

ABSTRACT

The purpose of this study is to examine the effect of pressure, opportunity, rationalization, capability, and arrogance on fraudulent financial reporting. The population was 55 companies that carried out an IPO on the IDX in 2019. Sampling used a purposive sampling technique, 54 companies were obtained with an observation period of 2019-2020. Fraudulent financial reporting uses the F-score method, with analytical techniques using multiple linear regression.

The results of this study: pressure and capability partially have a positive and significant effect on fraudulent financial reporting. Opportunity, rationalization and arrogance partially have no effect on fraudulent financial reporting.

Keywords : pressure, opportunity, rationalization, capability, arrogance, fraudulent financial reporting.