

ABSTRACT

This study aims to examine the influence of factors in the fraud hexagon on financial statement fraud measured using real earning management. The fraud hexagon elements used include external pressure (stimulus), change of directors (capability), audit fee (collusion), whistleblowing system (opportunity), BOD remuneration (rationalization) and CEO duality (ego).

The population used in this study was a manufacturing company in the consumer goods industry sector listed on the Indonesia Stock Exchange (IDX) during the 2020-2023 period. The sample in this study consisted of 25 companies taken using the purposive sampling method. The analysis method in this study is multiple linear regression analysis calculated using the IBM SPSS Statistic 26 program, which has previously passed the classical assumption test.

The results of this study indicate that audit fees and whistleblowing systems have a positive and significant effect on financial statement fraud. While external pressure, change of directors, BOD remuneration, and CEO duality do not affect financial statement fraud.

Keywords: fraud hexagon, financial statement fraud, real earning management, external pressure, change of directors, audit fee, whistleblowing system, BOD remuneration, CEO duality

