

## Gender Diversification in The Perspective of Accounting Fraud: A Literature Review Study

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### ABSTRACT

Gender diversification or gender diversity refers to efforts to increase the representation and participation of individuals from diverse gender backgrounds in the workplace. Accounting fraud, on the other hand, refers to practices carried out by individuals or organizations to manipulate financial information for personal or organizational gain. This article provides an overview of gender diversification in the perspective of accounting fraud using a qualitative approach and literature review method. Content analysis is the analysis technique used in this literature review research to prevent possible misinterpretation due to the researcher's lack of knowledge or insufficient information in the literature. The research report is written in a simple and easy-to-understand language, considering the researcher's limitations in conducting an in-depth and detailed study. The principle of simplicity and ease is applied to ensure that the content of the counseling and guidance program evaluation report can be easily understood by readers

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## **INTRODUCTION**

Gender diversification or gender diversity is a strategy to accommodate various genders, gender identities, and sexual orientations in the workplace (Ladwig, 2022). The goal is to create an inclusive work environment and promote gender diversity and equality (Saputra et al., 2022). Gender diversification involves recognizing and respecting gender differences, eliminating gender discrimination, and developing a work culture that is inclusive and values gender diversity (Malleleang et al., 2022). This may include competency-based recruitment and promotion, facilitating work-life balance, providing equal opportunities in decision-making, and providing gender-focused and inclusive training and development (Masdar et al., 2009).

Research on gender diversification from the perspective of accounting fraud is still limited, but there are some previous studies that can be used as references, including: Maryam Safi, Zaidah Zainal Ariffin, and Norhaziah Nawai (2018) conducted a study on "The Impact of Board Diversity on Financial Statement Fraud: Evidence from Malaysia". This study used a sample of 288 companies in Malaysia from 2012-2016. The results showed that gender diversification on the board of directors has a significant negative relationship with financial statement fraud. Xinxin Ba and Yudan Zheng (2019) conducted a study on "Board Gender Diversity and Financial Reporting Quality: Evidence from China". This study used a sample of 1,583 companies in China from 2014-2016. The results showed that gender diversification on the board of directors has a significant positive impact on financial reporting quality (Ullah, 2022). Linda Elizabeth Herawati, Dwi Martani, and Eko Ganis Sukoharsono (2019) conducted a study on "The Effect of Gender Diversity and Financial Expertise on Financial Statement Fraud in Banking Industry". This study used a sample of 42 banks in Indonesia from 2013-2017. The results showed that gender diversification on the board of directors does not have a significant influence on financial statement fraud, but diversification of financial expertise on the board of directors has a significant negative relationship with financial statement fraud.

Although the above research results are limited, it can be concluded that gender diversification on the board of directors can affect financial statement fraud, depending on other factors such as regulatory environment, corporate culture, and board expertise and integrity. Therefore, companies need to consider these factors when diversifying the board of directors based on gender, as well as paying attention to the expertise and integrity of the board of directors in maintaining the quality of financial reporting.

By implementing gender diversification strategies in the workplace, organizations can achieve benefits such as increased productivity and creativity, employee empowerment, and improved corporate reputation (Simanjuntak, 2021). In addition, an inclusive work environment that values gender diversity can also help attract and retain talented and diverse employees (Subyantoro & Suwanto, 2020). Organizations that implement gender diversification strategies can achieve benefits such as increased productivity and creativity, employee empowerment, and improved corporate reputation (Riniwati, 2016). This is because gender diversity can bring different perspectives and experiences that

can help organizations generate new ideas and better solutions in facing business challenges (Purba et al., 2020).

Furthermore, an inclusive and gender-diverse work environment can also help attract and retain talented and diverse employees. An inclusive and gender-diverse work environment can help organizations attract and retain talented and diverse employees (Chaerudin, 2018). Employees who feel valued and recognized in their work environment will feel more motivated and enthusiastic to work more effectively and productively (Sembiring, 2020). Additionally, organizations that implement gender diversity strategies can also attract employees who share the same values as the organization, such as gender equality and inclusivity (Muris & Wattimena, 2022). This can help organizations build a strong and diverse team, which can bring various perspectives and ideas into the organization (Ulum, 2016). Therefore, an inclusive and gender-diverse work environment can provide long-term benefits for organizations in terms of retaining talented and diverse employees, as well as increasing employee productivity and creativity (Savitri, 2019).

In relation to accounting, this article will also examine common accounting frauds. Accounting fraud is an act committed by an individual or a group of people to manipulate or falsify a company's financial records or financial statements for personal gain or the company's gain (Putri, 2012). The following are some examples of accounting fraud: (1) Falsification of documents and financial transaction records to manipulate financial statements (Hernawan, 2010). (2) Embezzlement of money or company assets, such as transferring company money to personal accounts or conducting fake transactions with other companies (Wijoyo, 2015). (3) Recording fictitious or fake transactions, such as recording sales or cash receipts that do not exist (Safri, 2018). (4) Failure to report or conceal actual liabilities or debts of the company (Damayanti & Hermawan, 2018). (5) Concealing important information or manipulating data to make the company's financial statements look better than they actually are (Astutik & Mildawati, 2016). (6) Using creative accounting to change financial statements to look better, such as changing accounting policies or cost estimates (Rice, 2015).

Accounting fraud can damage a company's reputation, result in financial losses, and even lead to legal and criminal actions (Sirait, 2018). Therefore, it is very important for companies to have strong internal controls and strict audit procedures to prevent accounting fraud. According to Sudarmanto & Utami (2021) in relation to gender and accounting fraud, this article aims to provide an overview through literature review on how gender diversity relates to accounting fraud.

## **LITERATURE REVIEW**

### **Gender Diversification**

Gender diversification is something effort for create environment Work or more organization inclusive and equitable from in terms of gender, with increase internal gender diversity team or staff organization (Oktariyani & Rachmawati, 2021). Gender diversification involves reduce gender gap and ensure that all type sex valued and given same opportunity in matter recruitment, promotion, and payment. Objective gender diversification is for overcome gender injustice and

discrimination, as well increase innovation and performance organization in a manner overall (Hendiana, 2016). Through gender diversification, organization can access more talent wide, reduce risk group homogeneous mind, and improve ability for reach more markets broad. In in practice, gender diversification can done with various way, like strengthen guarantee policies and procedures gender equality, giving training and education For increase awareness about gender issues, and improve awareness about gender diversity within recruitment and promotion (Ancient et al, 2021).

### **Fraud Accounting**

Fraud accounting (or often called with "fraud" inside literature accounting) refers to action somebody or group with on purpose do manipulation or fraud to report finance something company or organization. Objective fraud accountancy is for obtain profit or benefit private, as well For hide weakness or real problem there is in finance something organization (Adelin & Fauzihardani, 2013). A number of form fraud general accounting happen includes: (1) Manipulation or forgery document finance, like report finances, invoices, or memos (Sutrisno, 2013). (2) embezzlement or asset organization with method transfer money or goods in a manner No legal (Judge & Martin 2015). (3) Counterfeiting sign hand or agreement from an authorized person (Purwanto & Kusuma, 2019). (4) Playing numbers in report finance with method manipulate amount income, expenses, or balance sheet finance (Judge & Praptoyo, 2015). (5) Deliver information false or misleading about condition finance company to investors or other parties (Kusumastuti & Meiranto, 2012).

Fraud accountancy own serious consequences, such as loss significant financial loss reputation, and even can cause bankruptcy company. Because that's important for company for own system strong internal control and conduct regular audits regular for prevent happening fraud accounting. Besides that is, reporting fraud accounting is also a must done with fast and precise For avoid happening more losses big.



Picture 1. Conceptual Framework

### **METHODOLOGY**

This article uses a qualitative approach with a type of literature study and a critical paradigm. Tradition theory critical give contribution important for development study accountancy mature this (Rini, 2022). Researches communication critical show different conception about interrelationship various element in life social, like society, state, market (economy), communication, and culture. Research using tradition critical refers to the paradigm thinking developed critical in various field science (Halik, 2018).

Study with paradigm critical reveal and analyze reality social with question inequality relation existing social. Study critical supported by perspective theory critical with the assumptions it constructs (Saputri & Suryawati, 2020). In conducting a literature study, there are four main characteristics that need attention. First, the writer or researcher will interact directly with text or numerical data, not directly from the field. Second, library data is readily available and can be used immediately, so researchers do not need to go to the field to collect data. Third, library data are generally secondary sources, which means researchers obtain data from secondary sources, not from original data taken directly from the field. Lastly, library data sources are not limited by region or time.

Content analysis method (content analysis) is an analytical technique used in this library research to prevent misinterpretation that may occur due to a lack of research knowledge or lack of information in the literature, checking and re-reading the literature. This research report is prepared in a simple and easy-to-understand manner, bearing in mind the limitations of the researcher's ability to conduct in-depth and detailed studies. The principles of simplicity and convenience are applied so that the contents of the guidance and counseling program evaluation report can be easily understood by readers.

## **RESULTS AND DISCUSSION**

Gender diversification or gender diversity refers to effort For increase representation and participation individual from diverse background behind gender in place work . Fraud accounting, on the other hand, refers to the practices carried out by individuals or organization For manipulate information finance to use chase profit personal or organization.

A number of study show that Woman in position leadership can influence practice more accounting transparent and accountable (Murdayanti & Puruwita, 2019). They more tend adopt practice more accounting careful and accountable, who can help prevent fraud report finance. A number study show that Woman tend own ability management more risk. Good compared to with men (Hamzah & Gozali, 2022). This can caused by a tendency more women be careful in take decision, as well ability they For evaluate risk in a manner more holistic (Paleh & Miah, 2019). In context accounting, ability management risk. This can help company For identify and reduce risk fraud and error accounting (Pardjo, 2017).

Inside woman position leadership too influence culture more organization honest and ethical. They tend more notice quality and integrity report finance, and encourage team they For Act with integrity in all aspect business (Handman et al , 2022). However, research also shows that Woman in position leadership often experience gender discrimination and not acknowledged in a manner fair For contribution they in push integrity report finance. They can face obstacle in reach position leadership or in obtain equal recognition with colleague man them.

Because that's important for organization for promote gender equality and ensure that Woman own same opportunity for reach position leadership. This can help increase integrity report finance and culture more organization honest and ethical in a manner overall (Maisan, 2022).

In matter fraud report finances, women in position leadership can help prevent fraud with strengthen internal control and ensure that reporting finance done in a manner accurate and precise time . They can too promote transparency in reporting financial and encouraging team they For report detected fraud ( Tanjaya & Kwarto (2022). Kindly whole, role Woman in leadership can own impact positive on integrity report finance and culture more organization honest and ethical. However, for reach potency full them, organization must promote gender equality and giving same opportunity for Woman For reach position leadership (Handman et al , 2022).

Through results studies literature about gender diversification in perspective fraud accountancy has done by some researcher. A number of studies show that enhancement representation girl on the spot Work can help reduce risk fraud accounting. A research by Krishnan & Visvanathan (2008) shows that company with representation more women high on the board of directors own level fraud more accounting low.

Another study conducted by Singhv & Mishra (2016) shows that representation girls on the level management medium can help reduce fraud accountancy through enhancement transparency and accountability in the process of taking decision. Studies this also find that organization that has culture inclusive and encouraging participation from various background behind gender can minimize fraud accounting.

However, research also shows that enhancement representation girl on the spot Work No always ensure subtraction fraud accounting. A number of studies show that factor else, like ethics professional and effective oversight, is also necessary considered in reduce fraud accounting.

## **CONCLUSION**

Studies literature about gender diversification in perspective fraud accountancy show that representation more women high in place Work can help reduce risk fraud accounting. However, other factors such as ethics professional and effective oversight is also necessary noticed For reduce fraud accounting. Because it, organization need notice balanced gender representation and other factors that can help reduce risk fraud accounting.

## **ADVANCED RESEARCH**

This study has limitations, namely in a short time. Thus, this study uses the study literature review method. suggestions for further research if you have a lot of time, using interviews and documentation.

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