ABSTRACT

Corporate fraud is dishonest and illegal behavior committed by individuals or companies to benefit themselves and the company (Chen 2017). The purpose of this study was to examine the effect of the whistleblowing system, corporate social responsibility and corporate governance on indications of corporate fraud. The population chosen in this study were all companies listed on the IDX, while the research sample was all companies that received UMA and suspend announcements from IDX during 2016-2019, namely as many as 225 companies. The sampling technique chosen in this study was purposive sampling technique, while the analytical tool used was logistic regression. The research results of this study reveal that the whistleblowing system, the meeting frequency of audit committee, financial or accounting expertise on the audit committee, independent director, and board meetings have no significant effect on indications of corporate fraud, while corporate social responsibility and board age have a significant effect on indications of corporate fraud.

Keywords: whistleblowing system, corporate social responsibility, corporate governance, red flags of corporate fraud, characteristics of the board of directors, characteristics of the audit committee.