

MATURITY AND RELIGIOSITY IN SHAPING ACCOUNTING STUDENT'S PERCEPTION OF BUSINESS SCANDALS



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Abstract

Business scandals involving an accountant role lead to a drop in public confidence in the business and accountant profession. This study focuses on accounting student perception of the accounting scandal based on maturity factors and religiosity. This study uses simple random sampling technique and obtained a sample number of 283 students. Respondent answers were analyzed using structural equation modelling through SmartPLS. The study results proved that maturity factors and religiosity have a positive effect on accounting student perception regarding the impact of business scandals on the accounting profession. Maturity factors positively affect accounting student perception regarding the impact of business scandals on knowledge of business scandals, while religiosity negatively affects student perceptions, but it is not significant.

INTRODUCTION

Business scandals involving accountants' roles have become one of the most exciting topics in ethics accounting research (Khondaker & Bremer, 2018), such as the significant cases of Enron, Worldcom, and Lehman Brothers (Patten, 2014). Fraudulent financial reporting is one of the fraudulent schemes in frequent business scandals (Syafira & Cahyaningsih, 2022). Furthermore, the business scandal impact was a decline in public confidence in the accountant profession (McCann et al., 2015). The growing paradigm is beginning to change, with accounting firms initially protecting all public interests commercially (Abdul-Baki et al., 2019). Therefore, the scandal prompted a significant effort to improve ethics training (Sauerwein, 2017), along with hopes that the accountant profession's ethical irregularities could decrease.

The implications of the accounting scandal have also prompted the appearance of rules or laws governing public accountants, the Sarbanes-Oxley Act (SOX) in America and the Corporate Law Economic Reform Program Act (CLERP) of 2004 in Australia (Khondaker and Bremer, 2018). The rules include discussing audit standards for external auditors of public companies. Additionally, in Indonesia, efforts made to minimize the accountant scandal are with Regulation of the Minister of Finance No. 154/PMK. 01/2017 on the coaching and supervision of public accountants.

In fact, despite the regulation, there is still a business scandal involving the accounting profession (McCann et al., 2015; Roy & Saha, 2018). New cases have emerged, including Lehman Brothers Holdings Inc. in 2008,

SNP Finance in 2018, and Garuda Indonesia in 2019. Ernst & Young, one of the Big Four accounting firms, was found to have negligent auditors who reported incorrect audit results on Lehman Brothers' financial condition. Another polemic also occurred at Garuda Indonesia, i.e., financial statements are not following the Financial Accounting Standards Statement (PSAK). Moreover, the scandal scheme is seen from the transaction to include the profits of Mahata Aero Teknologi, which has debts to Garuda Indonesia. Tanubrata Sutanto Fahmi Bambang & Partner are the auditors handling Garuda's financial statements, and the accounting firm is subject to a 12-month license freeze sanction (Giri Hartomo, 2019).

Another business scandal occurred at SNP Finance, where the Financial Services Authority (OJK) recorded the value of fund breaches in 14 banks amounting to Rp 14 trillion from 2016 to 2017. Public accountants Marlinna and Merliyana Syamsul are considered to have not implemented sufficient and appropriate audit evidence on consumer financing accounts receivable and have not carried out procedures related to adequate risk detection. The public accountant was sanctioned with a 12-month suspension of his license (Baderi, 2018).

The number of business scandals raises questions about the behavior shown by accountants when dealing with ethical dilemmas (Obloh, 2019). High fees for accountants make it difficult for them to maintain their independence or engage in conflict-of-interest situations (Torchia, 2016). Therefore, the establishment of ethical behaviour needs to be instilled at the time of prospective accountants, where accounting students are studying education related to the ethics of the accounting profession (Costa et al., 2016). The accountant educator profession is indispensable and plays a vital role in supporting the accounting profession's advancement because it is reliable for realizing and creating prospective accountants (Mccartney, 2015). It supports individual and professional ethical values to meet the accounting profession's needs (McCann et al., 2015), (Indriasih & Sulistiyowati, 2021).

Through educational institutions, accounting students can develop their ethical values and social responsibilities embedded in their mindset. Students need to develop attitudes, beliefs, values, and skills to support their ethical behaviour (Theuri & Weickgenannt, 2008; Sweeney & Costello, 2009; Costa, Pinheiro & Ribeiro, 2016; Rosnidah, Sulistiyowati & Yulianto, 2018). Students implement their ethical behaviour to react or perceive when they are aware of an accounting scandal. The perception relates to accounting students' consideration of the accounting profession as one of their career options after graduating from university (Ragland & Ramachandran, 2014), (Rosnidah et al., 2018a).

Some previous studies analyzed ethical perceptions as well as ethical education related to the accountant profession. The study of student perception of the accounting profession was conducted at Western Michigan University, involving 338 respondents (Coleman et al., 2010). The descriptive analysis results show that students are aware that the company irregularities may cause concerns about external auditors' consulting services feasibility. In line with Gordon & Gordon (2011). It examines student ethics, professional assessment, governance, corporate social responsibility, and fraud regarding accounting scandals. The study was conducted in the United States, involving 57 respondents, using descriptive data analysis techniques and the T-test method. The results show that accounting scandals affect students' ethical decisions. The scandal relates to poor corporate governance (Lu & Bos, 2011), in which the implementation of a code of conduct by supervisory directors and executive directors failed to create good corporate governance. The study was conducted in the Netherlands, involving 432 respondents. The results showed that good governance was positively related to implementing the code of conduct.

Liu, Yao & Hu (2012) examine the role of educator accountants to improve ethics education in accounting. The study involved 136 respondents at the University of Winnipeg, Canada, who used longitudinal methods. The results show that ethically acceptable educator accountants can improve ethical education. However, the study found that Ethics Education in Accounting still showed deficiencies in content related to the code of conduct, less systematic formal training, less informal direct training, and a lack of partnerships. The importance of educator accountants' role was also conveyed (Mccartney, 2015), which measured students' ethical decision-making by involving 268 respondents. The results show that their educator accountants influence students' ethical decision-making.

Furthermore, numerous business scandals led to a decline in the integrity of the accounting profession (Coleman et al., 2010). A study conducted on 338 respondents from business students analyzed the accounting profession's perceptions and tested how to address the accountants' declining integrity problems. The results showed that students gave the perception of not rethinking career choices by hooking up to accounting problems within the company.

Bloch, Brewer & Stout (2012) state that the survey of practitioners shows the importance of leadership skills in the accounting profession. However, the accounting curriculum rarely emphasizes the leadership aspects. Furthermore, a review of the accounting education literature shows a lack of instructional resources for accounting courses that are eager to help students develop leadership skills. As a result, accounting students

can graduate without the mindset necessary to think of themselves as potential leaders. Therefore, there are opportunities to add value to the accounting curriculum by intervening in leadership development.

The previous research describes the importance of ethics that needs to be instilled in education so that accounting students as prospective accountants can understand the code of conduct that they must later implement. The impact of accounting and business scandals on business students' perceptions and the accounting profession's review from maturity factors (McCann et al., 2015). Maturity factors relate to age, semester, and the number of accounting courses or credit points. Accounting students are required to understand the importance of high integrity and public trust in the accounting profession. Additionally, by studying past scandals, prospective accountants can avoid conflicts of interest that risk their integrity. The study (Seow et al., 2016) reinforces that top-level students will behave differently to lower-level students, according to the credit hours that have been taken by the students. The study proves that maturity influenced ethical behaviour.

This study refers to McCann, Offoha & Bryant (2015); Seow, Pan & Suwardy (2016). Expands on previous studies considering religiosity factors. Religiosity relates to a particular religion, and the end goal is respect, compassion, self-control, or another virtue (Ananthram & Chan, 2016). Ethics and religion are closely related (Sauerwein, 2017). Additionally, considering a trust, it will produce norms, values, and perspective guides for all decision-makers. In Rest's four-component model, religion is the most critical antecedent in ethical sensitivity. Accounting literature and accounting ethics training are still less explored. Following the opinion of Kashif, Zarkada & Thurasamy (2017), an individual who follows high religious principles will show an ethical attitude.

In the context of this study, religious accounting students tend to behave ethically. Even when students learn of a business scandal, their religious understanding will be sensitive to behaviour contrary to ethics. Religiosity reinforces perceived behavioural control of unethical actions (Kashif et al., 2017). Individuals with higher religious principles are more likely to avoid unethical behavior (Alshehri et al., 2020). In ethical decision-making, religiosity is a highly considered critical factor (Ananthram & Chan, 2016; Herzog & Beadle, 2018). Besides, Sauerwein (2017) argues that accountants with an external characteristic of religiosity can show negative ethical sensitivity when faced with ethical dilemma conditions.

Previous studies have emphasized the importance of ethics education in the accounting curriculum to shape ethical behavior (Holt & Christopher, 2014; Fagbemi, 2017; Salimi, Kornelus & Abo-Hebeish, 2016; Liu, Yao & Hu, 2012; Wang & Calvano, 2013; Donoho, Heinze & Kondo, 2012; Espinosa-Pike, Aldazabal & Martín-Arroyuelos, 2012). Besides, maturity factors influence business student perception and the accounting profession's response to business scandals (McCann et al., 2015).

This study fills the gap in the previous research literature, in which previous studies only emphasized individual factors and ignored religion-related factors. Religiosity is an essential factor that shapes a person's ethical behaviour (Walker, Smither & DeBode, 2012; Ananthram & Chan, 2016; Kashif, Zarkada & Thurasamy, 2017). This study's significance is to shape student ethical behaviour as one of the preparations when they are in the world of work. The purpose of the study was to test the role of maturity and religiosity in shaping accounting student perceptions of business scandals involving accountant roles. The research question related to the effect of maturity factors and religiosity on accounting students' perception of accounting scandals impacted the accounting profession and student knowledge about accounting scandals.

Based on the explanation, the following figure depicts the proposed model in this study:

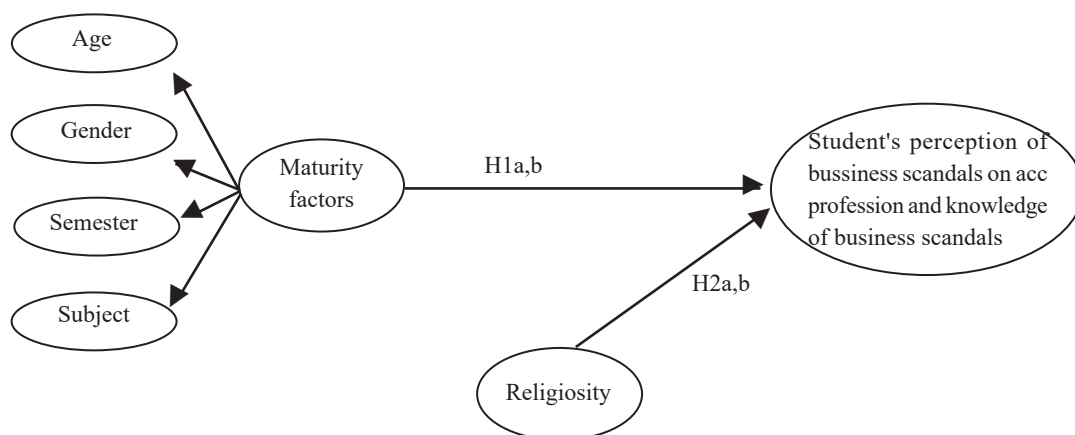


Figure 1. The Conceptual Research Model

METHOD

This study used a survey method to predict the influence of maturity factors and religiosity on the student ethical perception. The accounting students give perception regarding the influence of business scandals on the accounting profession and their knowledge about business scandals. There are two dependents variables in this study, namely (1) student perception about the impact of scandals on the accounting profession and (2) student perception about the impact of scandals on student knowledge of business scandals. Each of the dependent variables was measured by five items and six items adapted from (McCann et al., 2015). Respondent's answer using a Likert scale from 1 = strongly disagree and 5 = strongly agree.

The first independent variable is maturity factors measured by age, semester, course (McCann et al., 2015) and measured by using a dummy variable. The second independent variable is religiosity, measured by five items (Kashif et al., 2017) and using a Likert scale from 1 = strongly disagree and 5 = strongly agree.

Table 1. Variable Operationalization

Constructs	Items	Adapted from
Perception of business scandals on accounting profession (Y1)	<ul style="list-style-type: none"> -The accounting profession is interesting -Restatement of corporate profits and impropriety in accounting caused me to rethink my career choices -Accounting scandal makes a career in accounting more interesting -The accounting scandal has highlighted the importance of good ethical conduct in the accounting profession 	McCann, Offoha & Bryant (2015)
Perception of business scandals on knowledge of business scandals (Y2)	<ul style="list-style-type: none"> -For a decade, many companies were involved in income restatements and accounting irregularities -I understand what is needed in the accounting scandal -The capital markets regulatory body has failed to ensure that the company has made full and reasonable disclosures, thereby insuring the conduct that led to the business scandal -Manager as the party responsible for accounting scandals -Has the accounting profession implemented enough measures to avoid future scandals? -I often read news about business 	McCann, Offoha & Bryant (2015)
Maturity factors	<ul style="list-style-type: none"> -Age: <ul style="list-style-type: none"> <20 years old >20 years old -Gender: <ul style="list-style-type: none"> Male Female z -Semester: <ul style="list-style-type: none"> 2-4 6-8 -Subject: <ul style="list-style-type: none"> Has not pursued business ethics and accounting profession subject Has pursued business ethics and accounting profession subject 	McCann, Offoha & Bryant (2015)

Religiosity	-I regularly pray five times a day -I have great confidence in the existence of God -I need to spend much time doing religious activities -I live in a belief in my religion -I follow the teachings of religion because it brings comfort to me when there are problems in life	Kashif, Zarkada & Thurasamy (2017)
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The population of this study were 1.066 accounting students in University of Swadaya Gunung Jati. Additionally, this study using simple random technique and by using Raosoft sample size with an error value of 5%, found 283 as sample size. This study using a distributed questionnaires to collect the data about the student perception of the impact business scandals on the accounting profession and their knowledge about accounting scandals.

The study used structural equation modelling analysis through Smart PLS. The data quality test was viewed based on the Average Variance Extracted (AVE) and Cronbach's Alpha values of each variable. Proposed hypotheses were tested based on p-value and the original sample value.

RESULTS

The following table describes the respondent's profile of this study:

Table 2. Respondents Profile

Description	Total	Percentage
Age:		
1. <20 years old	145	50%
2. >20 years old	145	50%
Gender:		
1. Male	99	34%
2. Female	191	66%
Semester:		
1. Semester 2 & 4	145	50%
2. Semester 6 & 8	145	50%
Subject:		
1. Has not pursued business ethics & accounting profession subject	145	50%
2. Has pursued business ethics & accounting profession subject	145	50%

Table 2 describes respondent's profile from accounting students, where the majority are female, which is 191 (66%), as for the age, semester, and the subject has pursued the amount of 50% each.

Table 3. Validity and reliability test results

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Maturity	0,749	0,942	0,860	0,670
Perception of scandal on accounting profession	0,743	0,791	0,833	0,512
Religiosity	0,835	1,016	0,844	0,554

Table 3 indicates that all variables meet the validity of the Average Variance Extracted (AVE) value above 0.5. Cronbach's Alpha and Composite Reliability values of all variables are above 0.7; it means reliable.

Structural Model Assessment – Impact of Business Scandal on the Accountant Profession

Figure 2 depicts structural model assessment results show that maturity has a coefficient value of 10.582 and religiosity of 6.374. Maturity shows more excellent coefficient value or positively related to accounting student perception about the impact of scandals on the accounting profession.

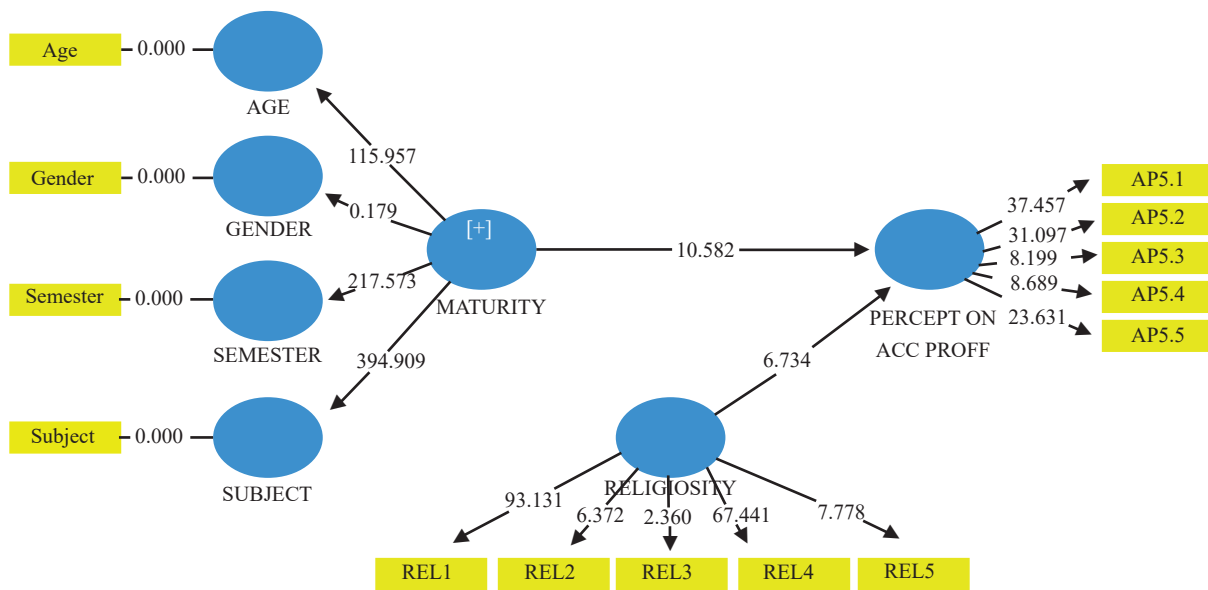


Figure 2. Structural Equation Model

The following table showed the hypotheses testing result about the influence of maturity factors and religiosity on accounting student perception of the impact of business scandals on the accounting profession.

Table 4. H1a, H1b test results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Maturity -> perception of scandals on acc prof	0,392	0,391	0,037	10,582	0,000
Religiosity -> perception of scandals on acc prof	0,393	0,404	0,058	6,734	0,000

Table 4 indicates that the original sample variable maturity value is 0.392, and religiosity value is 0.393 with P-values each of 0.000 which means maturity and religiosity positively affect accounting student perception regarding the impact of accounting scandals for the accounting profession or H1a,b is accepted.

Structural Model Assessment – Impact of Business Scandal on the Student Knowledge about Business Scandals

Figure 3 depicts structural model assessment results show that maturity has a coefficient value of 35.641 and religiosity of 0.846. Maturity shows more excellent coefficient value or positively related to accounting student perception about the impact of scandals on the student knowledge about accounting scandal.

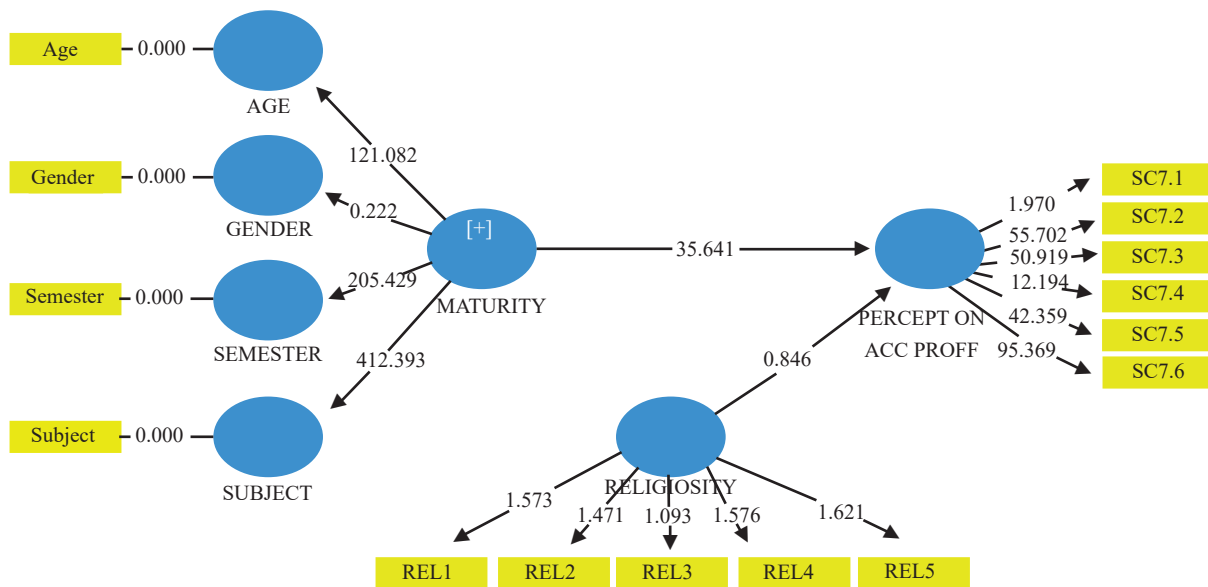


Figure 3. Structural Equation Model

The following table showed the hypotheses testing result about the influence of maturity factors and religiosity on accounting student's perception of the impact of business scandals on student's knowledge about accounting scandals.

Table 5. Validity and Reliability Test Results

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Maturity	0,749	0,943	0,861	0,670
Perception of scandal	0,620	0,883	0,770	0,555
Religiosity	0,835	0,980	0,878	0,602

Table 5 indicates that all variables meet the validity of the Average Variance Extracted (AVE) value above 0.5. Cronbach's Alpha and Composite Reliability values are all variables above 0.7, meaning all variables are reliable.

Table 6. H2a, H2b test results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Maturity -> perception of scandal	0,792	0,792	0,022	35,641	0,000
Religiosity -> perception of scandal	-0,045	-0,012	0,054	0,846	0,398

Table 6 indicates that the original sample variable maturity value is 0.792, with P Values of 0.000, which means maturity positively affects accounting student perception of the impact of scandals on their knowledge of accounting scandals or H2a is accepted. While the original sample variable religiosity value is -0.045 with P Values of 0.398, it means that religiosity negatively affects accounting student perception about the impact of scandals on their knowledge of accounting scandals, but it is not significant or H2b is rejected.

DISCUSSION

Maturity positively affects accounting students' perception regarding the impact of accounting scandals on the accounting profession. The results are consistent with Seow, Pan and Suwardy (2016) that the semester level influences the decision to provide an ethical perception of the student. Maturity attributes include age and gender, forming an individual's moral attitude in determining their actions in certain situations (Roy & Saha, 2018). In line with McCann, Offoha & Bryant (2015), maturity measured by age, gender, the semester, and subjects pursued makes students consider ethical factors in providing perception. Following ethical decision-making developed by Rest (1986), through a four-stage model, namely (1) recognition of a moral or ethical problem; (2) judgment against some ethical criteria; (3) weighting the importance of the ethical component of the decision above all other concerns; and (4) acting based on ethical principles. Furthermore, students who have pursued business ethics and accounting profession subjects argue that accounting scandals that occur in the company negatively impact the accountant profession's reputation. Moreover, students agree that ethical behavior is essential for the accountant profession. Students disagree that accounting scandals have made the accounting profession an exciting profession and career. The students' level of maturity proves that it negatively supports them in perceiving the accountant scandal with that knowledge.

The reputation of the accountant can be damaged by a business scandal involving the accounting profession. This is important to note because the existence of a public accountant depends on public trust. The reputation of the accountant will be negatively affected by insufficient audit quality (Chang & Chen, 2020). Furthermore, sanctions imposed on accountants can damage their reputations since audit failure indicates insufficient audit quality (Li et al., 2017), (Yusica & Sulistiyowati, 2020). In addition, there is a negative impression of the quality of services provided by individual auditors who are sanctioned. In the context of this study, the attitude shown by students is to disagree with practices that are morally unacceptable to stakeholders in an organization. The main sources of attitude formation include culture, family and parents, peers, reference groups, and the experiences of the individual (Hernández-López et al., 2020). This can be supported by the condition of the university ethical climate, which can help individuals to identify ethical issues and mechanisms to overcome these ethical problems.

Religiosity has a positive effect on accounting students' perception of accounting scandals' impact on the accounting professions. The higher the level of religiosity, the more sensitive it is to deviant actions. Ethics and religion have a clear relationship (Sauerwein, 2017), wherein scripture explains the beliefs, norms, and values that must be held in making a decision. An individual's perception refers to the practice of the concept of religion (Alshehri et al., 2020). Consistent with Singhapakdi et al. (2013) that religiosity positively affected ethical decision-making. Bahmani et al. (2018) also showed a significant influence between religiosity and ethical judgment. Following ethical decision-making theory, ethical decision-making can be reviewed using several ethical criteria or actions related to Rest (1986).

In the context of this study, students who have a positive attitude towards religion tend to have a very agreeable perception of the negative impact of accounting scandals on the accounting profession. The attitude of religiosity is seen in religious activities, worship carried out, and a great belief in God's existence. Additionally, when students are faced with a situation related to the accountant scandal, they argue that a scandal is an act that needs to be avoided. Given that ethics is a source of public trust in a profession. Students argue they are less likely to agree with the act of restatement and the degree of expertise in accounting. Moreover, students with a high understanding of religion will try to avoid deviations to bring comfort to life.

Maturity positively affects accounting students' perception of the impact of scandals on their knowledge of accounting scandals. This result indicates that students use their moral values in making individual decisions based on the perception of accounting scandals. The results are consistent with McCann, Offoha & Bryant (2015) that the student's maturity is measured by age, gender, semester, and subject. They argue that the accounting profession has implemented appropriate measures to avoid future accounting scandals. In line with Theuri & Weickgenannt, (2008); Seow, Pan & Suwardy (2016), the maturity factor is seen from the number of credit hours taken and the semester has influenced his behaviour in making ethical decisions.

In this study, the majority of accounting students are female, more than 20 years old, in semester six, and have taken courses in business ethics and accounting professions. The accounting student believed that the many corporate scandals involving accountants provide knowledge to students related to business scandals. Students learn deeply about the fraud schemes in the business scandal and compare them to other business scandals. Accounting students have argued that many companies have been involved in the restatement of corporate earnings over the past decade and the impropriety of presenting financial statements. Accounting students understand the phenomenon of an accounting scandal when it occurs. Moreover, numerous business scandals indicate that institutions that oversee capital markets fail to ensure that such companies' publication

are full disclosure and reasonable. The action sparked a business scandal. Additionally, accounting students also focused on who should be responsible for the accounting scandal. In the context of this study, the main mechanism of internal corporate governance, which includes a board of directors and supervisors, needs to supervise the management of the company and be responsible for the company's audits. This study shows accounting students argue that company management is responsible for accounting scandals. Furthermore, (Julianty et al., 2022) stated that management or trusted position may also involved in a fraud action. Their hope is that accountants can implement ethical principles to avoid future business scandals. This is reinforced by Abdul-Baki et al. (2019) that the role of accountants in ensuring the fairness of financial statements needs to be accompanied by an attitude of independence so as not to favour the interests of clients.

The study found that religiosity negatively affects accounting students' perception of the impact of scandals on their knowledge of accounting scandals. In this study, students argued that individuals who behaved religiously would give a negative view of the form of deviance, and they believed in the consequences of such actions. On the contrary, a low religious attitude will reflect lower ethical consideration or even tend not to care about the deviations they know about. The number of accounting scandals motivates students to enrich their knowledge of fraud. Although the fraud has not been successfully suppressed optimally due to other factors that encourage the fraud action. The result was consistent with Walker, Smither & DeBode (2012), that religiosity has a negative effect on ethical judgment. However, the result is not in line with Singhapakdi et al., 2013; Ananthram & Chan, 2016; Ananthram & Chan, 2016; & Bananuka et al. (2019) that religiosity affects ethical judgment. Kashif, Zarkada & Thurasamy (2017) reinforce that prudence and religious actions sensitive enough in a work environment help an individual maintain their moral norms when confronting unethical behaviour and encourage an individual to behave ethically.

Religion plays a significant guiding function in the lives of society as a whole. Max Weber demonstrated in 1905 that religion can hinder economic progress, and it is still believed in some regions that religion slows the diffusion of new ideas and knowledge. The relationship between religion and economic development will be negative if religion impedes the acceptance of economically beneficial knowledge (Squicciarini, 2020). Religious intensity is essential for determining the significance of religious rules and the level of tolerance for new ideas and innovations that conflict with religious ideals. The influence of religion on education and the development of a nation's human resources demonstrates how religion can affect economic growth.

People can avoid doing wrong if they are highly religious and well-versed in religion. Since religion is prohibited, unethical conduct will be avoided. Prior research has demonstrated that fraud and financial reporting fraud are less likely to occur in religious people (Zawawi, Said & Yusof, 2011; Said et al., 2018). In addition, according to Gokcekus & Ekici (2020), if religious authority is derived from rules imposed by political leaders, there is a low propensity to disclose corrupt activities. Due to the fact that religion fosters compassion and a strong work ethic, individuals with a high degree of religiosity will monitor and punish corrupt acts. This is supported by Corcoran, Pettinicchio & Robbins (2012) that belief in God will encourage moral behavior and discourage immorality.

Shulgin, Zinkina & Korotayev (2019) concluded that the majority of OECD countries with high incomes had fewer religious individuals. Voas & Chaves (2016) argue that American religiosity has declined over the past several decades. In developed countries, the large discrepancy in religiosity between the oldest and youngest generations indicates that a generation with less religiosity has been in charge for a considerable amount of time. In contrast, there is no significant change in less developed nations like Africa and Southeast Asia, where religion continues to play a significant role in daily life (Voas & Chaves, 2018).

Meanwhile, in terms of the role of governance to support economic growth in developing countries, it was revealed in the study of Zhuo et al. (2021). The results of the study of 31 developed countries proved that the role of law, corruption control, and accountability have a direct effect on the economic growth of developing countries. Gokcekus & Ekici (2020) state that if the power of religious authority comes from regulations prescribed by political leaders, then there is a low tendency to disclose corrupt activities. People who are very religious will monitor and punish acts of corruption. Religion serves as a proxy for work ethics, tolerance, and belief. This is a community characteristic that plays a vital role in supporting the government. Consequently, the role of religion is one of the factors that can reduce corruption, and the control of corruption is a factor that promotes economic growth in developing countries. The study reveals that younger generations in developing countries tend to exhibit low religiosity but are more receptive to knowledge adoption and innovation.

In Indonesia, corruption is a globally prevalent fraud scheme, and bribery is one of the most common forms of corruption. Corruption has proven to have no regard for religious values or interests. Given that religion teaches morals and the worth of goodness, this becomes ironic. This phenomenon is evident in instances of fund and religious project corruption. According to the Indonesian Survey Institute (LSI), there is no correlation between the level of religiosity and corrupt behavior, as there is no special label and community

outrage (Indonesian Corruption Watch, 2021). Religion is frequently employed in anti-corruption efforts, but it is still considered ineffective. A high level of trust in others and in the mechanisms of the rule of law leads to a decrease in accountability demands. Even Flavin & Ledet (2013) demonstrate that government institutions selected by religious societies have a propensity to exhibit higher morals and lead to a lack of oversight. A lack of supervision can create opportunities for corruption in religious nations. Despite the fact that individual analyses indicate that religiosity has a negative impact on corruption, there is no conclusive evidence to support this finding (Sommer et al., 2013).

The results of a study by the Anti-Corruption Commission prove that there is a significant relationship between religious observance and bureaucratic corruption behavior. Reducing corrupt behavior can be done in two ways, namely improving the outer aspects and the inner aspects of individuals (internal individuals). Improvements to external aspects have been carried out by the government through remuneration programs, increasing salaries and benefits, adding facilities and providing training to improve skills at work. Improving people from the inside out is a way to teach them good values that come from religious teachings and morals (Anti-Corruption Clearing House, 2015).

In the context of this study, accounting students, as representatives of the younger generation, are anticipated to have a high level of religiosity and be more receptive to new knowledge and innovations. Before making a decision, they will evaluate both the positive and negative effects. Students' responses to situations involving ethical dilemmas can be informed by their familiarity with frequent accounting scandals involving the accounting profession. They will tend to avoid unethical behavior given their religious perspective.

CONCLUSION

The results showed that maturity influenced accounting students' perception of the accounting scandal's impact on the accounting profession and the accounting students' knowledge of the scandal. Religiosity affects accounting students' perception of the impact of accounting scandals on the accounting profession but does not affect the students' knowledge of the scandal. Maturity and religiosity play an essential role in shaping student behavior in making decisions, namely, perceptions of accounting scandals. Higher maturity, characterized by age, gender, semester, and courses, makes students have a broader knowledge of the accounting scandal's impact on the reputation of the accounting profession. The level of religiosity has become one of the ethical considerations when making decisions based on the prevailing norms. It can be seen from the positive effect of religiosity on accounting student perceptions regarding the impact of accounting scandals on the accounting profession. Students who have a high level of religiosity will agree that the phenomenon of accounting scandals has an impact on the accounting profession. Students give a negative perception of accounting scandals because such scandals reduce the public's trust in the accountant profession. However, religiosity is not related to the development of accounting scandals, meaning students with their religiosity give negative perceptions and the accounting scandal becomes their knowledge related to business scandals.

Faith is related to religion and spirituality, although faith is more personal, subjective, and profound than the religious provisions relating to God (Paul Victor & Treschuk, 2020). Faith shows an expression of one's expectation of something that comes from God. Meanwhile, religion encompasses traditional values and practices related to certain groups of people or religions. People who are religious are associated with certain beliefs about God, scripture, values, and ethics (Yeşilçinar et al., 2018). Cultural theory regards the pattern of social interaction in which individuals live their lives as predictable, as well as their broadly reflected attitudes and behaviors (Boyle & Coughlin, 1994). In the context of this study, the level of religiosity that students have will be reflected in their lives and social interactions. It can also be seen in their attitudes, behaviors, and decisions when faced with deviant actions.

This study contributes theoretically to the development of science in ethics, accounting, and auditing. Besides, organizations in the accounting profession are considering holding an ethics training program for students. Therefore, students know the implementation of ethical decision-making through the program. The results of this study also confirm Rest's four-component model, where religious attitudes are important in shaping ethical sensitivity. This study provides new insights of accounting ethics literature. This study was only conducted on accounting students at the undergraduate level, which means business ethics and accounting profession subjects are digging into information on business scandals involving accountants. Further research is needed to analyze the perception of students in the accounting profession education or practitioners in the field of accounting. Moreover, the next study needs to acquire broader knowledge and experience to provide a different perspective. This study only explored maturity and religiosity factors to predict accounting student perceptions of accounting scandals. Therefore, subsequent studies are needed to explore the aspects of the love of money and the moral intensity individuals consider in making decisions.

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