

ABSTRACT

The financial statements must provide information to users of financial statements in a complete and transparent manner, but in actual practice there are still some cases of financial statement fraud, especially in the consumer goods industry sector. The theory of detecting financial statement fraud begins with the fraud triangle theory created by Donald R. Cressey in 1953. Still finding cases of fraudulent financial reporting requires us to always add references and develop fraudulent financial reporting theories.

This research has to investigate financial statement fraud, pressure, opportunity, and rationalization at once the effect of pressure, opportunity, and rationalization towards financial statement fraud in the consumer goods industry sector listed on the IDX in the period 2013 to 2017.

This research has a quantitative method and is categorized as descriptive and verification research. Based on the type of investigation, it is associative. Regarding the involvement of researchers, there was no data intervention because this research used secondary data. This research has an organizational analysis unit and based on the time of its implementation this research using panel data. Data collection techniques used purposive sampling technique. Inferential statistics and regression analysis use a Statistical Package for the Social Sciences (SPSS) 24 software.

The results of the testing of this research sample can be found simultaneously significant influence on the factor of triangle fraud against fraudulent financial reporting. Partial testing shows the influence of the rationalization factor on fraudulent financial reporting. While the pressure and opportunity factors are not found simultaneously.

For researchers in the future, it is expected to try various other proxy combinations between these three factors or continue to update new theories in detecting financial statement fraud due to financial statement fraud theory continues to grow. The company is expected to obey with all regulations that have been set and always updated the regulations that keep changing with the times so that companies avoid the sanctions on charges indications of fraudulent financial reporting. For capital owners and other stakeholders it is recommended to be more careful in investing. For academics it is recommended to continue to discuss and add more references related to financial statement fraud and can make new theories for the benefit of scientific development.

Keywords: fraud triangle, financial statement fraud