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Factors Impact Reducing Money Earning Manipulation within the Listed Malaysian Companies; the Moderating Role of Accounting Ethics

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ABSTRACT

This study aims to investigate the impact of three dimensions suggested by Beneish M-Score model on reducing money earning manipulation within listed companies in Malaysia. Also, examining the moderation role of accounting ethics toward the improvement of these factors on reducing money earning manipulation. These three dimensions called asset quality management, accrual quality management, and leverage quality management. This study follows the cross-section method. The questionnaire instrument is used to collect the data from 370 employees in financial and insurance business of Malaysia. The empirical analysis of structural model of the study revealed that the direct relationships of financial management transactions dimensions are significantly positively related to reducing money earning manipulation. The path analysis confirmed moderating effect of accounting ethics has also been found positively significant positive on the relationship between financial management transactions and reducing money earning manipulation. The present study is first of its kind to explore the moderating effect of accounting ethics among financial and insurance business of Malaysia. It suggested that financial management transactions are an important concept for management of financial and insurance organizations, which can considerably influence working environment and reduce money earning manipulation.

KEYWORDS: Asset Quality Management, Accrual Quality Management, Leverage Quality Management, Accounting ethics, Money Earning Manipulation, Bursa Malaysia

I. INTRODUCTION

The present study plays vital rule of widening of the Beneish M-score model quality and recognition among the money market applicants and continuous upcoming studies. Therefore, this research explained in simple terms accounting ethics is a set of etiquette relevant to sustaining performance of the accounts adhering to conscience blended with good ethics for presenting the financial standing of the company to both the board and stakeholders. The ethics are rooted deep on the platform of morale and values and it is not just a set of principles to learn but to practice in reality. Therefore, the ethics are innate bed on which on which the performance of accounting values send shoots and roots. The ethics are set of governing tools to set the accounting performance go without committing fraud.

II. FINANCIAL SECTORS OF MALAYSIA

Malaysia has significant and friendly trade policies which attract many foreign and local investors preferring to trade with. Following is a list of significance and flexible trade policies of Malaysia: (1) Malaysia has been a recognized Member of WTO (World Trade Organization since January 01, 1995 and the policies are bound and within the international trading standards. (2) Malaysia is an active Member of ASEAN (Association of South-East Asian Nations). (3) Malaysia's score rose to 7.5 points in 2017 among the most favoured nations. (4) The duty-free rank of Malaysia stands at 56.2 percent quite recently. (5) The average tariff rate was at 21.5 percent which is a favoured rate for trading. (6) Import duty exemption is adequately available raw and components both local and foreign origins. (7) Export duties levied 5 to 30 percent only for certain products like crude oil, palm oil and timber wood) (Liao, Chen, & Zheng, 2019) Thus, Malaysia has been a country of favourable trade winds in the region and trading with Malaysia has been made easy to both local and overseas traders (Year on year export growth growth trend of main sectors, 2019a). Ever since liberation in the year and confederation in 1964, Malaysia has been an ideal piece of land to establish trade relationship. The consistent political environment in Malaysia is another favourable trade wind for the business or trade venture. At the current global political and trade turmoil among countries, Malaysia has been exhibited a moderate trading current to venture (LópezPuertas-Lamy, Desender, & Epure, 2017).

Malaysia, being one of the original Member countries in the ASEAN group, has significantly played a constructive corporate gesture of role in building ASEAN a strong entity in the region. The natural resources and irrigational convenience for the agricultural sectors help marching faster than the other sectors (Andrew & Baker, 2020).

Some of the current Malaysian states have been under British protectorate where Malaya was a British colony. Malaya was liberated in the August of 1957 and the Malaysia was formed in 1965. The country was also under Japanese occupation from 1942 through 1945. The potentials of trade whereby aiming to improve mutual economy have spearheaded recently in the developed and or European countries and Switzerland is one among the countries exploring economic trade partnership with some of the ASEAN partners such as Malaysia (Ziltener, 2015).

Malaysian corporate trading organizations are considered the major contributor to the trade development both within and overseas organizations/countries. Therefore, it is considered the genuineness of the corporate sector is ultimately responsible for the Malaysian development. Bearing it in mind, this work is carried out to investigate how far the corporate sector of Malaysia is genuine in pursuing the accounting system that eventually share a part to the success in trading systems (Habib, Wu, Bhuiyan, & Sun, 2019). Prior to independence Malaysia had specialized in the agricultural sector as the engine of national growth. However, since the 1980s Malaysia's focus has shifted to the financial sector. The financial sector is often associated with the influx of large capital and technological developments into one area. As such, the financial sector is seen as a key catalyst for a region's economic development. With the wide range of facilities available, it is possible for developed regions to attract foreign and local investors to open the industry in this area and thus attract more workforce to serve the developed areas rather than the less developed areas. (Michayluk, Walker, & Neuhauser, 2019). So, the activities of the financial sector are seen to be concentrated in certain states. For the state of Johor, being close to Singapore's neighboring country will certainly help the growth of the industry in the area. East and north coast areas are said to be marginalized and more dependent on small and medium enterprises (Shaw, 2019).

Gentina and Tang (2018) found that the financial sector played an important role in the development process. From his research, he concludes that the financial sector is the most dynamic sector in the economy and is considered a growth engine. The importance of the financial sector as a growth engine has also been discussed by other economists, such as (Manchiraju & Rajgopal, 2017), whose ideas are for the forward and backward chains. Also included are (Belot & Serve, 2018; Eugster & Wagner, 2020; Koch-Bayram & Wernicke, 2018), meanwhile, examines the laws of Caldor throughout Spain. He pointed out that there is a growing law of returns in the manufacturing sector.

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III. FINANCIAL FRAUD PRACTICES IN MALAYSIA

Malaysia currently listed financial companies 114 corporate divided into banking, insurance and other financial services. As well, Malaysia is also the largest Asian partners to have a high number of Bursa listed companies. However, fraudulent financial reporting has been noticed here for different reasons that need deep scrutiny.

Khairul Anuar Kamarudin (2012c) examined or explored the corporate fraud nature in 2012 in Malaysian corporate sector. The researchers headed by Khairul took some eight years for the investigation from 2003 through 2010. They explored 184 companies for committing any corporate financial fraud. They found companies showing aggressive financial reporting to have positively committed to reporting their financial statements. The author reported, especially companies aggressively reported their financial statements just two years before the occurrence of the fraud. The result of the findings showed two criteria for such fraud reporting in which a) timey loss recognition in reporting and b) employing asymmetric time schedule of reporting. Significantly, the firms availed use of less loss time of reporting as a knack for showing down.

Finally, the empirical analyses of the researchers revealed two factors causing the fraudulent reporting. One is the aggressiveness of the reporting style and the other is to deter or divert the observers from their involvement in such activities or performance of frauds.

Gårseth-Nesbakk and Kjærland (2016) stated that fraudulent financial statement presentation had become slowly creeping in the current corporate sector and it may have a lethal effect or impact both internally and externally. The exploring organization found Malaysia was not exempted from committing such frauds. During the year 2011, the losers or victims of corporate fraud in Malaysia amounted from USD 100,000 to 5,000,000. In addition to it the fraud plethora caused reputation damage, employees losing jobs, brand loss, collateral losses and loss of business relationship. The research TAM of Fatemi and Fooladi (2020) listed out the causative factors for the fraud and losses thereby incurred. The listed the following causes with the counts of incurrences: (a) Failure to announce immediately after the material occurrence of what happened. (b) Failure to report the annual/quarterly and other reports per schedule. (c) Failure the adjust accounts as found. (d) Inconsistency in loss and profit with that of the auditors. (e) Provide false accounts to Malaysia securities commission and bursa. (f) Manipulating market focus and internal or insider trading. (g) Doubtful exercises of corporate procedures. (h) Other breaches of different origins causing to constitute frauds.

What a healthcare scanning or a medical report means to a human is as comparable as to a financial report to a company. Manipulation of financial statement though not considered a business ethic and a point of good governance, many companies involve in adhering to this pseudo pride for boosting their image among the competitors, investors and stakeholders. A prospective investor looking to investing in a company, look for the following factors or features gained or lost by the organization before showing confirmed interest of investment in different instruments. The features are:

Disclosure of net debt of the company, Cash flow ratio between operating cost and profit, Taxes transfer mode especially in the multinational organizations, Reserve levels of past few years, Availability of credits from banks and other financial institutions, Growth and profit projections, Current asset values and Values of depreciation and Value of inventory (Fatemi & Fooladi, 2020).

Fatemi and Fooladi (2020) claimed many companies had been in the processes of providing cooked-up or altered information on the above factors. The cosmetic fulfilment of the balance sheet levers the statement from true account. The undue points to moderate or promote the company have bloated the true picture in a sheer attempt of looking for more investment and increased popularity in the corporate world.

Most of the international accounting scandals that occurred were related to financial fraud, and involved auditing firms and well-known companies in the world market, such as Enron, WorldCom, Parmalat, Merck, Nortel, Global, AIG, Tyco, Xerox, Volkswagen, BMW, Boeing, among others, in addition to emerging schemes famous like the Girl Scouts fraud and household names like Darryl McCauley (the comedian Dane Cook was the victim of his half-brother) and Bernard Madoff. In effect, this loss of trust in companies caused them great difficulties and those that managed to survive after the fraud occurred, did so thanks to established corporate governance systems which had a positive impact on the capital markets and were able to regain the lost confidence of their investors. The impact of these frauds was not only for the affected companies, since what happened sparked a wide debate about the Role of the auditor in fraud detection and how in the exercise of his function this should be considered a crucial aspect under his responsibility. As well as governments and the profession accounting, in order to regain lost confidence in accounting professionals and in financial information, they generated standards, laws and pronouncements to define and guide the external auditor regarding their role in the prevention and detection of business fraud, even to the point of giving it clear guidelines on fraud indicators to consider in the execution of their work. However, in the case of internal auditors, there are no specific guides, standards or legislation to guide this auditor in detecting fraud, although it is the obligation of the professional to do so, which is why one might think that his performance on the subject is criterion of the internal auditor. The above indicated makes it interesting to investigate how The absence of a rule of this kind affects the development of audit procedures internal and how experienced auditors react to this problem and face it in ignorance of the existence of international regulations that refer to the issue in question (Omar, Wisniewski, & Yekini, 2019).

IV. LITERATURE REVIEW

Beneish M-Score model seems to be fitting tool in the investigation of fraudulent or cooked up finance status of the firms. The model has been considered effective to securitize the level of true status for the knowledge of investors, stockholders and prospective agencies monitoring the trend of the firms. Sharma (Sharma, 2012)(Martínez-Ferrero et al., 2017) argued a higher-level tach-savvy detecting procedure was in need and the current manual audit whereby detecting frauds seemed to be time consuming and tedious. The kind of technical based fraud procedure detecting financial pitfalls either purposely or ignorantly like the Beneish M-Score model would come to the help of auditing process for further analysing where and how undue things while preparing the accounts happened. The researcher expressed Beneish M-Score mathematical model whereby the fraud level of the firm by working on their own financial statement helped to detect the wholesome fraud engagement. From the figures presented by the company in their financial statement, the eight variables of Beneish M-Score model are applied, and the resulting figure tells the earnings or manipulations (Apostolou, 2017).

Mahama Mahama (2015) stated that Beneish M-Score model had become popular in the west and was applicable to all firms. The model is particularly appropriate to apply to large firms. The model gained further popularity in its when used and proved the failures of large firms like Enron and WorldCom. Eventually, the model’s application criteria have been set to follow by the Association of Certified Public Auditors (ACPA) and Certified Public Auditors (CPA) more like a tool or benchmark when exercising their audit jobs.

Ethic followed based on religious or faith related adherence is another set of good elements undertaken in commercial aspects. People follow business ethics as preached by gods and goddesses and as followed by prophets or disciples. The major points of religious ethics are founded embedded in self-regulation, being honest to others, showing respect to others, honoring and offering protection to the assets of others and mutual love. Nevertheless, business people show their materialistic interest flouting them and following their own profit making as claimed by (Riahi-Belkaoui, 1992). This model development is of individual interest and depends on time to time with no consistency. However, the model is considered a developed model in an adhering to practicing ethics in corporate world. How far religious is the account handling or monitoring professionals is, so far is the ethics practiced.

Financial fraud is considered an unethical activity engaged mostly for the ulterior motives or personal gains of a few indiscriminate hands within the company or by the paid agency contracted by the company. Fraud is crime according to the law and committing is culpable action against the ethics (Rashid, 2018). The fraud could be committed mostly due to contracting external parties on certain basis which many companies do not expose and keep it a provision for manipulation later on the second cause could be due to the mishaps carried out by the board leadership like CEO and or Chairman. Auditors could also be blamed another cause of exercising immoral financial accomplishment to show up. The manipulation and frauds are not just limited to accounts and finance sector alone. It exists in other areas of business transactions too. Under some fishy circumstances, the company accounts personnel could withhold transactions and pay-outs for some reasons and this practice would trigger to manipulate or cook-up account statement that end up in fraudulent engagement. Thus, there are major and minor causes leading to earned manipulation and these behaviours, of late, has come to the current business world. While many manipulations are intentionally carried out, some remain unavoidable in the wave of hasty financial world (Gharbi, Hamed-Sidhom, Hussainey, & Ganouati, 2020).

The aforementioned accounting and financial scandals have had their reason for being in employment by managers due to their discretion in decision-making, which generates behavior patterns lacking in business ethics and whose main objective is not focused on the company, but rather in satisfying the interests and needs of management, requiring managers to resort to manipulating the financial statements –especially the benefits– to hide their discretion. That is why day by day the quality of the information issued by companies is acquiring special relevance. Companies that provide high-quality financial information tend to be more conservative in their accounting and less inclined to carry out unethical practices, such as CM.

Following Goldsmith, Roux, and Ma (2018), MC actions can be defined as "any practice intentionally carried out by management, for opportunistic and/or informative purposes, to report the desired accounting figures, other than the actual ones." Therefore, it is emphasized that such actions may be opportunistic or informative on the part of management, as already proposed by Gray, Hellman, and Ivanova (2019), who stayed out of the controversy raised about whether CM is conceived solely as the practices that violate generally accepted accounting principles, or on the other hand, managers can also use their discretion to increase or decrease actual results without violating those principles. In this sense, Healy and Whalen (1999) argue that CM practices are linked to discretionary behaviors carried out by company managers when they prepare financial statements or certain transactions with the aim of preventing interest groups and shareholders know the true situation of the company. Given this lack of knowledge, managers avoid that they can influence contractual relationships that are linked to accounting. These CM practices violate the basic characteristics of quality information: relevance, reliability, transparency, and clarity (Guggenmos & Van der Stede, 2020; Habib, Costa, Huang, Bhuiyan, & Sun, 2020).

The management of results carried out by managers in the use of their discretion is based on CM practices on purely financial decisions or on real decisions (Schipper, 1989). The first are those that refer to the way of accounting for the events, usually through provisions, accrual adjustments, or changes in the criteria and amortization systems. These first decisions can be considered the most used by management, as they are less visible and less expensive, unlike real decisions, which are those that affect the progress of the company and its operation, such as the optimal time to carry out the sales or selection of R&D projects.

In other words, there are two types of CM: (i) purely accounting decisions, and (ii) real decisions, which are associated with actions that alter the time and scale of production, sales, investment, and business activities. financing throughout the accounting period, so that the specific profit objective can be met (Roychowdhury, 2006). Managers can choose between accounting and real stocks based on which are less expensive and less visible to investors and the market. According to Huang (2017), MC decisions through "real" actions precede decisions regarding accrual adjustments. The separation between property and control can be considered the starting point of CM practices, which have precisely been considered as an agency cost. Based on this separation, the managers acting for their own benefit carry out sub-optimal actions and strategies that influence contractual relationships not only against the interests of the shareholders but also of the other groups of interest. In this sense, the main theoretical justification for CM is determined by the separation between property and control, and therefore, by agency theory. On the other hand, the CM is closely linked to the choice of the accounting method and the options considered within the company. Therefore, the justification for these behaviors will be explained through agency theory and positive accounting theory. Following the motivations already cited by Watts and Zimmerman (1986), managers can have various reasons for managing the result. Following Huang (2018), actual activities are reported inaccurately in order to report annual losses, while Iloga Balep and Junne (2020), in their study of Canadian companies, find that managers can try to smooth income strAMs, minimize tax payments, avoid the effect of changes in company control, influence labour negotiations or respond to possible public takeover bids. Karajovic, Kim, and Laskowski (2019) classify these motivations as contractual (debt and executive compensation contracts based on accounting figures), political and government (political costs and benefits derived from the economic and financial situation of the company, reflected in their figures. accounting) and valuation-based motivations (effect of accounting figures on the company's stock market valuation). Regarding the valuation of assets, numerous studies have revealed the existence of MC before transactions in which valuation is a crucial aspect. In this sense, Koch-Bayram and Wernicke (2018) observed that MC led to underestimated earnings in periods prior to an MBO. On the contrary, (Kolev, Wangrow, Barker Iii, & Schepker, 2019) found how benefits are often overvalued during periods of capital issuance.

Another issue of interest changes in management. In this sense, there are opportunistic interests both for managers who leave a company and for those who access it. As evidenced in the study of Korobkin and Dorff (2018), managers who consider that their position within the company may be at risk have an incentive to exaggerate accounting results. Those who are newcomers will seek to reduce earnings during their first year in order to shift the responsibility to the previous management and so that the subsequent results become more impressive. The consequences of these practices are undoubtedly tremendously damaging. Among many others, they reduce the value of the company, its assets, its transactions, its reputation and corporate image. At the same time, they cause a loss of support from shareholders, investors, and other stakeholders, as well as increased activism and vigilance from interest groups and regulatory authorities. By delimiting tax crime, it is intended to answer two questions: why and why the identification of this type of crime? Establishing the concept of money earning manipulation is to answer the first question and leads to justify the delimitation of this plot of criminality. The second of the questions seeks to investigate its consequences and characteristics, as well as its causes and the challenges that its control and prevention imply. When economic tax crime and tax economic criminal law are analysed, it is recognized that it is talking about a part of criminal law and crime that can be analysed independently and that presents characteristics that distinguish it. However, it is not essentially different from common crime and criminal law. The conceptual delimitation of money earning manipulation is a complex task from both the criminological and legal perspectives. In criminology the debate refers to the concept of Money earning manipulation. The situation from the legal tradition, as TIEDEMANN puts it, is not easy when it comes to defining the concept of economic criminal law8. It will start with the criminological debate, and then move on to economic criminal law. All this, with the purpose of pointing out the limits of tax crime, as an integral part of money earning manipulation (Budke & Ferguson, 2017).

V. METHODOLOGY

The study sample has been sourced from (Krejcie & Morgan, 1970). 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 370 participants. Hence, the sample respondents working in listed companies in Malaysia. The sample was chosen on the basis of the random sampling approach. This sample is circulated among the nine chosen firms according to (Krejcie & Morgan, 1970).

The scale of Asset management quality was adopted from (McDonagh & Frampton, 2002). The scale of sales growth management was adopted from (Nadeem et al., 2018). The scale of depreciation management was adopted from (Ackermann, Fochmann, & Wolf, 2016). The scale of Accounting Ethics was adopted from (Ahinful, Addo, Boateng, Boakye, & Accounting, 2017). The scale of Money Earning Manipulation was adopted from (Sengur, 2012). The information was gathered through a self-administered survey in which questionnaires were distributed to non-managerial employees in a list of Malaysia-based Bursa Malaysia companies. For assistance and support in the distribution and recall of survey questionnaires, the appropriate authority of each organisation has been requested. In each of the organisations, the survey was carried out according to a schedule authorised by the appropriate authority. Each questionnaire distributed to a respondent was accompanied by a one-page letter containing brief research information, the intent of the analysis, and a request to return the questionnaire within a fair period of time after completion.

VI. FINDINGS

The profile of the respondents is the second test that is performed for the feedback 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 respondents. The test profile of respondents had 4 subtests to identify gender, age, education levels, and experience. According to the following table 4.1, the gender test had two categories which are male and female. The men surveyed were 320 with 68 while the women surveyed were 50 with 13.5. This test confirms that the majority of the respondents were men. According to the following table 4.1, the age test had five age ranges, which are 17 -25 years, 26-30 years, 31-35 years and 36-40 years. The respondents aged 17 to 25 were 101 with 27.3. The respondents aged 26 to 30 were 124 with 33.5. Respondents aged 31 to 35 were 51 with 13.8. The respondents from 36 to 40 years were 94 with 25.4. This test confirms that the majority of the respondents were under 35 years of age. According to the following table 4.1, the education levels test had three levels of education, which are bachelors and master's degrees. The respondents who had diploma certificates were 40 with 10.8. The respondents who had bachelor's certificates were 225 with 60.8. The respondents who had master's certificates were 105 with 28.4 It appears that most of the respondents had bachelor's certificates. According to the following table 4.1, the experience test had three experience ranges, which are 13 years, 46 years and 79 years. The 13 years of experienced respondents were 114 with 30.8. The respondents with experience of 46 years were 130 with 35.1. The respondents with experience of 79 years were 126 with 34.1. It appears that most of the respondents had an experience of between 4 and 6 years.

Table 1: Respondents Profile

Demographic Variables		Frequency	Valid (%)
Gender	Female	50	13.5
	Male	320	86.5
Age category	17-25 years old	101	27.3
	26-30 years old	124	33.5
	31-35 years old	51	13.8
	36-40 years old	94	25.4
Education level	Diploma	40	10.8
	Bachelor's degree	225	60.8
	Master's degree	105	28.4
Working experience	1 to 3 years	114	30.8
	4 to 6 years	130	35.1
	7 to 9 years	126	34.1

Reliability test is used to examine the internal consistency. 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 (Asset quality management, accrual quality management, leverage quality management, accounting ethics, reducing money earning manipulation) have shown good internal consistency with Cronbach alpha values = 0.841, 0.843, 0.841, 0.846, and 0.852 respectively

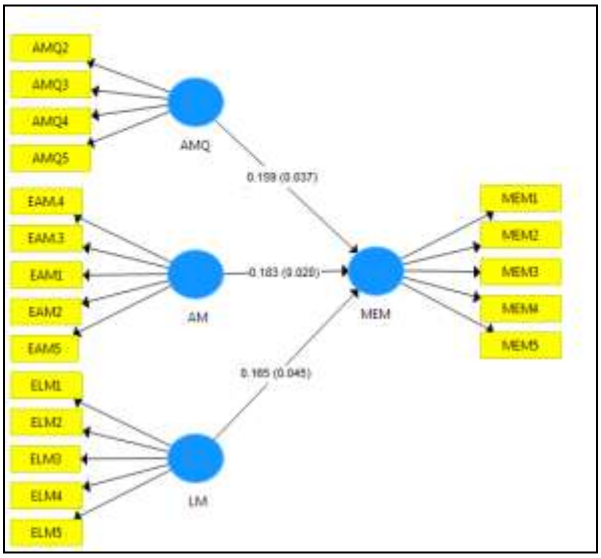
Table 2: Reliability Test

Factors	Items	Cronbach's Alpha
Asset Quality management	5	0.841
Accrual management	5	0.843
Leverage management	5	0.841
Money Earning Manipulation	5	0.852

This section presents the result of hypotheses testing for direct effect. The results are presented in table 3. 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, there is significant positive relationship between AMQ and Reducing MEM**.** The findings showed that path coefficient between AMQ and Reducing MEM is 0159. The t-value of 2.085 was found significant as it is greater than critical value of 1.96 and the p-value of 0.037 was also significant and less than the threshold value of 0.05, There is significant positive relationship between AM and MEM. The findings showed that path coefficient between AM and MEM is 0.183. The t-value of 2.330 was found significant as it is greater than critical value of 1.96 and the p-value of 0.020 was also significant and less than the threshold value of 0.05, and there is significant positive relationship between LM and MEM. The findings showed that path coefficient between LM and MEM is 0.165. The t-value of 2.005 was found significant as it is greater than critical value of 1.96 and the p-value of 0.045 was also significant and less than the threshold value of 0.05.

Table 3: Path analysis

Path	Path Coefficient	S.E	t-Value	p-Value
AQM -> MEM	0.159	0.076	2.085	0.037
AM -> MEM	0.183	0.078	2.330	0.020
LM -> MEM	0.165	0.082	2.005	0.045



VII. DISCUSSION

The findings of the current study express that the effect of asset management quality on reduce money earning manipulation is positive and significant (t-value= 2.085, P< 0.037) plus it is in the first level as compared to other Financial management transactions. This finding is consistent with the findings in previous studies, which cited asset management quality as a factor that influences on money earning manipulation (Tahmina, and Naima 2016; Beneish,1999; Talab, Hammood & Ali, 2017). There is a significant and positive impact of leverage management and money earnings manipulation. In an effort to improve (or leverage) profitability, leverage is the use of fixed costs. Two types of leverage are defined operational leverage and financial leverage. "Leverage is the phenomenon that arises from the fact that the company incurs a series of fixed, operational and financial charges or expenses, in order to maximise the owner’s' profits “Leverage is the phenomenon that arises from the fact that in order to maximise the profits of the owner, the company incurs a series of fixed, operational and financial charges or expenses. If used both liquidity management and leverage management can be a good instrument to improve the returns on a personal portfolio. The problem is that in times of high volatility, whether bullish or bearish, this management is usually combined with feelings of euphoria or fear. These investment errors can be avoided by means of a mathematical model which does not understand emotions. Such a model can be used as an instrument that promotes liquidity and/or leverage management decision-making. The model must not be too difficult, short-term, and inflexible in any case. To assess its reliability for the future, it must be checked in various scenarios. In certain situations, each investor must have a good understanding of how to handle portfolio liquidity and/or leverage optimally in order to maximise returns. The solution is not without a rise in uncertainty and hence the need to consume it with a wider stomach as an investor (Lin and Reich, 2018). There is a significant and positive impact of accruals management and money earnings manipulation. The accrual basis of accounting is a reasonable survey of exchanges, however, to ensure income it is important to apply the monetary basis of accounting (Lurie, 2018). Accountants and accountants, history, current image. In the past, accountants and accountants have been subjected to numerous criticisms, particularly from the fields of administrative and economic sciences, which have inspired various writers, first and then technicians and teachers, to devise and apply alternatives that are adapted to the reality of each moment, respectively. Since 1964, in line with what the author Richard Mattessich3 articulated in his book Accounting and Analytical Methods, Calculation and Projection of Income and Wealth in Microeconomics and Macroeconomics, he mentions some criticisms, namely: Accounting practice does not have an objective measurement scale that can be used for optimal decision-making and administrative management assessment Accounting theory has established a body of information that is dogmatic rather than scientific-hypothetical and that only meets legal purposes satisfactorily. It has not yet managed to integrate the micro and macro aspects of income-wealth measurements.

The present study hypothesized the Accounting ethics plays a moderating role in such a way influence and strengthens the relationship between of Asset management quality and money earning manipulation in the Malaysian listed companies. The results of the study revealed that higher Accounting ethics is significantly (Moderating Effect Path coefficient=0.140, t=2.352, P=0.019) moderates the relationship between of Asset management quality and money earning manipulation. Thus, the findings of the present study empirically verified the proposed moderating role of accounting ethics. Since the present study contributed to the existing to Asset management quality - money earning manipulation literature by examining the moderating role of accounting ethics, the empirical results have further strengthened the idea that accounting ethics is an important contributor. The present study hypothesized the Accounting ethics plays a moderating role in such a way influence and strengthens the relationship between of leverage management and money earning manipulation in the Malaysian listed companies. The results of the study revealed that higher Accounting ethics is significantly (Moderating Effect Path coefficient=0.203, t=3.633, P=0.000) moderates the relationship between of leverage management and money earning manipulation. Thus, the findings of the present study empirically verified the proposed moderating role of accounting ethics. Since the present study contributed to the existing to leverage management-money earning manipulation literature by examining the moderating role of accounting ethics, the empirical results have further strengthened the idea that accounting ethics is an important contributor.

The present study hypothesized the Accounting ethics plays a moderating role in such a way influence and strengthens the relationship between of accruals management and money earning manipulation in the Malaysian listed companies. The results of the study revealed that higher Accounting ethics is significantly (Moderating Effect Path coefficient=0.251, t=4.481, P=0.000) moderates the relationship between of accruals management and money earning manipulation. Thus, the findings of the present study empirically verified the proposed moderating role of accounting ethics. Since the present study contributed to the existing to accruals management -money earning manipulation literature by examining the moderating role of accounting ethics, the empirical results have further strengthened the idea that accounting ethics is an important contributor.

VIII. CONCLUSION

The present study has contributed significantly to the existing literature relating to financial management transactions like asset management quality, leverage management, accruals management and money earning manipulation and accounting ethics. More importantly, this study contributed by investigating the moderating role of accounting ethics. The primary data was collected through a self-administered survey from 370 employees in financial and insurance business of Malaysia. The empirical analysis of structural model of the study revealed that the direct relationships of financial management transactions dimensions are is significantly positively related to money earning manipulation. The path analysis confirmed moderating effect of accounting ethics has also been found positively significant positive on the relationship between financial management transactions and money earning manipulation. The present study was first of its kind to explore the moderating effect of accounting ethics among financial and insurance business of Malaysia. Based on the discussion mentioned above, it can be suggested that financial management transactions are an important concept for management of financial and insurance organizations which can considerably influence working environment and reduce money earning manipulation.

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