

The Impact of Psychopathy Natures on Acceptance of Fraud Behavior on Accounting with Financial Security as a Moderating Variable

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Abstract

Previous studies have supported the notion that Economics and Business students are more likely to have higher scores for psychopathic traits, but research has not been conducted to support whether this inherited trait has direct implications for the future likelihood that these students will take on an important role in the survival of the company, or whether their choice to study economics and business at the undergraduate and graduate levels has something to do with their inherited psychopathic traits. The question that this study aims to answer is whether the influence of psychopathic traits on acceptance of fraud is relatively higher when their financial resilience is better. A quantitative approach with SEM AMOS 22 and SPSS 22 was used to conduct the research. Respondents are active accounting graduate students in various universities with minimum accreditation B. The results of this study support both hypotheses, the first hypothesis is that psychopathic traits will affect acceptance of accounting fraud, and the second hypothesis is that the interaction between financial resilience and psychopathic traits affects the relationship between psychopathy and acceptance of accounting fraud.

Keywords

Psychopathic traits; accounting fraud; financial resilience.



I. Introduction

Psychopathic traits are a constellation of traits consisting of affective features, interpersonal features, as well as impulsive and antisocial behavior. Affective features include a lack of guilt, empathy, and a deep sense of belonging with others; interpersonal features including narcissism and superficial charm; and impulsive and antisocial behavior, manipulation, and reckless risk-taking. Although psychopathy is a risk factor for physical aggression, it is by no means the same as it is. In contrast to individuals with psychotic disorders, most psychopaths are realistic and rational (Society for the Scientific Study of Psychopathy/ <https://www.healthyplace.com/personality-disorders/psychopath/psychopathy-definition-symptoms-signs-and-cause>). Sometimes make choices outside of ethical norms and standards that apply to him – one example of a very well-known behavior is fraud. But what distinguishes those who commit fraud and compulsion; those who fear the consequences of their choices, and a group of people who make mistakes and are merciless because they feel the consequences have no bearing on their choices? When someone is viewed as a corporate psychopath, are their choices shaped by work experience and environment, or are they just the way they are?

A report from the Association of Certified Fraud Examiners shows the magnitude actions of the fraudulent companies, but there is still rarely research devoted to a review of uncovering the origins of fraudulent behavior and unethical manipulation that became the

forerunner of, fraud especially corporate psychopaths that operate theoretically, their existence has a negative effect on sustainability. a company (Babiak & Hare, 2006).

More than 50% of CEOs on the Financial Times Stock Exchange 100 are financial professionals, and one in five CEOs of the Financial Times Stock Exchange 100 are accountants (Anisa, 2018; Sweet, 2019). The report shows that experience and specialization in finance continues to be the most common trait of this career choice with 55% of CEOs coming from economics and business education backgrounds.

According to ACFE (2016), 40.3% of perpetrators of fraud in Indonesia are managers and 30.7% are owners or owners. However, fraud committed by or owner tends to take longer to detect than other perpetrators; 38% of cases fraud detected more than three years were committed by or the owner, while 55% of cases fraud committed by managers were detected within 31-36 months. This is in accordance with the nature of psychopaths who tend to be more able to deceive and take advantage so that it will take longer to detect. In an organization, this often happens at the level of a hierarchy which is then called a corporate psychopath (Boddy et al., 2010).

Murphy (2012) said that the level of psychopathy affects their tendency to commit fraud, namely the rationalization of the level of cheating. Combined with the charisma superficial of corporate psychopaths, it is almost certain that no matter how high the level of action they take, they will be able to do so with low detectable potential Litten et al. (2018) whether certain disciplines have an impact on the development of psychopathic traits and the key that economics and business students have significantly antisocial, interpersonal, and higher students have other college total psychopathic psychopaths traits than. . Departing from the statements above, the following emerges: will students in the accounting field tend to, and be successful in, committing fraudulent and deceptive behavior? If students in accounting aim to deceive and manipulate others, could they be psychopaths?

Bailey (2017) first conducted a study that linked the level of psychopathy of accounting students, its correlation with certain attitudes about unethical professional practice, and potential trends at the academic grade level. This study compares a sample of students and a sample of previous studies namely staff, accounting, and the general public, which helps to understand and prevent corporate problems such as fraud, antisocial behavior, and unethical behavior.

Previous studies have supported the idea that economics and business students tend to have high levels of psychopathic traits trait, but it has not yet been discovered whether this has a direct bearing on the possibility in the future that they will play an important role in the survival of the company, or their choice to studying economics and business at the college level has a relationship with their nature as psychopaths.

II. Review of Literature

2.1 Theory of Planned Behavior

Theory of Planned Behavior (TPB) originated from the Theory of Reasoned Action in 1980 which predicts that a man wishes to perform an act at a specific place and time. The theory explains all behaviors in which a person has the ability to exercise self-control. In this theory, the key is the desire to behave based on the expected results obtained and the evaluation of the assessment of the threats and benefits of these outcomes. In this theory, there are six things that show a person's control over his behavior, namely: a. Attitude: It shows how a person has good and bad evaluations in the behavior of interest that judges about the outcome of performing a particular behavior; B. Behavioral intentions: Motivational factors that influence behavior where the stronger the desire to do something, the higher the

probability that the behavior will be carried out; C. Subjective norms: Beliefs whether other people support or not support the behavior. This relates to a person's beliefs about whether the people around him think that he should perform the behavior or not; D. social Norms: The norms that apply in a community group or in a cultural context that are considered normative as standards that are adhered to; e. Felt Strength: Perception of the existence of factors that can facilitate the performance of a behavior that contributes to a person's perception of behavioral control over each of these factors; F. Perceived behavioral control: A person's perception of the difficulty in performing a behavior depends on the situation and actions, which ultimately makes a person have several different perceptions of behavioral control depending on the situation.

2.2 Corporate Psychopaths

Boddy et al. (2010) said that corporate psychopaths are used to describe people in a business industry who do not have feelings, do not hesitate to deceive and manipulate others, and do vile things to achieve financial gain. on the concept of corporate psychopaths Much research has been done (Linglau et al., 2017) to support the idea that the existence of corporate psychopaths who cheat, manipulate, and take advantage of company resources under management have a negative impact on the survival of a company. .

2.3 Financial

Resilience a person's financial resilience refers to an individual's ability to respond to major changes, sudden adversity, or financial risk. Research on resilience itself departs from the analysis of individual psychological resilience in dealing with and responding to critical and urgent situations (Holling, 1973; Donnellan et al., 2009; Norris, 2010; Bullough et al., 2014; Ducheck, 2018). Holling (1973) raised the concept of resilience from the roots of ecological studies, then developed it in other disciplines such as behavioral science (Norris, 2010), psychology (Donnellan et al., 2009; Buikstra et al., 2010), economics (Briguglio et al., 2008 ; Pant et al., 2014a; 2014b; Hallegatte, 2014), ecological economics (Gunderson, 2000); global environmental change (Janssen, 2006; Janssen et al., 2006), and risk management (Folke, 2006; Gallopin, 2006; Cutter et al., 2008; Tadele & Manyena, 2009). The concept of a person's uncertainty and uncertainty is central to business, and the concept of resilience is related to psychology. This research assumes that psychology is closely related to financial resilience.

Financial statements are basically a source of information for investors as one of the basic considerations in making capital market investment decisions and also as a means of management responsibility for the resources entrusted to them (Prayoga and Afrizal 2021) . Financial performance is a measuring instrument to know the process of implementing the company's financial resources. It sees how much management of the company succeeds, and provides benefits to the community. Sharia banking is contained in the Law of the Republic of Indonesia No.21 of 2008 article 5, in which the Financial Services Authority is assigned to supervise and supervise banks. (Ichsan, R. et al. 2021)

2.4 Accounting Fraud

ACFE defines fraud as an act or other mistake made by a person or entity knowing that it may result in some unfavorable benefit to an individual, entity, or party (Ernst & Young LLP, 2009). In Indonesia it is emphasized that the failure to implement the substance of corporate governance is caused by a culture that is too forgiving and perpetuates endemic corruption (Zainal et al., 2013). Financial statement fraud is a social and economic problem that causes and causes a decline in market value. According to the ACFE Indonesia survey (2016), the most common fraud in Indonesia is corruption and this is also the most

detrimental type of fraud. Based on data from the Corruption Perception Index released by Transparency International (2005), until 2009 Indonesia was included in the country with the highest level of corruption in the world with a perception index number of only 2.81/10.

2.5 Characteristics

Psychopathy is traditionally a disorder characterized by antisocial behavior that is persistent, lack of empathy and remorse, and the properties of the brave, not thinking long, and selfish (Patrick et al, 2009; Hare, 1999; Stone & Brucato, 2019). Although there is no psychiatric organization or one that agrees on an absolute diagnosis of "psychopathy", assessment of psychopathic characteristics is widely used in courts in some countries and may have important consequences for society. The study of psychopathy is research active and the term is also used by the general public, the popular press, and in fictional depictions (Delisi et al., 2009). The term is often used in common usage where it is considered synonymous with the terms "crazy", "insane", and "mentally ill", but there is a categorical difference between psychosis and psychopathy. (Rabbitt, 1999).

III. Research Method

The research approach uses quantitative to test research hypotheses. This study wants to find out whether the moderation of financial resilience affects the variable (x) in the form of the level of psychopathy to the variable (y) inform of the acceptance of accounting fraud.

3.1. Sampling Plan

In this study, the target population is Strata-2 students who are active in an accredited master of accounting at least B at universities located in Surabaya, East Java based on data from the Ministry, Technology, and Higher Education of the Republic of Indonesia. According to Hmieleski and Lerner (2016), after comparing a sample of undergraduate and postgraduate students in economics and business, the sample of undergraduate students in economics and business is the most suitable for studying the relationship between dark triad, psychopathic, and presence in the company because they generally represent business-oriented individuals and are unlikely to exhibit omitted bias and endogeneity variables.

Universities	Respondent	fg
UNAIR	116	36.02%
UPN	63	19.56%
STESIA	59	18.32%
UBAYA	40	12.42%
UWK	44	13.66%

3.2. Operational Definition and Measurement of Variable

a. Psychopathic Traits

Psychopathy Traditional Operating is a disorder characterized by persistent antisocial behavior, lack of empathy and remorse, and bold, short-and selfish traits (Patrick et al, lived, 2009; Hare, 1999; Stone & Brucato, 2019). The LSRP and the PPI-R are widely used instruments for assessing levels of psychopathy among the non-forensic student population, however, the LSRP is highly discriminatory (Baker, 2001) and is rarely used for students outside the United States due to its insensitivity to different cultures and social structures. , which will affect the results, while the PPI-R has a measure to understand the universal nature of psychopathic sociality (Yokota, 2012) so it is more suitable to be used to measure the level of psychopathic traits in non-United States countries.

b. Acceptance of Accounting Fraud

Acceptance of all types of behavior, both the behavior of oneself and others will be influenced by rationalization. Rationalization is similar in several respects to the concept of justification in the accountability literature. Regarding accountability, rationalization is the act of providing evidence to support one's judgment or decision (Festinger, 1957; Peecher, 1996). The questions consist of 4 items, namely: moral justification (Pulliam, 2005; Annisette & Richardson. 2011) misconstrue effects, of act (Bandura et al., 1996), diffusing responsibility (Callahan, 2004 Stuart, (2005) and whistle-blowing (Dyck et al., 2010)

c. Financial

Vulnerability resistance complex means that the context and individual differences are important (Morrow, 2008; Donnellan et al., 2009). It also tells us that the resilience of the individual's ability to: (1) find out about events poorly; (2) accurately predict the risks associated with such an event; (3) access and understand available alternatives; and (4) resources to adapt successfully (Morrow, 2008). To access and utilize appropriate, acceptable and accessible internal capabilities and external resources and support in times of financial distress and therconceptualize and financial resilience across the four components (Salignac et al., 2019). The questions consist of 12 items, namely savings, debt/loan management, ability to incur unexpected expenses, ability to pay routine living expenses, access to insurance, access to bank savings, access to credit cards, consultation, self-confidence, knowledge, support from social networks and government support.

d. Methods of data analysis

To answer the research hypothesis, SPSS and Amos version 22 statistical tools are used. Moderation steps using SEM AMOS 22 There are two things that can show that the moderator variable has a significant influence, namely: there is a difference in the chi-square value (χ^2) between the basic model (base or unconstrained model) and the constrained model; as well as different regression coefficients on the moderator variable in high vs low conditions which are indicated by t- a significant count value.

IV. Results and Discussion

Table 2. Respondent data profile

No.	PT	esp	aki	nt	Average									
					E	N	E	N	OI		I			R
1	UNAIR	16	1	5	.34	.50	.33	.22	.65	.59	.56	.28	.60	.66
2	UPN	3	9	4	.10	.19	.09	.75	.76	.50	.54	.25	.55	.62
3	STESIA	9	2	7	.60	.63	.54	.55	.56	.53	.64	.77	.50	.65
4	UBAYA	0	5	5	.13	.42	.13	.00	.94	.49	.55	.15	.62	.71
5	UWK	4	0	4	.36	.52	.35	.25	.90	.53	.60	.35	.70	.74

This study uses SPSS and AMOS 22 tools to determine the value of structural parameters in the structural equation modeling (SEM). The approach in this study uses reflective indicators in each of the research variables, after the model is processed to see its validity and reliability. Measurement of validity refers to the value of outer loading, which according to Hair, Black, Babin, and Anderson (2010), the value of outer loading has a cutoff of 0.500, while to measure reliability it uses composite reliability and AVE values, where the value for CR is recommended to be in the range 0.700 and the AVE value is suggested to be > than 0.500 (Chin, 1998; Fornell and Larcker 1981).

In Tables 3 and 4 it can be seen that overall the value of external loading is not below the standard 0.500 and it is also seen that the AVE value can have a value above 0.5. Thus, it is said that the data used in this study meets the assumption of validity. In addition, the value of composite reliability is also > from 0.700 so it can be said that the data used is reliable. Furthermore, in table 4, it can also be seen in the correlation between the variables used in the model.

Table 3. Results of Validity and Reliability

No.	Variable	Cranach Alpha	AVE
1.	Machiavellian egocentricity	0764	0401
2.	Rebellious Incompatibility	0767	0281
3.	Externalizing Blame	0624	0399
4.	Carefree Non Playfulness	0762	0403
5.	Social Influence	0287	0238
6.	<i>Fearlessness</i>	0609	0267
7.	Stress Immunity	0464	0211
8.	Cold-heartedness	0.708	0.345
9.	<i>Acceptance of accounting fraud</i>	0.555	0.318
10.	<i>Financial resilience</i>	0.402	0.113

3.3. Data Analysis

The construction and analysis measurement of this study uses an individual analysis approach. Therefore, the respondents' data collection resulted in the following description

Table 4. Descriptive Statistics

	Mean	D	E	N	E	N	OI	RL	I		R		Sex
E								.52 0.51 0.40 0.15 0.19 0.25 0.00 0.13					
N								.53 0.45 0.39 0, 28 0.08 0.27 0.04					

								0.07					
E	.58	.43	.44	.290**	.40	.13	.01	.04	.02	.17	.00	.10	.02
N	.39	.52	.50	.515**	.356**	.40	.01	.04	.09	.30	.06	.12	.04
OI	.60	.34	.06	.210**	.110*	.089	.24	.01 0.01	.02	.00	.14		.01
RL	.63	.40	.36	.267**	.201**	.212**	.093	.27	.08	.08	.04	.07	.01
I	.60	.34	.23	.237**	.151**	.297**	.132*	.289**	.21	.09	.03	.03	.00
	.52	.47	.54	.230**	.412**	.550**	.037	.291**	.293**	.35	.01	.10	.02
R	.60	.23	.20	.358**	.025	.253**	.368*	.188**	.185**	.122*	.32	.02	.00
	.47	.34	.35	.262*	.318**	.341**	.121*	.265**	.179**	.314**	.142*	.11	.01
ex	.46	.50	.17	.156**	.154**	.198**	.079	.088	.059	.138*	.012	.07	

Note: The value on the diagonal is AVE. The value under the diagonal is the correlation between factors. **The correlation value is significant at $p < 0.05$; *** The Correlation value is significant at $p < 0.01$

3.4. Hypothesis Testing

Prior to entering the hypothesis testing, the suitability of the proposed model is first conveyed. *Chi-square* (χ^2) is a fundamental measuring tool for measuring *overall fit*. *pengujian Chi - square* (χ^2) are sensitive to the size of the sample used, if the sample size is large enough that less than 200 samples, the chi - square must be accompanied by test equipment other (Hair et al., 1995; Tabachnick & Fidell, 1996). The tested model will be considered satisfactory and good if the low chi-square value in the table is written as expected to be small. The tested model will be considered satisfactory and good if the chi-square value is low or is expected to be small. The smaller the value, χ^2 the better the model it (because of the different test chi - square, $\chi^2 = 0$, is really - really no difference, H_0) and accepted by the probability of the *cut-off value* of $p > 0.05$, or $p > 0.10$ (Hulland et al, 1996), the author's experience when the p value > 0.05 all the parameters of the model test are good. The test results for the value² small with a P Value of $0.118 > 0.05$ indicate that the overall parameters used are fit.

The RMSEA value which is less than or equal to 0.08 is an index for the acceptability of the model. The Index *RMSEA* can be used to compensate for the statistical *chi-square* in a large sample. The RMSEA value indicates the *goodness of fit* that can be expected if the model is estimated in the population (Hair, et al., 2006). The RMSEA value in this study is $0.022 < 0.08$, so it can be concluded that the tested model is fit. Likewise with a value of $0.939 > 0.90$. GFI is an analogue of R^2 in multiple regression (Tanaka & Huba, 1989). GFI can be adjusted to the *degrees of freedom* to test whether the model is acceptable or not. The weighted proportion of the suitability index for calculating the variance in the sample covariance matrix described by the estimated population covariance matrix (Bentler, 1983; Tanaka & Huba, 1989). Results of testing the goodness of fit as presented in the following table.

Table 5. Modification Testing Goodness of FitIndices

Goodness of Fit Indices	Value	Cut off	Fit /
Chi-Squared	134.313	Small Expected	Fit
Probability	0.118	≥ 0.05	Fit
RMSEA	0.022	≤ 0.08	Fit
GFI	0,939	≥ 0.90	Fit

In the first hypothesis, it is proposed that *psychopathic traits* will affect *Acceptance towards accounting fraud*, the result is evident that the hypothesis H_1 is supported by the value $t = 4,614$ and the value of $\beta = 0608$, thus it can be said that *psychopathic traits* affect *acceptance towards accounting fraud*. The direction of the positive relationship can be interpreted that the stronger the *psychopathic traits*, the greater the possibility of *acceptance towards accounting fraud*. This positive relationship is also seen in *psychopathic traits* that can explain their deceptive and manipulating behavior, such as in the case of Enron (Li, 2010; Boddy, 2015a; 2015b), the Volkswagen emission scandal (Rodhes, 2016), the pension fund scandal. Mirror Group (Boddy, 2016) or insider trading by Zvi Goffer and Raj Rajaratnam (Nelson, 2012; Shank, 2018). The nature of *psychopathic traits* will be directly proportional to the act of fraud or error made by a person or entity who knows that the mistake can result in some unfavorable benefits to individuals, entities, or other parties (Erns & Young LLP, 2009).

Testing the second hypothesis (H_2) which states that financial resilience will affect the relationship between *psychopathic traits* and *acceptance towards accounting fraud*. To perform these tests, the Amos tool with subgroups is used. The process of testing moderation with subgroups is as follows: unconstrained model testing:

Machiavellian
Egocentricity
(ME)

Rebellious
Nonconformity
(RN)

Blame
Externalization
(BE)

Carefree Non
Planfulness (CN)

Social
Influence (SoI)

Fearlessness
(F)

Stress Immunity
(SI)

Cold-heartedness
(C)

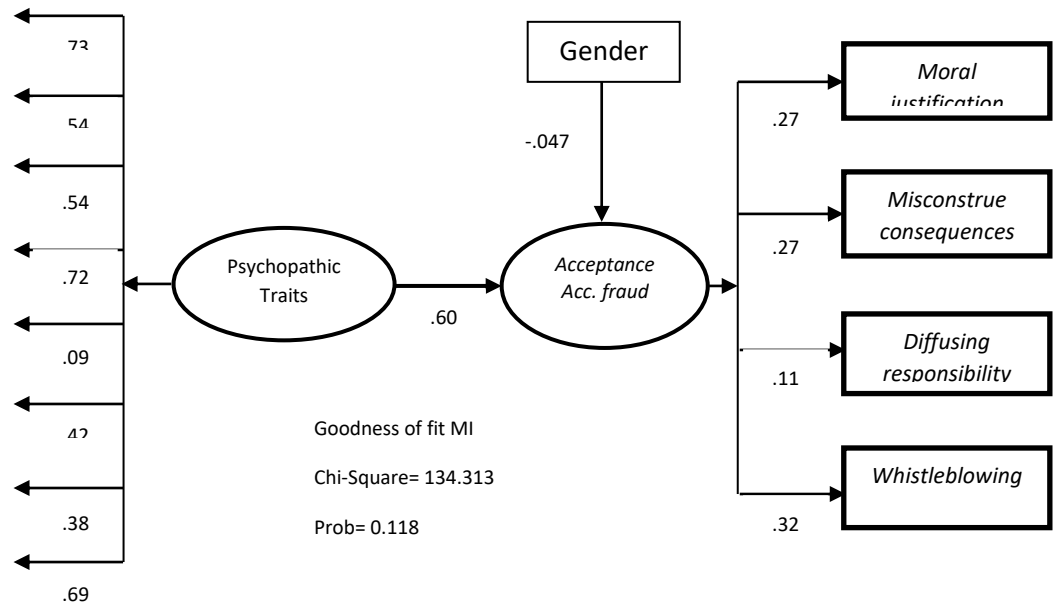


Figure 1. Unconstrained Model

Furthermore, the financial resilience (FR) variable is grouped based on its grand average. The grand average value is 2.60. Respondents with an FR below a value of 2.60 will be categorized as Financial Resilience Low (FRLow with code 1), while respondents with an FR above a value of 2.60 will be categorized as Financial Resilience High (FRHigh). The results of processing with Amos obtained the following results.

Table 6. Differences in Effect of FR low and FR high

Variable			FRlow				FRhigh			
			stim ate	R	- V al	ab el	stim ate	R	- V al	ab el
sy. Tra its		→ ccept ance towar d Acc Fraud	.427	.9 5 0	.0 0 3	1	.930	.7 1 5	.0 00	6
end er		→ ccept ance towar d Acc. Fraud	.000	.0 5 2	.9 9 7	2	.002 6	0. 3 9	.6 96	7

The test results show that, both at low and high levels of financial resilience, affect the relationship between *psychopathic traits* and *acceptance towards accounting fraud*. This is indicated by the good P-value < 0.05 for both low and high financial resilience. To see the significance of the effect of moderating variables can be seen in the following table:

Table 7.Summary of Test Moderation

Paths	Moderating Variable	
	F R Low	F RHigh
Baseline (unconstrained) models: $\chi^2 (64) = 157.424$ Constrained Model: $\chi^2 (116) = 134.313$		
Psy. Traits Acceptance toward Acc. Fraud	γ FRL= 0.427***	γ FRH = 0.930***
	$t = 1,849$	
	Significant at $\alpha = 0.10$	

There are two things that show their financial influence resilience in influencing the relationship between *psychopathic traits* and *acceptance towards accounting fraud*, which is the difference value of χ^2 which is greater than 5 between F_{low} and F_{High} (χ^2 F_{low}=175,424 and² F_{High}=134,314). Furthermore, seen from the calculated t value ($\alpha = 0.10$) both show a value of 1.849 > 1.649, so it can be concluded that financial resilience affects the relationship between *psychopathic traits* and *acceptance towards accounting fraud*.

The test results show that financial resilience strengthens the relationship between *psychopathic traits* and *acceptance towards accounting fraud*. This is consistent with Morrow (2008), complex vulnerability means that context and individual differences are important (Morrow, 2008; Donnellan et al., 2009). Resilience depends on an individual's ability to know about adverse events, accurately predict the risks associated with such events, access and understand available alternatives and have the resources to adapt successfully. The cause of resilience is what causes people to be able to manage and plan their behavior, as stated in the TPB theory.

3.5. Effect of Financial Resilience Against Psychopathic Traits and Towards Acceptance Accounting Fraud

Role of financial resilience in influencing the relationship between psychopathic traits and acceptance towards accounting fraud presented in Figure 2. At the time of psychopathic traits are low and financial resilience is high, then the value of acceptance towards accounting fraud low-value will (acceptance towards accounting fraud = 3,862). When psychopathic traits are high, and financial resilience is also high, it will result in higher acceptance towards accounting fraud (acceptance towards accounting fraud = 4.894). When psychopathic traits are low and financial resilience is also low, the value of acceptance towards accounting fraud is low (acceptance towards accounting fraud = 3.272). When psychopathic traits are high, but financial resilience is low, the value of acceptance towards accounting fraud will increase (acceptance towards accounting fraud = 4.656). It can be seen that the graphs of high financial resilience and low financial resilience have a slope positive, meaning that the factor is psychopathic traits able to increase the relationship between psychopathic traits and increase acceptance towards accounting fraud.

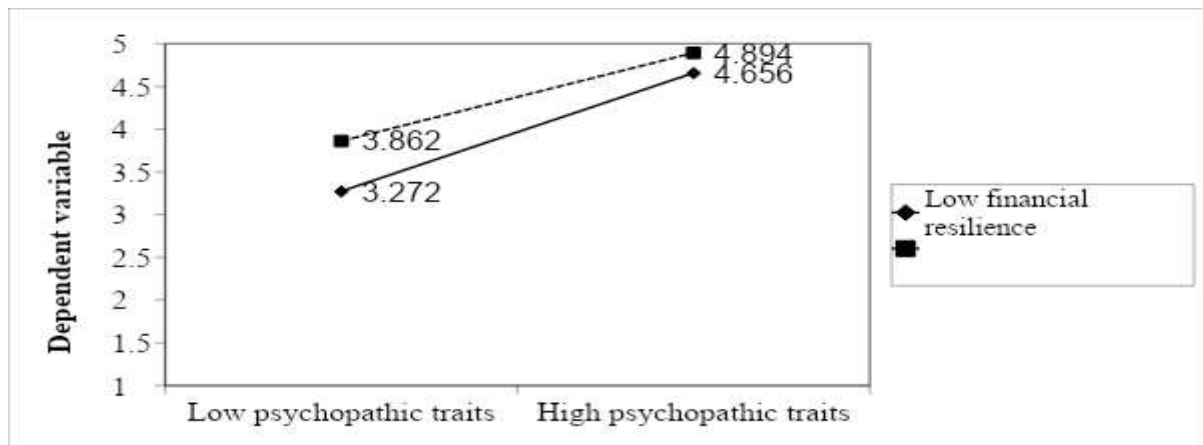


Figure 2. *The Role of Financial Resilience on the Relationship between Psychopathic Traits and Acceptance towards Accounting Fraud*

Many people experience periods of financial hardship during their lifetime, others recover relatively quickly or experience prolonged financial stress. That it is important to implement policies to increase financial resilience to income and expenditure (Gathergood and Guttman-Kenney, 2016) and wider economic stability/prosperity (Murtin and d'Arcole, OECD, 2015). The different determinants of resilience depend on the specific context and challenges (Southwick, et al., 2014). The concept of resilience refers to economic entities (individuals, households, businesses, and communities), relationships with stress, disruption, and crisis, where disruption is characterized by an increase in costs, or a decrease in income or asset value. Maintaining financial flexibility (such as liquidity) is one method used to ensure that you have sufficient resources in the event of a financial shock (Brealey, Myers, & Allen, 2014).

The results of this study resulted in the finding that psychopathic traits are related to resilience where they gain knowledge, abilities, and skills when faced with difficult situations. Huang et al. (2018) said that the resilience of people who have a high level of psychopathic traits will be different from other people, where cruelty and arrogant attitude will make them only care about personal development and resilience themselves compared to resilience that affects the survival of the company. . These results indicate that the interaction between psychopathic traits and financial resilience strengthens the relationship between psychopathic traits and *acceptance towards accounting fraud*. This resilience produces coping power in dealing with complex problems, finding solutions and creativity in dealing with situations. This condition causes the *acceptance towards accounting fraud* to increase along with increasing financial resilience.

V. Conclusion

The test results indicate that the hypothesis is verified, Hypothesis 1, it is proposed that psychopathic traits will affect Acceptance towards accounting fraud, the result is evident that the hypothesis H1 is supported, thus it can be concluded that psychopathic traits affect acceptance towards accounting fraud. The second hypothesis shows that the interaction between financial resilience and psychopathic traits affects the strength of the relationship between psychopathic traits and acceptance towards accounting fraud. Thus the second hypothesis is also tested for truth.

The managerial implication that can be done is how the leadership detects signs of acceptance towards accounting fraud early on and then takes precautions early on. It is proven that acceptance towards accounting fraud is directly proportional to the age of the company, so it is important to make strict SOPs with strict sanctions related to accounting fraud practices. Prevention can be carried out from the start of employee recruitment, by involving competent parties to obtain criteria that are in accordance with the demands of the company. Clean accounting practices will help companies build the trust of business colleagues and consumers.

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