PalArch's Journal of Archaeology of Egypt / Egyptology

MEASURING THE IMPACT ON MONEY EARNING MANIPULATION IN MALAYSIAN LISTED COMPANIES: AN EMPIRICAL RESEARCH ON MANUFACTURING SECTOR

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Yaman , Valliappan Raju.MEASURING THE IMPACT ON MONEY EARNING MANIPULATION IN MALAYSIAN LISTED COMPANIES: AN EMPIRICAL RESEARCH ON MANUFACTURING SECTOR --Palarch's Journal Of Archaeology Of Egypt/Egyptology 17(7), 6291-6305. ISSN 1567-214x

Keywords: effectiveness sales growth management, effectiveness depreciation management, effective administrative expenses, money earning manipulation, Bursa Malaysia.

ABSTRACT:
Several money manipulation cases were reported among the Malaysian listed companies over the last decade, particularly in Manufacturing sector. These cases affected the business environment and the country economy as well. This study aims to investigate the impact of three dimensions of effective financial management on the money earning manipulation in selected Malaysian companies from the security market. The sample of this study consists of 248 employees from the financial departments. The finding of this study found a negative association between these three dimensions that effectiveness sales growth management, effectiveness depreciation management, effective administrative expenses, and the money earning manipulation.

INTRODUCTION

Accounting scandals are constantly repeated in many countries and at different times, affecting millions of companies. Gaps in accounting standards encourage financial report makers to use various manipulation practices. Accounting manipulations are deliberate playing with accounting records in line with pre-determined goals(Bradler & Neckermann, 2019). Although there are different types of manipulation applications such as profit management, stabilization of the profit, aggressive accounting, fraudulent reporting and creative accounting, the basic point of these applications is the same.Studies in the literature show that managers tend to change their financial results in order to meet their profit targets(Apostolou, 2017).

Managers refrain from presenting information about the business in a realistic way to overcome financial difficulties or to achieve certain administrative objectives. For this reason, managers manipulate business performance with accounting methods or methods. Accounting manipulation is carried out by the managers changing financial transactions or events while they are presented in financial reports (Bürge, 2019). Since the annual financial reports shed light on the future performance of the companies and the success of the business management is evaluated according to the financial performance, the managers manipulate their accounting records. Accounting manipulation; falsifying or changing accounting records or documents; Misrepresentation or hiding of financial statements, transactions or other important information; Amounts include activities such as classification of accounts, presentation of financial information or deliberate misuse of accounting principles in accounting transactions (Chu, Dechow, Hui, & Wang, 2019). In short, executives aim to gain an interest by showing the business's financial statements, which are in good or bad condition, better or worse than the current situation.

EARNINGS MANAGEMENT IN MALAYSIA

Teh (2017) expressed the increase of accounting scandals in Malaysia has given rise to the doubt of earnings management, especially in family firms on which the families hold the absolute right and claims. The author investigated some 100 family owned companies and made 500 observations on the subject focus. Finally, he found the family owned firms do practice earnings management due to the equities they control and having a power and right to lay hands on. However, the researcher observed in firms where non- executive board member held a position, the earnings management was not observed. Healy (1999) earnings do give a good effect to the firms due to labelling and announcing the good performance of the firm to others. They alter their financial policies in a way enabling them to high earning. The author commented the financial users are the hands to alter the earnings accounts for the benefits of the economic stability of the firms. They take the economic decisions based on the volume of earnings. However, they engage and manage the earning within the boundary of the account procedure and the procedure seemed to support their earnings. The author further reported that abusive earnings of management are carried out mostly in SMEs due to purposeful financial reporting sake which eventually mislead the users and the stakeholders. The author argues earning management could result in both positive and negative outcomes and hence them managers were warned of dire consequences unless appropriate caution is exercised.

Ung (2014) reported that in a period between 1996 and 2012, some 17 companies have been reported engaging in earnings management, as investigated by the Securities Commissions of Malaysia. He further claimed some 48 percent of the Malaysian Manufacturing companies involved or committed the white-collar crimes which means twisting their earnings management activities. Of the companies investigated, only 25 percent were willing to develop and improve their techniques with relevance to the earning management affairs. Upon further clarifications, only the above 25 percent of manufacturing companies were interested to change fair internal auditing systems within their companies. As exposed by the survey conducted by PwC (Price Waterhouse Coopers), the average loss from the fraud per company two years prior to their survey was USD 173,383 per company.

In a related circumstance expressed that a Malaysian based company called Transmile Group Berhad had overstated their income to a tune of RM 530 million during the period 2005-2006 that eventually resulted their shareholders losing values of their shares. Eventually, the company was delisted or removed from the Bursa list of Malaysia, for the reasons of employee dissatisfaction, disreputation and loss of corporate image declining relationship (Fong, 2007). Various definitions are found in the literature regarding earnings management. Ali, Razzaque, Ahmed, and Management (2018) defines earnings management as an intervention in the financial reporting process to achieve self-interest. On the other hand, expressed their profit management by using their powers in order to affect the results obtained according to the reported profit information, in order to prevent the actual information to be reflected the market participants regarding the company performance. In the studies on the banking sector for the measurement of the quality of the financial statements, the quality of the financial statements is defined by the quality of profit. Profit quality is explained by the quality of accruals. Accruals, on the other hand, contain information about the future cash flow and can be used by managers to manipulate profits and provide false information to the financial statements concerned. The most important reason for applying to earnings management in the banking sector, as in the real sector, is to change the risk perception regarding the bank. For banks, it is among the sources of changing the risk perception in order not to fall below the minimum capital adequacy regulation regarding the banking sector, to increase the bank earnings, to ensure the continuity of the profit and not to exceed the credit limits. Barghathi (2019) stated that bank managers performed earnings management by reducing the volatility of reported earnings through the expansion period of loan loss reserves and stabilizing the profit in the recession periods. With the stability of the profit, the volatility of the earnings is reduced over the years and subsequent fluctuations in the prices of the bank shares are observed.

As one of the studies related to earnings management, the findings obtained within the scope of the study did not display the opportunistic behavior in the banking sector through the existing literature and earnings management; On the other hand, it is expected that the audit mechanism will contribute to the ongoing controversial literature on whether it restricts gain management. As a matter of fact, it is estimated that examining the relationship between opportunistic behavior and the control mechanism and earnings management may be beneficial for the developers, auditors, and regulatory authorities using the financial statement information. Moreover, the studies for the earnings management subject include models with highly accepted stereotypes in the real sector. However, there is no consensus on modelling for the banking sector yet. For this reason, it is expected that this study will shed light on future studies regarding the examination of earnings management for the banking sector (Caruso, Ferrari, & Pisano, 2016).

From the point of view of the studies conducted for accounting manipulations, it is investigated in which direction the financial statements are used by using the accruals based on the measurement of profit management. Providing flexibility to financial statement organizers in this way may lead to misleading information provided to users of financial statements. In this study, earnings management activities for the banking sector, which have an important share in the economy, are examined and the literature on earnings management is summarized in this part of the study. In order to measure earnings management for the banking sector, the first study was carried out by (Eugster & Wagner, 2020). Eugster and Wagner (2020) looked at the relationship between credit and other receivables impairment provision and ordinary profit. Within the scope of the findings, it was stated that there was no positive relationship between the two variables and that profit was shown as stable and profit management was applied. Bhat (1996) worked on whether the banks operating in the USA had a profit management activity in the period 1981-1991. It is determined that banks with low growth rate, low book value/asset value, high loan/deposit, and loan/asset ratio, low market value/book value, and financial assets with low asset profitability are not good in financial management. Lock, Chu, Song, and Lee (2019) have realized the relationship between accruals and earnings management for manufacturing companies registered in the COMPUSTAT database for the period 2008-2016. The results provided evidence of the existence of gain management behavior for the relevant sample.

Suffian et al. (2015) discussed whether firms that comply with the Sharia were traded in Bursa Malaysia SendirianBerhad for the period 2009-2013, whether they manage earnings from the perspective of the opportunistic behavior and control mechanism. Findings show that opportunistic behavior and controlling mechanisms affect earnings management. Ghazali, Shafie, and Sanusi (2015) worked with regression analysis for firms operating in the Malaysian capital markets between 2010 and 2012. In this context, the authors tried to determine the impact of opportunistic behavior on financial gain and the revenue management of the governance mechanism. Findings show that there is no relationship between earnings management and opportunistic behavior and the control mechanism; however, it indicates that earnings management behavior is related to financial pressure.

Nazir and Afza (2018) emphasized how ownership structure affect real earnings management for firms operating in Malaysia. A total of 1180 manufacturing companies were sampled and financially distressed companies selected from this sample for the 2001-2011 time period were included in the analysis. As a result, it was determined that there was no relationship between ownership structure and gain manipulation. Unlike; Omar and Zolkaflil (2015) have argued that there is a strong and negative relationship between earnings management and corporate ownership. Talab, Flayyih, Ali, and Research (2018) examined the relationship between earnings management and capital structure from the perspective of traditional banking and Islamic banking. In the study, 441 traditional and Islamic bank data operating between 2007 and 2013 were used in Bayreyn, Jordan, and Qatar. The findings indicate that there are differences between traditional banks and banks that use the Islamic banking system, and traditional banks realize the relationship between earnings management and capital structure differently from Islamic banks with their loan losses. Lazzem and Jilani (2018) examined the relationship between the leverage ratios and earnings management of firms traded in the CAC All-Tradable Index. Using the leverage ratio and optional accruals, the authors investigated the availability of earnings management activities with panel data analysis. Findings indicate that debt rates encourage firm managers to earnings management.

Financial management is not only intended to ensure that the organization has sufficient resources to carry out its activities but more importantly to demonstrate accountability. Weaknesses in accountability can lead to abuses such as fraud, theft, and illegal activities. Although there have been no reports of financial management misconduct in Islamic organizations, it remains to be seen whether Islamic organizations are having problems with accountability issues. In this regard, the study carried out research on the financial management carried out by the state mosque to find out the level of accountability of Islamic organizations in Malaysia. These financial management practices include budgeting, revenue receipts, fund utilization, and reporting. This study uses questionnaires and interviews to obtain relevant information. The results show that the state mosque has a good system of internal controls for income (collection) and use of funds. However, there are weaknesses in budgeting and reporting. Basic internal controls such as separation of duties, recording of financial transactions, and the authority (authority) of performing a task or activity are satisfactorily practiced. Although this study is an exploratory study, it is hoped that it will provide a basis for future research on financial management in Islamic organizations in Malaysia.

LITERATURE REVIEW

Essentially, the main purpose of accounting manipulations, which is expressed as adjusting the operating results as desired, is to create a positive perception about the business on investors (Duclos & Khamitov, 2019), and their general objectives are as follows (Eugster & Wagner, 2020); (1) To affect the stock prices and risks of the business, (2) To direct debt contracts to ensure financial conditions, (3) Changing investors' perceptions about the business, (4) To create a positive image for the markets with the future of the company's financial performance, (5) To stay away from risks arising from legal or political transactions, (6) Manipulating executive fees.

Istiak and Serletis (2017) stated that accounting manipulation has three main reasons. The first is that management tends to draw a pink picture of the company's financial situation to meet pre-determined financial performance expectations and strengthen their personal earnings. The second is that some accounting practices allow management to better show the financial position of the company than it is. Third, because of the relationship of interest between independent auditors and companies, independent auditors can use accounting rules as they do to draw a financial situation that will satisfy their customers (Laksomya, Powell, Tanthanongsakkun, & Treepongkaruna, 2018).

Pereira and Coelho (2019)used in accounting manipulation; It has classified it as Aggressive Accounting, Profit Management, Profit Stabilization, Fraudulent Financial Reporting and Creative Accounting Practices covering all of these methods.Aggressive Accounting: Aggressive accounting is the process of compelling and consciously choosing and applying accounting methods regardless of whether generally accepted accounting principles and standards are appropriate (Rachok, 2020).Aggressive accounting method consists of applications carried out by forcing accounting standards.The purpose of aggressively using accounting standards and principles is to create the impression that the business has better performance by showing its financial results and financial status differently than it is (Saiag, 2019).Profit Management: Objectives that are predetermined by management are actively manipulating the profit in accordance with the estimates made by analysts or a more perfect and sustainable amount of profit (Schrauwers, 2020).

Managers carry out profit management by changing the financial statements in order to change the perceptions of the stakeholders of the company about the financial performance of the company.Conscious transactions made in generally accepted accounting principles are performed to reach the desired profit level. This is a process that covers profit management, and profit management has two aspects: “opportunistic” and “informative”. In the opportunistic direction, management tries to influence and mislead investors' perceptions. In terms of information, management uses earnings management to explain its expectations to investors (von Helversen, Coppin, & Scheibehenne, 2020). Thus, businesses show their profits higher than they would be illegal, increase their market values and ultimately achieve their goals.

Making Profit Stable: with this method, in order to create a low-risk company image that will provide a stable profit distribution, it is aimed to lower the profits in high periods and increase them in low periods (Zokaityte, 2018). Stable profit figures will create a better management perception of the company's capacity in terms of long-term profitability and the true value of the company (Wilson & Shailer, 2007). Stabilization of the snow can be done in three ways (Abbey & Meloy, 2017); (a) Making income stable through accrual. Management can adjust the realization times of revenues in line with their own judgment to reduce variability in profits. (b) Profit stabilization through time distribution. Management can record some income and expenses in different periods in order to stabilize the profit. (c) Making the snow stable through classification. Management can classify some income statement accounts differently by using their own judgment to stabilize the profit.

Fraudulent Financial Reporting: Errors made in the financial statements are expressed as errors when they are not done intentionally and frauds when done intentionally. In the Independent Audit Standard No. 240, fraud is defined as "Intentional acts involving deception by one or more persons responsible for management, senior management, employees or third parties in order to obtain an unfair or unlawful interest." Cheats can be classified within the business as manager cheats and employee cheats, according to the performer. Since the abuse of assets is generally performed by the employees of the enterprise, it can be stated that the frauds of the employees are in the form of abuse of assets and the frauds of the managers are in the form of fraudulent financial reporting (Airaudo & Olivero, 2019).

Fraudulent financial reporting; It is stated that manipulating, falsifying or changing accounting records and documents, events, transactions, information that should be reflected in financial statements are not deliberately disclosed or misrepresented and deliberate misapplication of accounting principles regarding amounts, valuation, presentation format or disclosure.Accounting fraud is generally aimed at hiding various corruption, showing the status of the business and tax evasion, and it is the result of knowingly and willingly displaying, abusing, misleading the resources or assets of businesses. In this case, the employees prepare false financial statements in order to gain benefits (Bennett, Sasmita, Maloney, Murawski, & Bode, 2019).
The author says as the technology keeps improving in presenting the financial statements of the accounting procedure, the frauds have also been keep rising up. Therefore, forensic accountants have become the much sought-after professionals. Of the several forensic accounting systems, Baneish M-Scores is considered one of the efficient analytical systems based on the eight common variables formulated by Baneish to work on the detection of fraud or earned manipulations in the presented financial statements of manufacturing companies.

An analytical researcher, (Owojori AA, 2009)(Owojori AA, 2009the business organizations are supposed to present an accurate and true account of their financial standing so that the stakeholders could make a right decision in dealing with the organizations. The true accounting factor is a tool to the participating market player of the company. A financial statement filled with false information on the financial performance of the organizations would lead to nowhere but to self and public disappointment. Of late it was noticed wide fraud even in fortune 500 corporate companies have published false or cooked up statements that adversely affect the capital and financial market across the world(Carter & Breunig, 2019).The dynamics of the business procedures in the modern world have changed rapidly and the traditional auditing systems have been of little use in detecting the fraud committed by the organizations in their financial structure. The fraud detecting investigators have to deal with the defrauders and hence forensic accounting systems are realized in need to the investigations. The responsibilities of forensic accountants are to be divided to carryout effectively. The professionals have to share the entire forensic accounting system as follows: (1) Investigative or detective auditing procedure. (2) Litigation or legal action initiating support auditors, and (3) Auditors capable of initiating criminal investigation

As well, the researcher points out the forensic auditors have to equip themselves to investigate the corporate accounts bearing the following aspects in the mind: (1) Detecting the tax evading exercise with an interest of creative accounts and statements. (2) The interest of the organization in supporting anti-money laundering activities. (3) Presenting a creative opinion on the financial health of the organizations, if on an ulterior motive. (4) Giving creative estimation on the possible loss of the business. (5) Discerning on the evaluation of firms' liquidation criteria, and (6) Finding to understand the basic reasons for the bankruptcy of the organizations. Applying the eight variables of Baneish M-Scores, Miller and McIntyre (2020)investigated some sample companies in 'Turkey. He expresses satisfaction of detecting the earned manipulations using the Baneish statistical model of analysis. Finally, he found a fair number of frauds have been committed in Turkey which could be able to pinch the economy. The author took 174 listed companies in bursa Istanbul for working with his analytical studies. He found Baneish M-Scores method has been useful and the analytical model became popular after the Enron fraud affairs in the US.

METHODOLOGY

This study relied on a primary data, the data where the researcher himself obtains them through his own data collection instruments. The questionnaire is the quintessential data collection method, since it is obtained through questions directed at the chosen sample based on criteria or the total statistical population. For the purpose of collecting the data, the random sampling technique will be used to nominate the participants, the generator random numbers software will be used to generate the numbers based on the listed of companies from Bursa Malaysia.

The Malaysian current corporate sector altogether had 790 (as of 2019) board listed organizations in which were several financial institutions like banking, insurance and other credit facilities providing companies have been included. For the current task, companies dealing in sectors other than financial or insurance business have been picked. The companies are chosen at random, despite there are categories of top listed or performing and categories like dormant and minimal performing companies. The total population represents by the total employees work within the accounting department, which accounted around 9,480. Based on Krejcie and Morgan (1970), the sample size 248 participants.

FINDINGS

The profile of respondents is the second test that is conducted for the feedbacks for two main objectives, which are to ensure that the random sampling method was applied in the process of distributing the questionnaires to the respondents. The second objective was to identify the demographic backgrounds of the research respondents. The profile of respondents' test had 4 sub-tests to identify the gender, age, education levels, and experience. According to the following table 1, the gender test had two categories, which are male and female. The male respondents were 154 with 62.3%, while the female respondents were 94 with 37.7. This test confirms that most of the respondents were males.According to the following table 4.7, the age test had four ranges of ages, which are 17-25 years old, 26-30 years old, 31-35 years old, and 36-40 years old. The 17-25 years old respondents were 43 with 17.5%. The 26-30 years old respondents were 91 with 37.4%. The 31-35 years old respondents were 21 with 8.5%. The 36-40 years old respondents were 93 with 36.6%. This test confirms that most of the respondents were under the age of 30 years old.

According to the following table 4.7, the education levels test had three education levels, which are bachelor, and master. The respondents who had diploma certificates were 27 with 11.2%. The respondents who had bachelor certificates were 91 with 36.8%. The respondents who had master certificates were 130 with 52.0%. It appears that the majority of the respondents were holding master certificates.According to the following table 4.7, the experience test had three ranges of experience, which are 1-3 years, 4-6 years, and 7-9 years. The 1-3 years of experienced respondents were 46 with 18.7%. The 4-6 years experienced respondents were 55 with 22.2%. The 7-9 years experienced respondents were 147 with 59.1%. It appears that most of the respondents were having experience in the range of 7-9 years.

Table1: Respondents Profile

	n	%		n	%
Gender			**Education Level**		
Male	154	62.3	Diploma	27	11.2
Female	94	37.7	Bachelor	91	36.8
			Master	130	52
Age			**Experience**		
17-25 years	43	17.5	1 to 3 years	46	18.7
26-30 years	91	37.4	4 to 6 years	55	22.2
31- 35 years	21	8.5	7 to 9 years	147	59.1
36- 40 years	93	36.6			

Reliability is how much an appraisal apparatus produces steady and predictable outcomes. Test-retest reliability is a proportion of reliability acquired by directing a similar test twice over some stretch of time to a gathering of people. According to table 2 the variables (effectiveness of sales growth management, effectiveness of depreciation management, effective Administrative expenses, and money earning manipulation) have shown good internal consistency with Cronbach alpha values = 0.745, 0.818, 0.878, and 0.782 respectively

Table2: Reliability Test

Factors	Items	Cronbach's Alpha
Effectiveness sales growth management	3	0.745
Effectiveness depreciation management	3	0.818
Effective Administrative expenses	3	0.878
Money Earning Manipulation	4	0.782

The descriptive analysis is usually used in the statistical analysis to identify the respondents' perceptions about the variables' items. The current test uses the mean scores and the standard deviations. According to the following table 3, the minimum measurement scale was 1, while the maximum measurement scale was 5. The mean scores for the variables (effectiveness of sales growth management, effectiveness of depreciation management, effective Administrative expenses, and money earning manipulation) = 3.020, 3.382, 3.512, and 3.268 respectively. These results confirm that the majority of respondent were in average agreement with the items stated in the questionnaire. Also, these results also confirm the vital impact of the independent variables and moderator variable on the money earning manipulation. Furthermore, the standard deviations for the variable were 0.552, 0.622, 0.631, and 0.765 respectively.

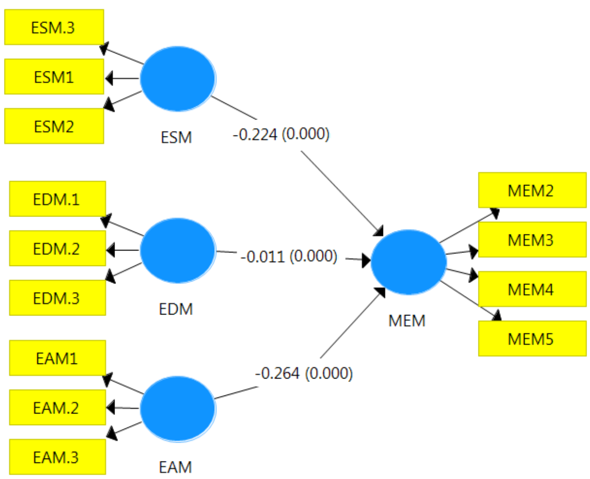
Table 3: Descriptive Statistics

	N	Mean	Std. Deviation
Effectiveness sales growth management	248	3.020	0.552
Effectiveness depreciation management	248	3.382	0.622
Effective Administrative expenses	248	3.512	0.631
Money Earning Manipulation	248	3.268	0.765

This section presents the result of hypotheses testing for direct effect.The results are presented in table 4. This test is performed for the purpose of identifying the types of relationships between the independent variables and the dependent variable. According the findings of this test, the following conclusion was: there is a negative and significant relationship between effectiveness of sales growth management and money earning manipulation in the Malaysian listed companies with β = - 0.224 and significant level p= 0.000, there is a negative and significant relationship between effectiveness of depreciation management and money earning manipulation in the Malaysian listed companies with β = - 0.011 and significant level p= 0.000, there is a negative and significant relationship between effectiveness of accruals management and money earning manipulation in the Malaysian listed companies with β = - 0.264 and significant level p= 0.000.

Table 4: Path analysis

Paths	Beta	SD	T-value	P-Values
ESM -> MEM	-0.224	0.071	3.643	0.000
EDM -> MEM	-0.011	0.084	7.279	0.000
EAM -> MEM	-0.264	0.097	11.836	0.000



DISCUSSION

The direct effect test has been used in the study of the purpose of identifying the types of relationships between the effectiveness of sales growth management and money earning manipulation in the Malaysian listed companies. It was found that there is a negative and significant relationship between the effectiveness of sales growth management and money earning manipulation in the Malaysian listed companies with $\beta = -0.257$ and significant level $p= 0.000$.

These results are supported by the previous studies, where Darr (2018) had come up with consistent evidences on the management of earnings by corporate companies. The author has pointed out a few areas where the management or government of the companies. Normally, there are few convenient areas like offering temporary discounts for increasing the sale; taking the excuse of over production for reporting the lower sales, and exercising authority over reducing or lowering the discretionary expenditure for showing the margin well increased. However, the investigator claimed there are other kinds of manipulations for showing the stock values and receivable bringing it in to zero earnings. Beneish model whether 132 companies traded in BIST Manufacturing Industry in 2010-2012 performed accounting manipulation. and using the logistic regression method and they concluded that Working Capital / Total Asset, Working Capital / Sales, Net Working Capital / Sales ratios and the Natural Logarithm of Total Liabilities are effective.
The direct effect test has been used in the study of the purpose of identifying the types of relationships between the effectiveness of depreciation management and money earning manipulation in the Malaysian listed companies. It was found that there is a negative and significant relationship between the effectiveness of depreciation management and money earning manipulation in the Malaysian listed companies with $\beta = -0.024$ and significant level $p= 0.000$.

These results are supported by the previous studies, where the model of Detzel (2017), the ADTs use the variation in sales fewer accounts receivable and the variation of the item of property, plant, and equipment, as shown in equation (3), since they consider that not all sales have to be non-discretionary and will depend on the item that is pending collection. The reason would be that accounts receivable are used to control the growth of the firm since working capital is closely related to sales and that property, plant, and equipment are used to control the depreciation expenses contained in the AD.

As part of the adjustment of the items that affected the profit of the period but did not require the use of cash, the presence of depreciation is evident. Recognition of depreciation requires the use of estimates, and the method chosen by the entity may be associated with the purpose of influencing earnings for the period. Additionally, as changes in working capital is the increase in accounts receivable, and as mentioned above, it is important to analyze this account as it could indicate that the entity hastened or delayed the shipment of goods in order to record the sales and therefore income in a certain period.The direct effect test has been used in the study of the purpose of identifying the types of relationships between the effective administrative expenses management and money earning manipulation in the Malaysian listed companies. It was found that there is a negative and significant relationship between effective administrative expenses management and money earning manipulation in the Malaysian listed companies with $\beta = -0.214$ and significant level $p = 0.027$.

These results are supported by the previous studies, where Herawati (2015); In the study, they conducted on 35 companies that were found to cheat by the relevant institutions between 2001-2014 and 35 companies, not on the list of cheating companies, they concluded that the Beneish model was a powerful model in detecting the fraud. In addition, they determined that the gross profit margin index, amortization expenses index, marketing, sales, distribution, and general administrative expenses index, which are among the variables of the Beneish model, are important variables in determining the revenue manipulation of total accruals.

In accounting, the organization's expenses are recorded in the salary articulation as labor expenses. Administrative expenses are regularly remembered for a cost classification called sales, general and administrative expenses, or general and administrative expenses. Administrative expenses incorporate things such as workers' compensation, leasing expenses, and utilities. The best approaches to monitoring administrative expenses are to reduce overhead or lay off the administrative workforce.Administrative expenses are the expenses generated by an association that is not legitimately linked to a particular capacity, for example, assembly, creation or offers. These expenses are identified with the association as a whole, rather than an individual division or specialty unit. Senior officer pay rates and general administration-related expenses, for example, accounting and data innovation are cases of administrative expenses. In general, they will be inconsequential at the edges of the network.

CONCLUSION

It is important to note that the findings of the current study have highlighted some important managerial implications. The results of the current study indicated that there are also secondary results that would help managers of listed Malaysian companies to improve and avoid manipulation of money earnings. The study found that effectiveness financial management transactions have a great impact on manipulating money earnings, which helps companies' managers and accountants to work out a specific mechanism that helps them to limit manipulation of money earnings in their companies.

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