

ACCOUNTING STUDENTS' VIEWS ON ETHICAL ASPECTS OF CREATIVE ACCOUNTING

Ni Kadek Nanda ANITA¹, Ni Komang Dinda SWASTI², Ni Putu Arinda Sukma DEWI³, Ni Made Dian Dwi LESTARI⁴

^{1,2,3,4}Faculty of Economics and Business, Warmadewa University, Denpasar-Bali

Abstract

This study aims to understand accounting students' views on ethical aspects in creative accounting practices through a literature review. The research method uses a descriptive qualitative approach with literature studies from various scientific journals and academic publications. The results of the study indicate a polarization of views among accounting students, where there are groups that have negative views and reject creative accounting practices and groups that are more tolerant of these practices. This variation in views is influenced by internal factors such as personal values, understanding of ethics, and educational background, as well as external factors including the social environment and industry pressures. The findings show that although students understand the basic concepts of accounting ethics, their ability to identify ethical dilemmas in creative accounting practices is still limited. This study emphasizes the urgency of strengthening ethics education in the accounting curriculum to prepare future generations of accountants who can contribute positively to the credibility of the accounting profession.

Keywords: Creative accounting, accounting ethics, accounting students, student perceptions, ethics education.

Article History

Received: 2025-01-25

Revised: 2025-02-20

Accepted: 2025-03-15

Vol 1 Issue 2 2024

Corresponding Author*

nandaanita22@gmail.com

Page:75-80

INTRODUCTION

In the era of globalization and rapid technological development, the accounting world faces new challenges in financial reporting practices. One of the issues that has received the main spotlight is the practice of creative accounting, namely the use of flexibility in accounting standards to manipulate the presentation of financial reporting, although still within the applicable regulatory corridor (Nurisky, 2024). This practice often attracts public attention because it involves large companies that are suspected of committing fraud in their financial reports, thus raising doubts about the professionalism of accountants and the trust of users of financial reports (Syah et al., 2023).

Accounting students are prospective professionals who will play strategic roles, integrity and public trust in the financial statements of an entity. Students are seen as agents of change because they bring new enthusiasm, fresh perspectives, and motivation to realize positive changes in ethical and responsible accounting practices (Subastyan & Dewi, 2024). In increasingly complex business dynamics, accounting students are expected to be able to become agents of change who not only serve as transaction recorders, but also play a role as analysts and decision makers that influence the economic stability and reputation of the company.

Understanding the ethics of the accounting profession is an important foundation in shaping professional behavior and ethical decisions in the workplace (Bani & Setyani, 2025). Ethics not only function as a moral guideline, but also as a fortress to prevent manipulation and fraudulent practices in financial reporting. Creative accounting practices that exploit regulatory loopholes to manipulate financial information have become a phenomenon that threatens the credibility of the accounting profession and public trust in financial reporting. Therefore, a deep understanding of professional ethics is very urgent for accounting students to be able to identify and reject any form of ethical violation, including creative accounting (Salim, 2025).

Accounting students' views on the ethical aspects of creative accounting are an important indicator to measure their readiness to face ethical dilemmas in the professional world. Students' views on the ethics of the accounting profession vary widely and are influenced by their respective educational backgrounds, especially regarding their understanding of the values of honesty, public interest, and professional responsibility (Purnomo et al., 2022). This study aims to understand accounting students' views on the ethical aspects of creative accounting through a literature review that analyzes various

perspectives and findings from previous studies. By understanding students' views, it can be identified to what extent they understand the principles of accounting ethics so that they are ready to face the world of work and are able to maintain the credibility of their profession (Anggraini & MY, 2022).

Accounting Students' Views

Views or perceptions are how individuals interpret or understand an event, object, or person in a particular situation. This view influences how a person behaves, although this understanding may not necessarily be in accordance with the actual reality (Manurung, 2024). Students' views on creative accounting are the process of accounting students' understanding regarding changes in financial reports by selecting alternatives that are still in accordance with accounting standards, but aim to manipulate reports according to certain desires. Students who have negative views of creative accounting tend to be more critical and reject the practice. Conversely, students with positive views tend to be more accepting and open to creative accounting practices (Rahayu et al., 2022).

Students' views are influenced by various factors, both from within themselves (internal) and from outside (external) (Puspa et al., 2024). Students play a strategic role in society because they are considered future professional candidates who have the knowledge to respond to various events in their community. Through ethics education, students are expected to be able to act in accordance with applicable norms and ethics, both in their personal lives and in interactions with others (Imaniar, 2022).

Ethical Aspects. Ethical aspects are a very important and inseparable dimension of accounting practice, especially when discussing the phenomenon of creative accounting. These ethical aspects reflect a set of moral values and principles that are used as guidelines for accountants in making decisions professionally and responsibly. This is not only related to compliance with legal regulations, but also includes individual awareness to behave honestly, fairly, and maintain public trust. When an accountant experiences pressure to present financial statements in a "creative" way in order to create a better image for the company, ethical aspects become the main foundation in assessing whether the action is morally and professionally acceptable (Lutfi Yasin et al., 2023).

The basic principles of ethics that are regulated include integrity, which means upholding honesty and openness in every action; objectivity, which implies impartiality and freedom from conflicts of interest; professional competence and vigilance, which require accountants always to improve their knowledge and skills; confidentiality, which means keeping client information from being misused; and professional behavior, which requires accountants to behave in accordance with applicable technical and legal standards (Accountants, 2024).

Creative accounting. Accounting, as part of social science, is a discipline that continues to evolve and transform to adapt to the dynamics of the contemporary business environment. Accounting is not a static or absolute science, but rather a field of study that is responsive to changes in technology, regulations, and stakeholder needs in the digital era. The ability of accountants in the digital aspect must continue to develop in line with the times, which shows the adaptability of the accounting profession to today's demands. The emergence of creative accounting practices cannot be separated from the dynamics of competitive pressures faced by business entities in attracting the attention of investors, creditors, and various sources of funding. This pressure encourages management to adopt reporting strategies that tend to be opportunistic in order to meet capital market expectations.

Creative accounting consists of two components, namely "creative" which contains the meaning of an individual's ability to create new ideas or concepts that are effective and innovative, and the word "accounting" which refers to a system of recording financial events that always strives to reflect the actual financial conditions (faithful representation of financial events). The term creative accounting or "creative accounting" in the Indonesian context refers to the concept of innovative thinking and non-conventional approaches in accounting practices. (Tambunan & Silitonga. 2020).

In the scope of current developments, creative accounting refers to the use of accounting techniques that may not fully comply with Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS), with the main purpose of manipulating financial

information. Creative accounting is the act of intentionally manipulating figures in financial statements, the implementation of which cannot be separated from the strategic policy of management in determining accounting methods that comply with applicable regulations but still provide flexibility in presenting financial information (Murineanu, 2024). Digital has brought significant changes in various aspects of life, including the field of accounting.

Theory of Planned Behavior (TPB). Theory of Planned Behavior (TPB) is a concept proposed by Icek Ajzen, which states that a person's actions are influenced by intentions, which are determined by three main elements, namely attitudes towards actions, social norms, and perceived behavioral control. Attitudes describe positive or negative assessments of an action, subjective norms are related to pressure from the surrounding community, and perceived control includes the individual's view of their ability to control or carry out the action. In relation to accounting student ethics in relation to creative accounting, TPB can be applied to analyze how their views on honesty, the impact of the academic or social environment, and their beliefs about their ability to reject unethical practices will affect their behavioral tendencies in the future. This theory is a strong foundation for investigating the reasons why some students reject or allow manipulation of financial statements within limits that are still legally acceptable, but can be questioned from an ethical perspective (Rosdiana et al., 2023).

Deontological Ethical Theory. German philosopher Immanuel Kant first developed Deontological Ethical Theory in the 18th century through his work "Groundwork for the Metaphysics of Morals" (1785). Deontology comes from the Greek word "deon," which means obligation or duty. This theory emphasizes that the morality of an action is determined by its conformity to moral obligations and universal ethical principles, not based on the consequences or results it causes (Surajiyo & Dhika, 2024). In the context of accounting, deontological theory is very relevant because the accounting profession has a moral obligation to uphold ethical principles such as integrity, objectivity, honesty, and professional responsibility. Accounting students' views on creative accounting can be analyzed through a deontological perspective, where the practice of manipulating financial statements, although still within the regulatory corridor, is still considered unethical because it violates the accountant's moral obligation to present honest and reliable financial information, regardless of the impact or consequences that may benefit the company.

METHODS

This type of research uses descriptive qualitative research that uses an approach using literature studies, namely by collecting, reviewing, and analyzing various literature or library sources that are relevant to the topic of discussion. This method is used because the research is not conducted through primary data collection, but rather emphasizes an in-depth study of the results of previous studies related to the perspectives of accounting students on the ethical aspects of creative accounting.

The sources of literature used in this study include scientific journals, theses, and academic publications that discuss the topics of creative accounting, accounting ethics, and accounting students' perceptions. The literature collection process is carried out by searching for relevant publications from various academic databases and institutional repositories. The selected literature consists of publications published in the last few years to ensure the relevance and currency of the information.

The analysis is carried out by identifying key concepts from each literature source, then synthesizing them to build a comprehensive understanding of the perspectives of accounting students on the ethical aspects of creative accounting. This approach allows the author to present diverse and in-depth perspectives on the topic being studied based on findings from previous research studies.

RESULT AND DISCUSSION

Variation in Accounting Students' Views. Based on the literature review that has been conducted, it was found that accounting students' views on ethical aspects in creative accounting are

very diverse and influenced by various complex factors. The results of the analysis show a polarization of views among students, where there are groups that have negative views and tend to reject creative accounting practices, and other groups that show a more tolerant attitude towards these practices.

Students with negative views generally have a stronger understanding of the principles of accounting ethics and tend to be more critical in assessing financial statement manipulation practices. They view creative accounting as a form of ethical violation that can damage the credibility of the accounting profession and harm the public interest. Conversely, students with more tolerant views tend to see this practice as part of the flexibility allowed in accounting standards, although they still question its ethical aspects.

This variation in views is influenced by internal and external factors, as mentioned by Puspa et al. (2024). Internal factors include personal values, level of understanding of ethics, and educational background. Research by Purnomo et al. (2022) confirms that educational background, especially related to understanding the values of honesty, public interest, and professional responsibility, greatly influences the formation of students' views. External factors include the social environment, industry pressure, and exposure to real cases in the business world.

Challenges in Understanding Creative Accounting Ethics. Another important finding is that although most students understand the basic concepts of accounting ethics, their ability to identify and analyze ethical dilemmas in creative accounting practices is still limited. This reflects the gap between theoretical understanding and practical application. The ambiguity in the definition and limitations of creative accounting itself also makes it difficult for students to provide firm ethical judgments, considering that this practice involves utilizing the flexibility of accounting standards that are still within the regulatory corridor (Nurisky, 2024).

The study also revealed that students are in a transition phase from academia to professionalism, where they are still in the process of forming a professional identity and a mature understanding of ethics. This position places them as potential agents of change to bring about positive changes in accounting practices, as emphasized by Subastyan & Dewi (2024). However, to realize this role, students need to develop a more critical and responsible perspective.

Factors Influencing Students' Views. Students' views on creative accounting are influenced by various factors, both internal, such as intellectual intelligence, emotional and spiritual intelligence, and external factors such as educational curriculum, practical experience, and the influence of lecturers and the campus environment (Manurung, 2024). Ethics education provided during college plays a major role in shaping students' moral awareness to assess unethical accounting practices.

The religiosity factor was also found to be a moderator in strengthening students' ethical attitudes. Students who have strong religious values tend to reject manipulative practices in financial reporting (Puspa et al., 2024). This shows that the integration of moral and religious values in accounting education can strengthen the ethical character of prospective accountants.

Implications and Recommendations. The literature review shows the urgency of strengthening ethics education in the accounting curriculum. Salim (2025) emphasized that a deep understanding of professional ethics is very important for students to be able to identify and reject practices that violate ethics. Ethics education must not only focus on conceptual understanding, but also on practical application in complex real situations.

The digital era presents additional challenges in this context. Technological developments create new complexities in financial reporting and provide more opportunities for data manipulation. Students need to have a comprehensive understanding of ethical aspects in the context of modern technology while maintaining fundamental principles such as integrity, objectivity, and responsibility to the public interest.

Overall, the results of the literature review indicate that accounting students' views on ethical aspects in creative accounting are still in the development stage and need to be strengthened through more comprehensive ethics education, practical training, and guidance from ethical professional

practitioners. This is important to ensure that future generations of accountants can contribute positively to increasing the credibility and public trust in the accounting profession.

CONCLUSION

Based on the literature review that has been conducted, accounting students' views on ethical aspects in creative accounting show very diverse variations and are influenced by various complex factors. The results of the analysis revealed a polarization of views among students, where there are groups that have negative views and tend to reject creative accounting practices, and other groups that show a more tolerant attitude towards these practices. This variation in views is influenced by internal and external factors, as stated by Puspa et al. (2024), where internal factors include personal values, level of ethical understanding, and educational background, while external factors include the social environment, industry pressure, and exposure to real cases in the business world. Research by Purnomo et al. (2022) confirmed that educational background, especially related to understanding the values of honesty, public interest, and professional responsibility, greatly influences the formation of students' views.

Important findings show that although most students understand the basic concepts of accounting ethics, their ability to identify and analyze ethical dilemmas in creative accounting practices is still limited. The ambiguity in the definition and limitations of creative accounting also makes it difficult for students to provide firm ethical judgments, considering that this practice involves the use of flexible accounting standards that are still within the regulatory corridor (Nurisky, 2024). Students are in a strategic position as prospective professionals who can become agents of change to bring about positive changes in ethical and responsible accounting practices (Subastyan & Dewi, 2024).

A literature review shows the urgency of strengthening ethics education in the accounting curriculum, where Salim (2025) emphasizes that a deep understanding of professional ethics is very important for students to be able to identify and reject practices that violate ethics. The digitalization era presents additional challenges in this context, so students need to have a comprehensive understanding of ethical aspects while maintaining fundamental principles such as integrity, objectivity, and responsibility for the public interest. Overall, accounting students' views on ethical aspects in creative accounting are still in the development stage and require strengthening through more comprehensive ethics education, practical training, and guidance from ethical professional practitioners to ensure that future generations of accountants can contribute positively to increasing the credibility and public trust in the accounting profession.

REFERENCES

- Anggraini, D., & MY, A. S. (2022). Etika Profesi Akuntan Ditinjau Dari Persepsi Akuntan Dan Mahasiswa Akuntansi. *Management and Accounting Expose*, 5(1), 59–69. <https://doi.org/10.36441/mae.v5i1.592>
- Bani, M. M. D. P., & Setyani, A. Y. (2025). Analisis Persepsi Mahasiswa Akuntansi Terhadap Etika Profesi Akuntan Pada Perguruan Tinggi Yogyakarta. *Journal of Accounting and Finance Management*, 6(1), 433–431.
- Imaniar, W., A. (2022). Pengaruh Pengetahuan Etika Profesi Akuntan dan Orientasi Etis Terhadap Persepsi Mahasiswa Akuntansi mengenai Creative Accounting. Skripsi. Fakultas Ekonomi dan Bisnis, Universitas Mulawarman, Samarinda.
- Lutfi Yasin, Dewi Anggraini, & Endang Wulandari. (2023). Pengaruh Pengetahuan Etika Profesi Akuntan Terhadap Persepsi Mahasiswa Mengenai Praktik Creative Accounting. *Seminar Nasional Pariwisata Dan Kewirausahaan (SNPK)*, 2, 691–698. <https://doi.org/10.36441/snpk.vol2.2023.185>
- Manurung, M., O. (2024). Pengaruh Kecerdasan Intelektual, Kecerdasan Emosional, Dan Kecerdasan Spiritual Terhadap Persepsi Etis Mahasiswa Akuntansi Mengenai *Creative accounting* (Studi

- Empiris Pada Mahasiswa Akuntansi Di Daerah Istimewa Yogyakarta). Skripsi. Fakultas Bisnis Program Studi Akuntansi, Universitas Kristen Duta Wacana, Yogyakarta.
- Murineanu, Alina Maria. 2024. Creative Accounting: A Literature Review. Sciendo. 2112-7121.
- Nurisky, I. B. (2024). *Jurnal Spektrum Ekonomi* PENGARUH PENGETAHUAN ETIKA PROFESI AKUNTAN DAN ORIENTASI ETIS TERHADAP PERSEPSI MAHASISWA AKUNTANSI MENGENAI CREATIVE ACCOUNTING. 7(11), 71-81.
- Purnomo, M. H., Djamaa, W., & Agestia, R. (2022). Analisis Persepsi Mahasiswa Akuntansi Terhadap Etika Profesi Akuntan: Studi Empiris pada Sekolah Tinggi Ilmu Ekonomi GICI. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, 4(1), 101-119. <https://doi.org/10.47467/elmal.v4i1.1301>
- Puspa, D. M., et al. (2024). Faktor Yang Mempengaruhi Persepsi Mahasiswa Mengenai Praktik *Creative accounting* Dengan Religiusitas Islami Sebagai Pemoderasi. *Jurnal Ilmiah Raflesia Akuntansi*. 10 (2).188-201.
- Rahayu, N., D., et al. (2022). Pengaruh Etika Profesi Akuntan, Orientasi Etist, Tingkat Pengetahuan Akuntansi, Jenis Perguruan Tinggi Terhadap Persepsi Mahasiswa Mengenai *Creative accounting* (Studi Pada Mahasiswa Ekonomi dan Bisnis, Universitas Sains Al-Qur' an Jawa Tengah di Wonosobo). *Jurnal Akuntansi, Manajemen & Perbankan Syariah*. 2 (6). 98-107.
- Salim, S. (2025). *Etika Profesi Akuntan Dipandang dari Persepsi Mahasiswa Profesi Akuntansi Universitas Tarumanagara*. 6(1), 48-55.
- Saputra, K. A. K., & Jayawarsa, A. K. (2025). Revealing The Hegemony Of Selective Perception In Managing Ecotourism Based On Natural Environmental Preservation. *Journal of Sustainability Science and Management*, 20(6), 1138-1157.
- Saputra, K. A. K., Laksmi, P. A. S., Smark, C. I. O. R. S. T. A. N., & Bareto, C. A. (2024). The influence of accounting digitalisation transformation and sustainable management on ESG performance to achieve environmental sustainability. *Journal of Sustainability Science and Management*, 19(7), 120-135.
- Subastyan, G. M., & Dewi, E. F. K. (2024). Pentingnya Pemahaman Kode Etik Akuntan dalam Membangun Karakter Akuntan. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, 5(8), 3952-3960.
- Syah, S. R., Merdekawaty, E. G., & Syahrier, N. (2023). Pengaruh Pengetahuan Etika Profesi Akuntan Dan Orientasi Etis Terhadap Persepsi Mahasiswa Akuntansi Mengenai *Creative accounting* Pada Politeknik Lembaga Pendidikan Dan Pengembangan Profesi Indonesia Makassar. *Jurnal Economina*, 2(11), 3456-3475. <https://doi.org/10.55681/economina.v2i11.983>
- Tambunan B.H. & Silitonga, A.G.A. 2020. Pengaruh Pengetahuan Etika Profesi Akuntan Terhadap Persepsi Mahasiswa Akuntansi Mengenai Creative Accounting. *Jurnal Riset Akuntansi dan Bisnis*. 20(2). 247- 255.