

APAKAH MACHIAVELLIAN MEMPENGARUHI AKUNTANSI KREATIF?

DOES MACHIVELLIAN AFFECT CREATIVE ACCOUNTING?

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Abstrak: Apakah machiavellian mempengaruhi akuntansi kreatif? Penelitian ini memiliki tujuan yaitu untuk mengetahui pengaruh Machiavellian pada persepsi etis mahasiswa akuntansi terkait praktik Real Activity Manipulation dengan kode etik sebagai variabel moderasi. Penelitian termasuk penelitian survei melalui kuesioner. Kuesioner diuji validitas dan reliabilitasnya sebelum dilakukan pengumpulan data penelitian. Populasi dalam penelitian ini adalah 97 mahasiswa Program Studi Akuntansi Fakultas Ekonomi Universitas Negeri Yogyakarta. Hipotesis penelitian diolah menggunakan alat uji statistik Moderated Regression Analysis (MRA). Hasil penelitian ini adalah (1) Machiavellian terbukti tidak berpengaruh terhadap Persepsi Etis mahasiswa Akuntansi mengenai Praktik Real Activity Manipulation. (2) Tingkat Pengetahuan Kode Etik Akuntan terbukti memperlemah hubungan pengaruh Machiavellian terhadap Persepsi Etis mahasiswa akuntansi mengenai praktik Real Activity Manipulation.

Kata kunci: Machiavellian, Pengetahuan Kode Etik Akuntan, Persepsi Etis, Creative accounting, Real activity manipulation

Abstract: Does machivellian affect creative accounting? The research is aimed at knowing the influence of Machiavellian on the ethical perceptions of accounting students related to the practice of Real Activity Manipulation with the level of knowledge of accountant codes as moderated variables. This research includes survey research through a questionnaire. The validity and reliability of the questionnaire were tested before the research data was collected. The population in this study were 97 students of the Accounting Study Program, Faculty of Economics, Yogyakarta State University. The research hypothesis was processed using the statistical test tool Moderated Regression Analysis (MRA). The results of this study were (1) Machiavellian proved to have no effect on the ethical perceptions of accounting students regarding the practice of real activity manipulation. (2) The level of knowledge of the Accountants Code of Ethics is proven to weaken the relationship between the Machiavellian influence on the ethical perceptions of accounting students regarding the practice of Real Activity Manipulation.

Keywords: Machiavellian, Accountant Code of Ethics, Ethical Perception, Creative accounting, Real activity manipulation

INTRODUCTION

Accounting is an information system that measures business activities, processes data into reports, and communicates the results to decision makers (Horngren

Harrison, 2007). Accounting continues to grow rapidly following the times. With this development also affects financial reporting and accounting standards in force. Changes in accounting standards from US GAAP

(Generally Accepted Accounting Principles) to IFRS (International Financial and Reporting Standards) make accounting autonomy more flexible, because in IFRS that use principal-based are not like US GAAP that use rule-based where everything has rules certainly. This change makes accountants have the freedom to choose the methods used in preparing financial statements. The flexibility of these standards is what drives creative accounting (Largay, 2002).

Creative accounting is a process where several parties use the ability to understand accounting and utilize gaps in accounting standards to manipulate financial statements as they wish. Creative accounting can be done with three methods, namely accrual manipulation, real activity manipulation, and classification shifting. The most common method used is real activity manipulation. This method is done by manipulating profits made through real activities in the company, so it will be more difficult to detect than the other two ways. Similarly, in Zang (2007) that accrual manipulation tends to decrease and real activity manipulation increases.

The act of creative accounting becomes a dilemma, there are pros and cons and continues to be debated. Balaciu and Pop (2008) argue that creative accounting is not an act of fraud, but rather an action that occurs because of an accountant gap. Just as in Kaminski (2014) states that creative

accounting is not a criminal act as long as it does not exceed its limits (legal limits), even though these actions can benefit the company. This contradicts the opinion that creative accounting is an unethical act. As mentioned in Sulistiawan (2006) that creative accounting is an unethical act, this is a form of manipulation that misleads its users.

The dilemmas caused by differences in the ethical perceptions of each individual. Ethical actions or decisions by someone are the result of perceptions about an ethical issue and consideration of what will be done in the situation, and are influenced by internal and external factors (Wittmer 2005). Ethical perception itself is also influenced by several factors. According to Tikollah et al (2006) one of the factors influencing a person's ethical perceptions is the individual aspects, among which are Religiosity, Emotional intelligence, Gender, Ethical atmosphere, Personal traits, and Belief that others are unethical. This relates to Machiavellian which is included in the aspects of personal traits that can affect one's ethical perceptions in making decisions or actions. Richmond (2003) proves that a person's personality can influence that person's ethical behaviour.

Many accounting scandals that occur in several companies and government institutions are certainly not separated from the accounting profession. One accounting scandal that is quite famous and shocking the world is the case of Enron. Enron is an energy

company merged between the Houston Natural Company and Internorth. Enron experienced very rapid growth in 1995-2000. In 2000 revenue was recorded at US \$ 100.7 billion, in other words Enron has grown 7 times in just 5-6 years. But this did not last long, Enron's stock price dropped dramatically and was in ruins. This situation occurs because the financial statements made by Enron does not describe the real situation. The financial statements have been manipulated and made as if Enron grew rapidly even though the reality was not like that.

Another example of a scandal in Indonesia is Hanson International. This company was founded in 1971 which was originally a textile manufacturing company which changed its function to become a landbank property company. In 2019 Hanson International was proven to have manipulated the presentation of the annual financial statements for 2016 and has violated PSAK 44 concerning Accounting for Real Estate Activities. Under PSAK 44. As a result of the violation, Hanson International company was subject to a fine of Rp. 500 million and orders for repairs and restatement of the 2016 Annual Financial Statements. The CEO, another director, and also the public accountants involved were also subject to sanctions. The example of the scandal proves that creative accounting practices also cannot be separated from the

role of public accountants (auditors) and internal accountants of the company. So that, there is a professional ethical crisis if the more creative accounting scandal. This shows the importance of knowledge and understanding of professional ethics in accounting students who can be referred to as prospective accountants.

The explanation shows that the knowledge and understanding of the accountant's code of ethics can influence creative accounting decisions. So that in this study will use the level of knowledge of the accountant's code of ethics as a moderating variable to further emphasize how the influence Machiavellian on Creative Accounting. The use of this moderation variable is due to differences in the results of previous studies. As in the research of Putu Pandhu Prabowo and AAGP Widanaputra (2018) state that Machiavellian has a negative effect but not significantly effect on creative accounting, Aprina Nugrahesthy Sulistya Hapsari (2018) state that the interaction of obedience pressure and the nature of the Machiavellian influences the ethical decisions of auditors and accountants, Febryandhie Ananda and Dewi Zulvia (2018) state that machiavellianism does not affect the ethical decisions of earnings management in the Public Accounting Firm, Rita Wijayanti (2018) suggested that Machiavellian nature has a positive influence on the ethical behaviour of accounting

students, and Rindayanti and Dekeng Setyo Budiarto (2017) state that Machiavellian has a significant effect on ethical behavior on students.

Sarwono (1983) mentioned that one of the forming of behaviour is knowledge. So that everyone's behaviour will be different. This is because the level of knowledge possessed is also different. Knowledge is very important for everyone, including accountants. Especially the knowledge of ethics for accounting students who will later be equipped to enter the workforce. But it cannot be denied either, that the creative accounting performer is a professional who has understood the professional code of ethics. This is because in doing creative accounting, a good understanding of accounting is needed, which must have known the code of ethics well too.

Ethic Perceptions

Perception is the ability of an individual to process an information received, the information can be obtained from the environment and experience that is felt through the senses. This perception will affect the decisions or actions taken by an individual in a situation faced in their life. Kotler and Armstrong (2011) also define perception as a process in which an individual chooses, organizes, and interprets information to form a meaningful picture of the world. An individual's perception can vary greatly depending on different situations

of space and time. The difference is influenced by two factors, factors within a person (internal) and factors from the outside world (external). According to Arfan Ikhsan Lubis (2011) states that a person's perception of an object can be different for each individual. This is influenced by three factors, factors in perception, factors in situations and factors in targets.

Ethics comes from Greek, ethos which means character. Ethical synonym is morality which comes from Latin, mores which means habit. Morality is more focused on right and wrong human behaviour. So, ethics must be related to a question of how someone behaves to others. (Al Haryono Jusup, 2010). Tikollah et al (2006) divides several factors that influence one's perceptions and ethical behavior in three aspects: individual aspects, organization aspects, and environmental aspects. To add to the following explanation the behavioral model chart in decision making according to Wittmer (2005):



It can be concluded that ethical perception is a person's ability to judge a thing or action, whether the thing or action is

good according to the prevailing norms or not. The assessment is based on the person's assumption to process the information obtained.

Creative Accounting

Creative accounting is defined as the process of several parties who use their accounting understanding to manipulate financial statements (Amat, Blake and Dowd, 1999). So indeed, only those who understand about standards and rules in accounting do creative accounting. Creative Accounting is also part of accounting manipulation which consists of earnings management, income smoothing, and window dressing (Stolowy and Breton, 2008).

There are three creative accounting methods, including:

a. Accrual Manipulation

Accrual Management is profit engineering through accrual activities, for example accounting methods. So, it is used to reduce or enlarge reported earnings by choosing a method or, accounting policy used and is subjective by management.

b. Real Activity Manipulation

Roychowdhury (2006) states that the manipulation of real activities is a deviation from the normal activities of the company which is motivated by management's desire by giving the understanding of the stakeholders to believe that certain financial reporting

objectives have been achieved according to the normal activities of the company. In line with the definition, Graham et al. (2005) also found that (a) financial managers pay attention to profit targets such as zero earnings, previous period earnings, and forecast analysis, and (b) they will manipulate real activities to achieve these goals, although this can potentially reduce the value of the company.

Some examples of manipulation of real activities are giving price discounts, decreasing discretionary expenditures that may be optimal actions under certain conditions, but if done more extensively than normal activities with the aim of achieving profit targets it can be categorized as manipulation of real activities. Actions of manipulation of real activities carried out in the current period aimed at increasing profits have a negative effect on cash flows in the coming period. For example, production that exceeds normal production (overproduction) produces excess inventory that should be sold in the next period, and drives the high cost of maintaining company inventory.

c. Classification Shifting

Errors in classifying financial statement items. This action can also be said of shifting the classification of core costs into a special item.

Machiavellian

Machiavellian can be defined as a "process where manipulators get more rewards when they manipulate, and will get less without manipulating, at least in a direct context" (Richmond, 2001). Or in other words, this trait is a belief that is believed about interpersonal relationships, and this belief will form the personality that will underlie attitudes in dealing with others. Machiavellian personality is described as a personality that lacks affection in a personal relationship, tends to ignore conventional morality, and shows a low ideological commitment (Christie and Geis, 1970). This personality will also tend to manipulate other people, because their respect for others is very low.

Machiavellian is usually associated with a manipulative individual, the individual will use persuasive behaviour to achieve personal goals that usually tend to be aggressive (Shafer and Simmon, 2008). Based on the results of research by Richmond (2003), it shows that this character will influence the tendency of accountants to accept dilemmatic attitudes related to the ethics of their profession.

Knowlegde of Accountant Code of Ethics

The code of ethics is a rule that must be obeyed for every profession. Novyka (2013) mentions that a code of ethics is a special rule for each profession concerned. A professional accountant certainly has a good

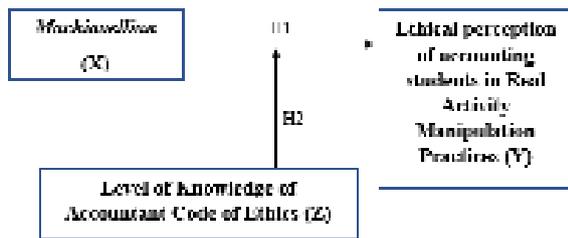
understanding and knowledge of the code of ethics of the accountant, so that it is expected to be able to comply with specific standards and codes of ethics that have been made by professional bodies.

In Indonesia, the accountant code of ethics was created and issued by the Indonesian Institute of Accountants (IAI), as a professional accountant organization. Special rules of professional ethics for accountants in Indonesia are commonly referred to as codes of conduct (Andi, 2011). This code of ethics aims to guide an accountant in acting and fulfilling their professional responsibilities.

In Mulyadi (2001) it is mentioned that there are eight ethical principles according to the Professional Standards of Public Accountants: Professional Responsibility; Public Interest; Integrity; Objectivity; Professional Competence and Prudence; Confidentiality; Professional Behaviour; and Technical Standard.

This study aims to knowing the influence of machiavellian on the ethical perceptions of accounting students related to the practice of Real Activity Manipulation with the code of ethics as a moderating variable. The research samples used were accounting students of Yogyakarta State University who took study for four and three years, or now in ninth semester and seventh semester (class of 2016 and 2017).

LITERATURE REVIEW



Effect of Machiavellian on Ethical Perceptions of Accounting Students in Real Activity Management Practices in the Company

Machiavellian personality is described as a personality that lacks affection in a personal relationship, tends to ignore conventional morality, and shows a low ideological commitment (Christie and Geis, 1970). This personality will also tend to manipulate other people, because their respect for others is very low. Based on the results of research by Richmond (2003), it shows that this character will influence the tendency of accountants to accept dilemmatic attitudes related to the ethics of their profession. Likewise, several relevant studies show the results that Machiavellian influences one's ethical perceptions in making decisions. So that means if the higher Machiavellian in someone, the lower the ethical perception.

H1: Machiavellian has a negative effect on ethical perceptions of accounting students in real activity manipulation practices

Level of Knowledge of Accountant Code of Ethics Moderates the Effect of Machiavellian on Ethical Perceptions of Accounting Students in Real Activity Manipulation practices in Companies

Accountant students who are prospective accountants must understand the professional code of ethics. This is because the code of ethics is a basic guideline for an accountant to carry out his professional performance. With knowledge of the code of ethics, accountants can understand ethical and unethical actions, as well as actions that are permitted and prohibited by existing rules.

Assessment of ethical perceptions of each person in determining whether it is ethical or uncertain will be different and many factors can influence it. One of them is influenced by the machiavellian nature of him. Which is the higher Machiavellian, the lower the ethical perception. This means that the more a person is machiavellian, the more he will agree with unethical actions.

High or low machiavellian person can also be influenced by the level of ethics accountant accounting. Someone with high code of ethics knowledge will have lower machiavellian characteristics than someone with low accountant code of ethics. This is because in someone with a high level of knowledge of the code of ethics, accountants have understood the rules and ethics that are allowed and prohibited in accounting practices.

Thus, students with a high level of accountant code of ethics can produce low machiavellian traits, then influence ethical perceptions on real activity management practices in companies. From the description it can be estimated that the level of knowledge of accountant's code of ethics can be a moderating variable in the influence of Machiavellian on accounting students' perceptions regarding real activity management practices in the company.

H2: Students with high level of knowledge of accountant code of ethics, the negative influence of Machiavellian is lower (weaker) than in students with low level of knowledge of accountant code of ethics

RESEARCH METHODS

This type of research in the form of causal comparative research, the type of research that seeks to know the cause and effect relationship on the independent variable and the dependent variable by testing the existing hypothesis. The approach used in research is a quantitative approach that uses numbers in summarizing research results. The type of data used in this study is quantitative, which is data in the form of numbers or qualitative data that is measured (Sugiyono, 2012).

In this research using a questionnaire to collect data and Likert scale in its

measurement. The technique or method used in determining the sample is purposive sampling with several criteria.

The variables used are ethical perception of accounting students in real activity manipulation practices as the dependent variable, machiavellian as an independent variable, and the level of knowledge of the accountant code of ethics as a moderating variable.

This research was carried out on Accounting Study Program Students Class of 2016 and 2017 at the Faculty of Economics, Yogyakarta State University. The time of the study was carried out in May 2020 - June 2020.

Data Analysis Techniques that used are Descriptive Statistics Analysis, Test Prerequisite Analysis, Classic assumption test, and Moderated Regression Analysis (MRA). Descriptive Statistics Analysis consist of Mean, Media, Mode, Tables, Graphs, Pie Chart, Standard Deviation, Maximum, and Minimum. Test Prerequisite Analysis consist of Data Normality Test and Linerity Test. Classic assumption test consist of Multicollinearity Test and Heteroscedasticity Test.

Moderated Regression Analysis is used to test the hypothesis in this research. This MRA aiming to find out the effect of Machiavellian on Ethical Perceptions of Accounting Students in the Real Activity Manipulation Practices and how the

influence of Level of Knowledge of Accountant Code of Ethics can moderate Machiavellian on Ethical Perceptions of Accounting Students in Real Activity Manipulation Practices.

RESEARCH RESULTS AND DISCUSSION

Descriptive Statistics on Ethical Perception of Accounting Students in Real Activity Manipulation Practices

Variable data ethical perception of accounting students in Real Activity Manipulation practices is obtained through questionnaires with 97 student respondents. Indicators of the questionnaire are the reduction of net profit, increased net profit, and personal interest, with 7 statements. Scales made using a Likert scale start from 1 (very concur) which means the action is unethical, up to 4 (very disagreeing) which means the action is ethical. The higher the score then the higher the ethical perception it has and vice versa. Data analysis shows that the ethical perception of accounting students in Real Activity Manipulation practices have the lowest value 13 and the highest value 21; Mean value 17.61; Median value 18, mode value 19; and the standard deviation value 2.013.

Descriptive statistics on Machiavellian variables

Machiavellian variable data obtained through questionnaires with 97 student respondents. Indicators of the questionnaire are the assessment of someone for the actions taken, the perception of people cloth, honesty in behaviour, motivation, good assessment of someone, and bad assessment of someone, with 13 statements. The scale created using the Likert scale starts from 1 (strongly disagree) which means the action is ethical, to 4 (strongly agree) which means the action is unethical. The higher the score, the lower the ethical perception and vice versa. Data analysis shows that Machiavellian variable has the lowest value of 19 and the highest value of 40; Mean value 29.88; Median value 30; Mode value 28; and the Standard Deviation value 3.483.

Descriptive statistics on the variable Level of Knowledge of Accountant Code of Ethics

Level of Knowledge of Accountant Code of Ethics variable data obtained through questionnaires with 97 student respondents. Indicators of the questionnaire are Professional Responsibility, Public Interest, Integrity, Objectivity, Competence and Professional Coaching, Confidentiality, Professional Behaviour and Technical Standards, with 22 statements. The scale created using the Likert scale starts from 1 (strongly disagree) which means the action is

unethical, to 4 (strongly agree). Data analysis shows that Level of Knowledge of Accountant Code of Ethics has the lowest value 51 and the highest value 88; Mean value 71.23; Median value 70; Mode value 66; and a Standard Deviation value 8.031.

Test Prerequisite Analysis Result

Normality Test

This test uses the Kolmogorov-Smirnov nonparametric statistical test. The result shows that Asymp-Sig value is 0.200, which is greater than a predetermined α value of 5% (0.05). So, it can be concluded that the data of this study are normally distributed.

Linearity Test

This test is used to determine whether the model used is correct or not, the functions used in empirical studies should be linear, quadratic or cubic (Ghozali, 2011). The test result shows Sig. at Deviation from Linearity values is 0.133, which is greater than Deviation from Linearity (0.05). So, it can be concluded that the variables in this study have a linear relationship.

Classic Assumption Test Result

Multicollinearity Test

This test is conducted to determine whether there is a perfect or near perfect linear relationship between independent variables. A good regression model is one that has no correlation between the independent variables (Ghozali, 2006). The result shows that tolerance > 0,10 and VIF

<10. So, it can be concluded that there was no multicollinearity.

Heteroscedasticity Test

This test is used to determine whether the sample is homogeneous or heterogeneous. Heteroscedasticity test is performed by the Glejser Test which correlates the absolute value of residuals with independent variables. The result shows that the sig value is 0.029, which is greater than 0.05. So, it can be concluded that the regression model of this study did not occur the variance of the residual inequality for all observations in the regression model.

Hypothesis Testing Result

Moderated Regression Analysis

Analysis of this hypothesis uses the Moderated Regression Analysis Test, aiming to find out the effect of Machiavellian on Ethical Perceptions of Accounting Students in the Real Activity Manipulation Practices and how the influence of Level of Knowledge of Accountant Code of Ethics can moderate Machiavellian on Ethical Perceptions of Accounting Students in Real Activity Manipulation Practices.

This hypothesis test equations as follows:

$$Y = \alpha + \beta_1.X + \beta_2.Z + \beta_3.X*Z + e$$

Test results:

$$Y = 13,885 + 0,105X + 13,212Z - 0,418XZ$$

Variable	Coefficient	Sig.	α
Constanta	13,885		
Machiavellian (X)	0,105	0,175	0,05
Level of Knowledge of Accountant Code of Ethics (Z)	13,212	0,000	0,05
Interaction XZ	-0,418	0,001	0,05
R ²		0,188	
Adj. R ²		0,162	
F		7,199	
N		97	

From the equation can be analyzed:

- a. The coefficient on the Machiavellian variable is 0.105, indicating that each increase in Machiavellian by one unit will increase the value of ethical perception by 0.105. Significance value of 0.175, means that H₀ is accepted, and H₁ is not supported. There is no significant effect between Machiavellian variables with ethical perceptions of accounting students in real activity manipulation practices.
- b. The coefficient on The Level of Knowledge of the Accountant Code of Ethics variable is 13,212, indicating that each increase in the Level of Knowledge of the Accountant Code of Ethics by one unit will increase the value of ethical perception by 13,212. The significance value is 0,000, meaning that H_a is supported. There is a significant

influence between the Level of Knowledge of the Accountant Code of Ethics variable and the ethical perceptions of accounting students in Real Activity Manipulation practices.

- c. The interaction coefficient of X and Z is - 0.418 with a significance value of 0.001. Then show there is an interaction between Machiavellian and Level of Knowledge of the Accountant Code of Ethics on the ethical perceptions of accounting students in Real Activity Manipulation practices. This means that the Level of Knowledge of the Accountant Code of Ethics as a moderating variable of Machiavellian on the ethical perceptions of accounting students in Real Activity Manipulation practices. The minus value on the variable coefficient shows that Level of Knowledge of Accountant Code of Ethics will weaken or reduce the influence of Machiavellian on the ethical perceptions of accounting students in Real Activity Manipulation practices.

Effect of Machiavellian on The Ethical Perceptions of Accounting Students in Real Activity Manipulation Practices

Hypothesis test results indicate that Machiavellian has a positive effect on the Ethical Perceptions of Accounting Students in Real Activity Manipulation Practices. If the level of Machiavellian students is higher,

students will have a perception that the practice of real activity manipulation that occurs is an ethical action. So that the hypothesis 1 rejected.

The research results also show that accounting students have the perception that creative accounting practices are unethical practices. Accounting students can be professional and selfless in dealing with ethical dilemma cases. This is indicated by the high score of statement number 8 on the variable of Ethical perception of accounting students in Real Activity Manipulation Practices. Conversely, the sensitivity of accounting students is the lowest when dealing with cases of reducing net income. This is evidenced by the low score of the statement item number 1.

Other results show that Accounting Students have a Machiavellian personality that tends to be moderate, as evidenced by the percentage distribution of variable frequency tendencies of 94%. The highest score for the Machiavellian variable is in statement number 1 and the lowest score is in statement number 10, which means that accounting students tend to be honest in their behavior.

For Students with High Level of Knowledge of Accountant Code of Ethics, The Negative Effect of Machiavellian on Ethical Perception of Accounting Students in Real Activity Manipulation Practices will be Lower (Weaker) than in Students

with Low Level of Knowledge of Accountant Code of Ethics

The test results indicate that students with high level of knowledge of accountant code of ethics, the positive influence of machiavellian on ethical perceptions of accounting students in real activity manipulation practices will be lower (weaker) than in students with low level of knowledge of accountant code of ethics. It means that in individuals with a high level of knowledge of accountant code of ethics, the higher machiavellian will make the lower ethical perceptions which means the more will regard the real activity manipulation practices as an ethical action. So, the second hypothesis is rejected.

The results also show that the level of knowledge of accountant code of ethics tends to be high, as evidenced by the percentage distribution of variable frequency trends by 65%. In the level of knowledge of accountant code of ethics variable, accounting students can understand the accountant code of ethics well, namely the principles of confidentiality. This is evidenced by the high score of statement item number 16. Accounting students are still low in understanding accountant code of ethics, namely the principles of professional behavior. This is evidenced by the low score of statement item number 20. However, if viewed as a whole, accounting students of Yogyakarta State University have been able to understand the

accountant code of ethics quite well, and understand ethics or accounting practices that are allowed or prohibited.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

- a. There is no significant influence of Machiavellian on Ethical Perceptions of Accounting Students in Real Activity Manipulation Practices. This is evidenced from the results of a Moderated Regression Analysis with a significance value of 0.175 which is more than 0.05 and a positive regression coefficient of 0.105.
- b. For students with a high level of knowledge of Accountant Code of Ethics, the influence of Machiavellian on Ethical Perceptions of Accounting Students in Real Activity Manipulation Practices will be weaker (lower) than in students with a low Level of Knowledge of Accountant Code of Ethics. This is evidenced by the results of Moderated regression Analysis. After the interaction of $X * Z$, produces the equation $Y = 13,885 + 0,105X + 13,212Z - 0,418XZ$ with a significance value of 0.001, which means significant.

Limitations

- a. Respondents and research objects are only limited to accounting students of

Yogyakarta State University, so that it is possible to have differences in results or conclusions if conducted on respondents or other research objects.

- b. The research variables used in this study are only factors within the individual student itself (internal) as seen from the Machiavellian owned by the respondent in shaping his ethical perceptions regarding the practice of real activity manipulation. R^2 (coefficient of determination) of 0.041 which means it has an influence of 4.1%. This shows there are still many other factors that can influence the formation of ethical perceptions of accounting students towards the practice of real activity manipulation.
- c. In taking the data of this study using a questionnaire, so that bias can occur. This is because researchers cannot control the answers of respondents who do not show the real situation.

Recommendations

- a. Based on the research of students with level of knowledge of accountant code of ethics in the high category does not reach 50% of the total respondents. This shows that there are quite a lot of students who don't understand the accountant code of ethics. So as accounting students need to better understand the accountant code of ethics well, in order to avoid actions that

- violate the code of ethics when working later.
- b. Based on research, the influence of Machiavellian on ethical perceptions of accounting students in real activity manipulation practices is only 4.1%. So, for further research can add other independent variables that still have a relationship with the ethical perceptions of accounting students in real activity manipulation practices.
- c. This study only uses a sample of accounting students at Yogyakarta State University, and allows for differences in results. So that for further research can add a wider number of samples, such as in different tertiary institutions or entering the realm of the world of work.

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