

ABSTRACT

Nur Azizah, *Fraudulent Financial Reporting: Testing the Fraud Pentagon Theory at Banking Companies Listed on the Indonesia Stock Exchange in 2014-2016. Under the guidance of Dr. Siti Musyarofah, S.E., M.Si., Ak., CA. and Citra Nurhayati, S.E., MA., Ak., CA.*

This study aims to examine and obtain empirical evidence regarding elements of fraud pentagon against fraudulent financial reporting in banking companies listed on the Indonesia Stock Exchange in 2014-2016. The independent variables in this study are the financial target, external pressure, and the quality of external auditors, change in auditors, change of directors, and the frequent number of CEO's picture. For the dependent variable, fraudulent financial reporting which proxied by the restatement. The sample selection uses a purposive sampling method. The sample was obtained by 35 banking companies on the Indonesia Stock Exchange in 2014-2016 with a total sample of 105 observations. Data analysis was performed using logistic regression tests. The results of hypothesis testing indicate that the change of directors and the frequent number of CEO's picture has a significant effect on fraudulent financial reporting, while financial targets, external pressure, quality of external auditors and change in auditors have no significant effect on fraudulent financial reporting.

Keywords: *fraudulent financial reporting, financial target, external pressure, external auditor quality, change in auditor, change of directors, and the frequent number of CEO's picture.*

ABSTRAK

Nur Azizah, *Fraudulent Financial Reporting: Pengujian Teori Fraud Pentagon Pada Perusahaan Perbankan Yang Terdaftar Di Bursa Efek Indonesia Tahun 2014-2016*. Dibawah bimbingan Dr. Siti Musyarofah, S.E., M.Si., Ak., CA. dan Citra Nurhayati, S.E., MA., Ak., CA.

Penelitian ini bertujuan untuk menguji dan mendapatkan bukti empiris mengenai elemen-elemen fraud pentagon terhadap *fraudulent financial reporting* pada perusahaan perbankan yang terdaftar di Bursa Efek Indonesia tahun 2014-2016. Variabel independen dalam penelitian ini adalah *financial target*, *external pressure*, kualitas auditor eksternal, *change in auditor*, pergantian direksi, dan *frequent number of CEO's picture*. Untuk variabel dependen yaitu *fraudulent financial reporting* yang diproksikan dengan *restatement*. Pemilihan sampel menggunakan metode *purposive sampling*. Sampel diperoleh sebanyak 35 perusahaan perbankan di Bursa Efek Indonesia tahun 2014-2016 dengan total sampel sebanyak 105 observasi. Analisis data dilakukan dengan menggunakan uji regresi logistik. Hasil pengujian hipotesis menunjukkan pergantian direksi dan *frequent number of CEO's picture* berpengaruh signifikan terhadap *fraudulent financial reporting*, sedangkan *financial target*, *external pressure*, kualitas auditor eksternal dan *change in auditor* tidak berpengaruh signifikan terhadap *fraudulent financial reporting*.

Kata kunci: *fraudulent financial reporting*, *financial target*, *external pressure*, kualitas auditor eksternal, *change in auditor*, pergantian direksi, dan *frequent number of CEO's picture*.