, namely love of money, machiavellian nature, individual morals and the tendency of accounting fraud so it is necessary to add other moderating variables such as religiosity, gender and materialism in order to obtain broader results regarding the factors that can influence the tendency of accounting fraud.

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