

The Influence of Love of Money, Machiavellianism, and Idealism on the Ethical Perceptions of Accounting Students

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Abstract

This study focuses on how three psychological characters, Love of Money, Machiavellianism, and Idealism, influence how Accounting students at UPN ‘Veteran’ East Java view ethics. The respondents in this study were 87 students from the 2021-2022 cohort who had completed the Business and Professional Ethics course. Information was gathered by administering a survey with a measurement scale and then examined using the PLS-SEM method through the use of the SmartPLS software. The outcomes were rather intriguing: firstly, it was discovered that the love of money has a considerable impact on the ethical viewpoints of students (t-statistic = 3.946; $p < 0.001$). Secondly, Machiavellian attributes were also determined to have a significant effect (t-statistic = 3.497; $p = 0.001$). However, the same could not be said for Idealism, as it did not demonstrate a notable impact (t-statistic = 0.170; $p = 0.865$). These discoveries could offer valuable insights for enhancing ethics-related teachings in accounting studies. Specifically, the teaching materials focusing on attitudes towards wealth and manipulative behaviours should be given more emphasis in shaping the ethical comprehension of aspiring accountants.

Keywords: Accounting Student, Ethical Perception, Idealism, Love of Money, Machiavellianism.

1. Introduction

In social life, both individuals and groups cannot escape the need for shared values. These values serve as guidelines for interacting and making decisions. One of the most essential values is ethics which the principles that distinguish between what is considered right and wrong. When differences of opinion or interests arise, ethics acts as a moral compass that helps determine appropriate actions to take.

In the context of accounting students who will later enter the professional world, understanding and ethics are very important. Ethics are not only discussed theoretically in class, but will also become the basis for consideration in daily work such as auditing, financial reporting, and business decision-making. Nevertheless, individual beliefs about ethics can be shaped by a range of personal elements. These can include feelings towards wealth (Love for Money), inclination towards manipulation (Machiavellianism), and desire for idealistic outcomes.

Money can affect how a person views things, particularly when it comes to ethical considerations. McClelland (1985) states that money is one of the factors that can influence a person's ethical behaviour. Diener and Seligman (2004) explain that in America, a person's success is often measured by the amount of money or income they generate. Tang (2023), through his research, introduced a new psychological variable called Love of Money. Love of



money refers to individuals who view money as extremely important, even to the point of being willing to do anything to obtain it. Tang and Chiu (2003) associate love of money with greed. In Hong Kong, researchers discovered that employees who place a high value on money often perform poorly and are more likely to behave unethically.

Machiavellianism is a factor that can affect unethical behaviour. It can alter a person's perspective on various matters. Christie and Geis (2013) explain that Machiavellianism is a personality trait characterised by antisocial behaviour, a lack of respect for common morality, and low ideological commitment. People with Machiavellian traits tend to focus on personal interests and often use manipulation and aggressive behaviour to achieve their goals.

Idealism is the belief that an action is performed with the assumption that it will produce the expected consequences or impact (Guelke, 2014). People with idealistic traits tend to avoid actions that could harm others and avoid decisions that have negative consequences. They usually act in accordance with the moral values that apply in society and try not to violate these norms (Copp, 2001).

According to Pradanti and Prastiwi (2014), the fondness for wealth has a notable impact on how accounting students view ethics, suggesting that those who value money more highly tend to have stronger ethical perceptions. This could lead to increased motivation among students to excel in their ethical practices in order to reap financial rewards. Conversely, research by Elias and Farag (2010) found that Love of Money has a negative effect on ethical perceptions among accounting students.

Wade et al. (2019) found that Machiavellian traits have a negative effect on the ethical perceptions of accounting students. This shows that an increase in Machiavellian behaviour leads to a decrease in ethical perceptions. Machiavellianism involves exploiting situations for personal gain, which often results in rule violations. Accounting students, as future professionals, should avoid such traits. Similarly, research by Amalia and Yulinartati (2023) confirms that Machiavellianism has a significant effect on students' ethical perceptions.

On the other hand, Alfitriani et al. (2021) demonstrate that accounting students with stronger idealistic beliefs tend to have improved ethical judgments. This is in line with the cognitive moral theory, which focuses on the importance of adhering to social norms at a conventional level. Positive conduct is anticipated to not only meet standards but also foster loyalty and earn credibility within one's surroundings. However, Delmiyetti et al. (2022) did not find a significant impact of idealism on accounting students' ethical perceptions.

A significant financial scandal concerning PT Garuda Indonesia (Persero) Tbk. was highlighted on cnnindonesia.com. PT Garuda Indonesia (Persero) Tbk. faced issues with its financial reporting methods in 2018. The airline declared a profit of USD 809,000 for that year, surprising many stakeholders as it had previously reported significant losses. The reported profit was largely derived from a contract with PT. Mahata Aero Teknologi, which involved an agreement for revenue based on future payments rather than actual cash transactions. Essentially, Garuda Indonesia recognised revenue before receiving actual payments, raising concerns about the validity and timing of its revenue recognition.

This decision led to a dispute with external auditors and attracted the attention of the Financial Services Authority (OJK). The OJK found that the airline's financial statements did not comply with standard accounting principles, resulting in sanctions against the company and several of its executives. This case highlights the ethical responsibilities of accountants and auditors, sparking debate about the pressure on companies to present favourable financial results, which could potentially compromise their integrity.

The aim of this study was to tackle the issue of declining trust in the accounting field due to ethical breaches. Numerous financial scandals involving accountants highlight the

significance of ethical standards in this industry. Attitude towards money, particularly the Love of Money concept, can impact ethical views. Those with a strong love for money are more prone to unethical actions. Additionally, traits like Machiavellianism and Idealism have a significant impact on how accounting students view ethical conduct. Given this reality, researchers felt it was important to explore the extent to which these three factors influence the ethical perceptions of accounting students. Using respondents from UPN ‘Veteran’ East Java, this study aims to provide a more contextual picture of how personal character plays a role in shaping ethical views among prospective accountants.

2. Literature Review

2.1. Theory of Attitude and Behaviour

The Theory of Attitude and Behaviour, introduced by Sunstein (1996), explains that a person's behaviour is shaped by a combination of personal desires, habits, social norms, and perceptions of the outcomes of those actions. In other words, what we do is not only influenced by what we want, but also by what we consider normal and appropriate in the eyes of others. Attitudes reflect a person's beliefs and feelings towards something, whether positive or negative, and are a major determinant in decision-making. According to Lönnqvist et al. (2009) attitudes also serve as a means of expressing values, protecting self-esteem, and helping us understand our surroundings.

Understanding or knowledge helps us comprehend new events or situations by providing us with a way to reason them out. Attitudes play several important roles: they fulfil our practical needs, protect our ego by shielding us from unpleasant truths about ourselves or the world, and allow us to express our emotions and values through our actions. Essentially, attitudes are a mixture of what we know, how we feel, and how we tend to act. Attitudes guide and shape our behaviour in response to the various challenges or circumstances we face. Thus, attitudes help direct and provide guidelines on how we handle various situations. This theory explains how an individual's attitudes influence their decisions and behaviour, including ethical behaviour.

2.2. Love of Money

Money is a legal tender issued by a country's government in the form of paper, gold, silver, or other metals printed with specific shapes and images, and money is also an asset; wealth (KBBI, 2020). In the journal Dali et al. (2022), the concept of Love of Money or ‘love of money’ was first popularised by Tang (1992), and refers to how a person perceives, desires, and treats money. This is not merely about economic needs but also about how an individual interprets money in their life—whether as a tool, a status symbol, or even a life goal.

People who are very fond of money are often considered more materialistic and potentially disregard moral values if money becomes their top priority Prabowo and Widanaputra (2018). Tang and Chiu (2024) and Maggalatta and Adhariani (2020) identified four main indicators in the concept of Love of Money, namely:

1. Importance - The importance of money in a person's life.
2. Motivator - How money functions as a motivator to achieve goals.
3. Success - The view that money is a symbol of success.
4. Rich - The desire to be rich or have a lot of money.

2.3. Machiavellian

Machiavellianism was first introduced by Niccolò Machiavelli, an Italian political philosopher who lived from 1469 to 1527. The term 'Machiavellian' often has negative connotations, implying that people will use any means necessary to achieve their goals. According to Machiavelli, Machiavellianism refers to a certain mindset or belief about interpersonal relationships, which then shapes a person's personality and attitude towards others.

Another factor that can drive someone to violate their ethical perceptions is Machiavellianism. The term Machiavellian originates from Niccolò Machiavelli's political thought, but in the context of personality psychology, it refers to individuals who are manipulative, strategic, and tend to disregard moral norms for personal gain (Christie & Geis, 1970). People with Machiavellian traits are typically unconcerned with the feelings of others, lack strong commitment to values or ideologies, and tend to be selfish, manipulative, and aggressive in pursuing their goals (Yustisianingsih et al., 2020).

According to the concept outlined by Yustisianingsih et al. (2020), there are five main indicators of Machiavellianism, namely:

1. Affection - Lack of concern for the feelings of others.
2. Low ideological commitment - Lack of strong principles or ideology.
3. Selfishness - Focus on personal interests over the interests of others.
4. Manipulative - Ability to manipulate situations for personal gain.
5. Aggressive - Aggressive nature in achieving goals or facing obstacles.

Idealism is closely related to the belief that right actions will produce right results. Idealistic individuals believe that moral values must be upheld even if it sometimes leads to challenges or unpleasant consequences (Forsyth, 1980). People with high idealism tend to avoid actions that could harm others, even if those actions benefit them personally. They prefer to be fair and follow moral principles, even in dilemmatic situations.

Idealism refers to a person's tendency to follow rules to avoid negative or harmful effects on others. Individuals with high levels of idealism tend to strictly adhere to ethical principles in their work. Conversely, people with lower levels of idealism may feel that following all moral norms can be impractical and even harmful. They believe that sometimes, actions that are not entirely ethical may be necessary to achieve the best results (Mawarni, 2022).

There are four indicators of idealism according to Forsyth (1980) namely:

1. Actions must avoid harming others.
2. One must not tarnish the honour or welfare of others.
3. Actions must be in line with universal norms.
4. Moral behaviour must be in accordance with ideal principles that are considered correct.

2.4. Ethical Perception

Ethical perception is how someone views an action, whether it is considered right or wrong based on their moral standards (Apdillah et al., 2022). Santika (2019) states that this perception is formed from subjective judgements influenced by experience, personal values, and social environment. In the context of accounting students, ethical perception is closely related to the ability to assess business situations morally. These assessments can vary depending on an individual's background, education, and character.

According to Maggalatta and Adhariani (2020), there are eight indicators that can be used to measure ethical perception, including cases such as early delivery of goods, bribery, or the use of illegal software. All of these reflect ethical dilemmas that commonly occur in business and accounting practices.

Maggalatta and Adhariani (2020) identified eight indicators for assessing the ethical perceptions of accounting students, namely:

1. Delivering goods ahead of schedule.
2. Lending money from the bank to friends.
3. Giving personal gifts.
4. Adjusting uncollectible debts.
5. Firing younger employees even though they are more competent.
6. Continuing to sell untested products.
7. Authorising bribe payments to foreign parties.
8. Lending software for free.

2.5. Love of Money affects Ethical Perceptions

Love of Money refers to a person's strong desire for money, which makes them tend to prioritise financial gain in almost every action they take. Money plays an important role in our lives because it allows us to fulfil most of our needs and desires through transactions. This is the main reason why people work to earn money and meet their daily needs. Each individual has different views on money, with varying levels of interest. This variation in the love of money can have a significant impact on how someone views and acts ethically.

According to research conducted Pradanti and Prastiwi (2014), Love of Money has a positive and significant effect on the ethical perceptions of accounting students. This means that the more an accounting student values money, the higher their ethical perception tends to be. As a result, these students are more likely to be motivated to work harder to achieve recognition and financial rewards for their ethical actions.

2.6. Machiavellianism influences ethical perceptions

Machiavellianism is characterised by manipulators who gain more rewards through manipulation, while those who do not manipulate receive less, at least in the short term (Richmond, 2001). Richmond (2001) explains that individuals with Machiavellian traits tend to show less affection in their personal relationships, often disregard prevailing moral norms, and have low ideological commitment. They typically use manipulation to achieve personal goals and have little regard for others. In the accounting profession, integrity and credibility are important qualities that must be possessed in order to make ethical and trustworthy decisions.

Research by Wade et al. (2019) shows that Machiavellian traits have a negative impact on the ethical perceptions of accounting students. This study indicates that individuals with higher Machiavellian behaviour tend to have lower ethical perceptions. This means that the more often a person exhibits manipulative behaviour and shows little concern for moral values, the less likely they are to consider ethics in their decision-making.

2.7. Idealism influences Ethical Perceptions

Attitude and behaviour theory suggests that a person's decisions and actions are influenced by various factors, such as personal desires, compliance with social norms, and habits in considering the consequences of their actions. Basically, behaviour is shaped by how individuals want to act, the social rules they follow, and the practices they commonly use in thinking about the results of their actions. This theory can be further understood through the lens of idealism. Idealistic people are generally motivated to avoid actions that may harm or hurt others. They believe that there is always a way to avoid negative behaviour and thus actively choose not to engage in actions that may harm those around them. This idealistic

approach underscores their commitment to ethical behaviour and their efforts to align their actions with moral values.

Research Alfitriani et al. (2021) shows that higher levels of idealism lead to better ethical perceptions among accounting students. This is in line with cognitive moral theory, which states that at the conventional level, particularly the third stage, individuals are oriented towards interpersonal conformity. When we engage in or encourage good behaviour, we are more likely to meet expectations and gain loyalty and trust from those around us in the future.

Based on the above explanation, the author describes the framework of thinking in the following figure 1.

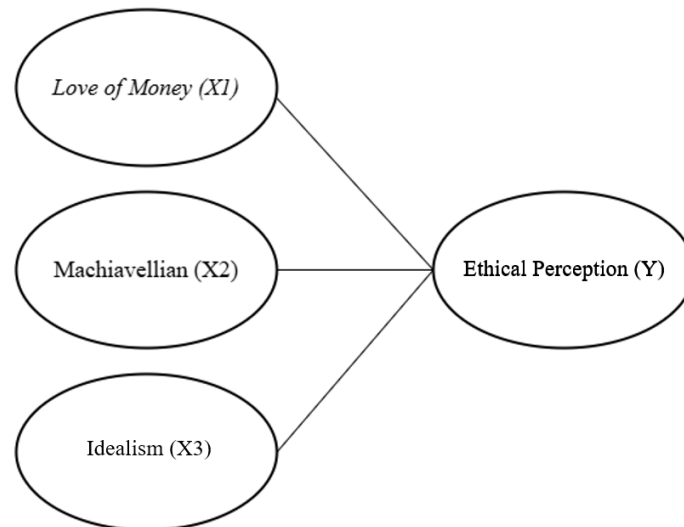


Figure 1. Conceptual Framework
Source: Data processed by researcher (2024)

Based on the figure 1, the hypotheses in this study are as follows:

- H1:** Love of Money influences the ethical perceptions of accounting students.
- H2:** Machiavellianism influences the ethical perceptions of accounting students.
- H3:** Idealism influences the ethical perceptions of accounting students.

3. Methods

3.1. Type of Research

This study employs a quantitative methodology with an explanatory research design to investigate the cause-and-effect relationships between different variables using original data. Questionnaires were used to collect data from students enrolled in the Accounting Study Programme at the University of East Java.

3.2. Research Object and Subject

The objects of study include the concepts of the Love of Money, Machiavellianism, Idealism, and Ethical Perception. The individuals being studied are accounting students who have finished the Business and Professional Ethics course, with a total of 87 students chosen using the Slovin formula.

3.3. Operationalisation and Measurement of Variables

The following are explanations and operational definitions of each variable used in this study:

Table 1. Operational Definitions

No.	Variables	Definition	Indicator
1.	Ethical Perception (Y)	Ethical perception refers to how individuals interpret ethical principles that define behaviour that is considered right or wrong (Maggalatta & Adhariani, 2020).	Early Shipment of Goods Bank Loan to a Friend Personal Gift Bad Debt Adjustment Layoff of Younger but More Competent Hire Product Safety – Continue to Sell an Untested Product Foreign Bribe Authorization of Payment Copying Software – Lending Software to Copy (Richmond, 2001)
2.	Love of Money (X1)	Love of money encompasses an individual's behaviour towards money, their understanding of money, and their desires and aspirations related to money (Tang & Chiu, 2024).	Importance. Success. Motivator. Rich. (Tang & Chiu, 2024).
3.	Machiavellianism (X2)	Machiavellianism is a personality type characterised by a lack of compassion in personal relationships, disregard for conventional morality, and a tendency to show low ideological commitment (Christie & Geis, 2013).	Affection. Low ideological commitment. Selfish. Manipulative. Aggressive (Yustisianingsih et al., 2020).
4.	Idealism (X3)	Idealism is a dimension that reflects an ethical ideology in which individuals believe that good and bad behaviour will have corresponding consequences. People with an idealistic ethical ideology tend to act in accordance with established moral rules and principles (Forsyth, 1980).	Avoiding Harming Others. Strict Ethical Principles. Emphasising the Well-being of All People. Sacrificing Personal Interests. (Forsyth, 1980)

Source: Data processed by researchers (2024)

3.4. Sampling Technique

This research involved 690 students from the Accounting Undergraduate Program at the Veteran National Development University of East Java in 2021 and 2021. The sampling method employed was purposive sampling, where participants were chosen based on certain criteria. The sample size was calculated using the Slovin formula to ensure the accuracy and reliability of the data. Specifically, participants had to have completed the Business and Professional Ethics course to be included. Following the Slovin formula, 87 students were

selected as respondents. To ensure a precise estimation and analysis, the study was conducted with a sample size of 87 participants.

3.5. Data Collection Technique

Data was collected through a questionnaire distributed to 87 accounting students from the 2021-2022 cohort. This questionnaire was adapted from previous studies by Tang and Chiu (2024), Christie and Geis (2013), Richmond (2001), and Forsyth (1980). Modifications were made to align with the local context and ensure relevance to students at UPN 'Veteran' East Java. For this study, interval scale measurement techniques were used.

Table 2. Weighting of Values

Weight Interval	Category
5	Strongly Agree (SA)
4	Agree (A)
3	Undecided (U)
2	Disagree (D)
1	Strongly Disagree (SD)

Source: Data processed by researchers (2024)

3.6. Analysis Techniques and Hypothesis Testing

The data gathered was examined using Partial Least Square (PLS) through the aid of SmartPLS software. PLS was chosen due to its capability to investigate connections between variables even with a small sample size. PLS aims to facilitate predictive analysis, examining potential relationships between latent variables and the ability to analyse constructs formed by reflective and formative indicators. To evaluate the impact of Love of Money, Machiavellianism, and Idealism (as independent variables) on the ethical views of accounting students (as dependent variables), path analysis was carried out using SmartPLS software.

1) Outer Model

The measurement model, also known as the outer model, shows how each indicator block is related to its latent variable.

a. Convergent Validity

The measurement model's convergent validity is evidenced by the correlation between item scores/indicators and the construct score. When the correlation value is greater than 0.70, an individual indicator is deemed to be high (Latan et al., 2017). However, during the scale development stage, loadings between 0.50 and 0.60 are still acceptable.

b. Discriminant Validity

In assessing discriminant validity, measurement involves analyzing the cross-loading measurements with the construct. An alternative approach to evaluate discriminant validity is by contrasting the square root of the Average Variance Extracted (AVE) for each construct with the correlation between constructs in the model. Latan et al. (2017) suggest that AVE should ideally be greater than 0.5 for reliable results.

c. Reliability Test

Testing for reliability is carried out in order to demonstrate the precision and correctness of a tool in gauging concepts. There are two methods used to measure reliability: Composite Reliability and Cronbach's Alpha. A concept is deemed to be reliable if the Cronbach's alpha value or composite reliability score exceeds 0.70.

2) Inner Model

The Inner Model is a form of analysis that illustrates the connections or intensity of estimations among hidden variables. It is used to ascertain the impact of variables or the

causative links in a research. This model can elucidate the interconnectedness of latent variables according to the underlying theory. When assessing the inner model, various indicators can be taken into account, such as:

a. Coefficient of Determination (R^2)

The coefficient of determination is utilised to evaluate how well the model can account for the dependent variable. When the R^2 value is close to one, it indicates that the independent variables are sufficient for predicting the dependent variable, resulting in a superior regression model.

b. Predictive Relevance (Q^2)

Predictive Relevance (Q^2) assesses the accuracy of the output values and parameter approximations in a structural framework.

3.7. Hypothesis Testing

Hypothesis testing is a decision-making process in which researchers evaluate the results of research stages that they want to achieve beforehand. In the field of research, a hypothesis is considered valid if the P-value is less than or equal to 0.05. Conversely, a hypothesis is deemed invalid if the P-value exceeds 0.05. Therefore, the P-value serves as an indicator of the hypothesis's accuracy.

4. Results and Discussion

4.1. Research Results

4.1.1. Respondent Characteristics

This study was conducted on accounting students at UPN 'Veteran' East Java. A total of 87 students participated in the study. The characteristics of the respondents are as follows:

Table 3. Respondent Characteristics

No.	Criteria	Frequency	Percentage (%)
1.	Bachelor of Accounting Students	87	100
2.	Gender:		
	Male	26	29,89
	Female	61	70,11
3.	Age:		
	19 years old	34	39,08
	20 years old	37	42,53
	>21 years old	16	18,39
4.	Academic Year:		
	2021	48	55,17
	2022	39	44,83

Source: Data processed by the researcher (2024)

According to the data presented in Table 3, it is evident that the total number of participants in this research was 87 individuals, all of whom belonged to the undergraduate accounting students of the 2021-2022 group. The analysis reveals that the majority of the participants were female, representing 70.11% (61 individuals), while males accounted for only 29.89% (26 individuals). Regarding their age, most respondents were either 19 years old (39.08%) or 20 years old (42.53%). In terms of their academic year, the majority of the participants were enrolled in the 2021 academic year (55.17%).

4.1.2. Descriptive Analysis

The descriptive statistics used included the calculation of mean, minimum, maximum, and standard deviation values.

Table 4. Descriptive Statistics

Indicator	N	Minimum	Maximum	Mean	Std. Deviation
X1.1	87	2	5	3.68	1.051
X1.2	87	1	5	3.44	1.158
X1.3	87	2	5	3.74	0.895
X1.4	87	1	5	3.71	0.951
X1.5	87	2	5	3.83	1.025
X1.6	87	1	5	3.83	1.153
X1.7	87	1	5	3.64	1.285
X1.8	87	2	5	4.03	1.136
X2.1	87	1	5	3.59	1.137
X2.2	87	1	5	3.54	1.237
X2.3	87	1	5	3.60	1.005
X2.4	87	1	5	3.78	0.945
X2.5	87	1	5	3.68	1.051
X2.6	87	1	5	3.60	1.136
X2.7	87	1	5	3.44	1.064
X2.8	87	1	5	3.62	1.296
X2.9	87	1	5	3.62	1.026
X2.10	87	1	5	3.86	0.990
X3.1	87	1	5	3.52	1.021
X3.2	87	2	5	3.53	0.874
X3.3	87	1	5	3.66	1.055
X3.4	87	1	5	3.34	0.950
X3.5	87	1	5	3.70	1.024
X3.6	87	1	5	3.52	1.228
X3.7	87	1	5	3.54	1.189
X3.8	87	1	5	3.94	1.060
Y.1	87	1	5	3.85	1.167
Y.2	87	2	5	3.85	0.909
Y.3	87	2	5	3.90	0.903
Y.4	87	1	5	3.97	0.813
Y.5	87	2	5	3.91	0.923
Y.6	87	2	5	4.07	0.789
Y.7	87	3	5	4.08	0.702
Y.8	87	2	5	4.16	0.745

Source: Data processed by researchers (2024)

Descriptive analysis provides an overview of the research variables, including Love of Money, Machiavellianism, Idealism, and Ethical Perception. The mean scores and standard deviations (SD) for each variable indicate general trends and variability among respondents. For example, the average score for the Love of Money variable is 4.2 (SD = 0.6), indicating a moderate to high tendency among respondents to view money as an important factor. Similarly, the Ethical Perception variable shows an average score of 4.0 (SD = 0.5), reflecting the ethics perceived by accounting students.

4.1.3. Outer Model Evaluation (Measurement Model)

Factor loading refers to the correlation between the indicator and the variable. If this correlation exceeds 0.5, the validity requirements are met. In addition, a T-statistic value higher than 1.96 indicates that the significance criteria are fulfilled. Due to various invalid indicators present, the next course of action involves eliminating those which fail to meet the established criteria. Specifically, indicators X31, X33, X35, X36, and X37 are targeted for removal.

Table 5. Outer Loading

	Indicator	Factor Loading (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STERR)
Love of Money	X11	0.723	0.724	0.065	11.157
	X12	0.731	0.723	0.063	11.577
	X13	0.848	0.847	0.034	24.770
	X14	0.765	0.755	0.062	12.248
	X15	0.784	0.752	0.087	9.015
	X16	0.518	0.466	0.148	3.503
	X17	0.739	0.712	0.087	8.509
	X18	0.531	0.490	0.139	3.805
Machiavellian	X21	0.721	0.720	0.067	10.732
	X22	0.698	.688	0.069	10.128
	X23	0.694	0.674	0.083	8.338
	X24	0.776	0.762	0.059	13.179
	X25	0.688	0.689	0.080	8.621
	X26	0.707	0.692	0.063	11.236
	X27	0.636	0.619	0.114	5.567
	X28	0.695	0.672	0.101	6.899
	X29	0.721	0.710	0.070	10.308
	X2.10	0.714	0.705	0.078	9.117
Idealism	X32	0.564	0.561	0.243	2.323
	X34	0.672	0.626	0.276	2.433
	X38	0.593	0.573	0.289	2.052
Ethical Perception	Y1	0.672	0.657	0.065	10.369
	Y2	0.621	0.622	0.098	6.334
	Y3	0.783	0.772	0.063	12.499
	Y4	0.638	0.629	0.071	8.960
	Y5	0.753	0.751	0.070	10.724
	Y6	0.709	0.702	0.074	9.591
	Y7	0.679	0.695	0.076	8.916
	Y8	0.695	0.697	0.063	11.011

Source: Data processed by researchers (2024)

Based on Table 5 outer loading, all reflective indicators on the variables Love of Money (X1), Machiavellian (X2), and Idealism (X3), as well as endogenous idealism, namely Ethical Perception (Y), show factor loadings (original sample) greater than 0.50 and/or significant (T-statistic value greater than $Z \alpha = 0.05$ (5%) = 1.96), thus the estimation results of all indicators have met convergent validity or are valid.

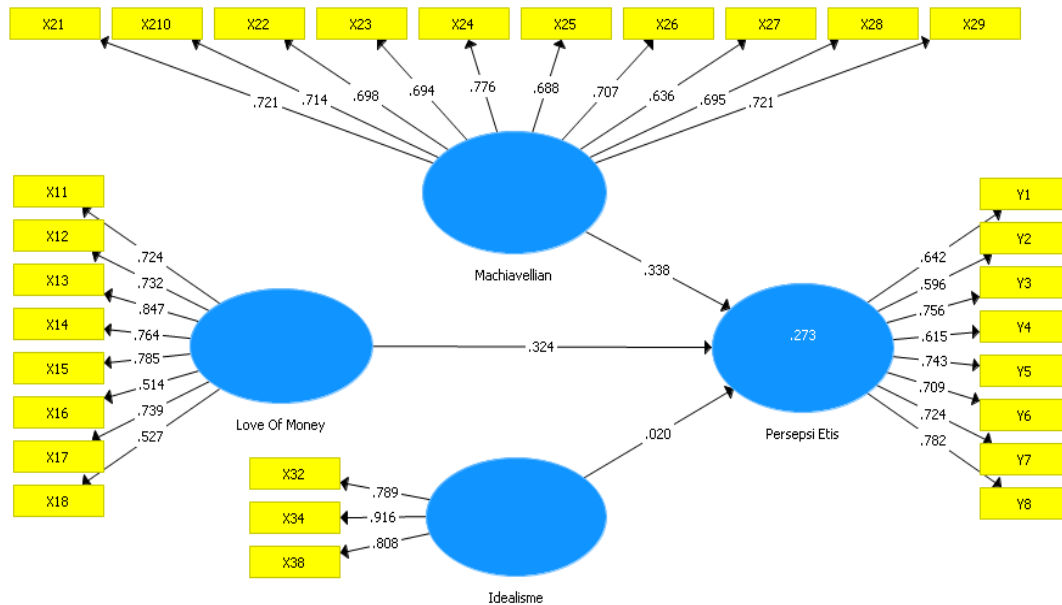


Figure 2. External model with load factors, path coefficients, and R-square.

Source: data processing, smartPLS output

4.1.4. Average extracted variance (AVE)

Table 6. Average extracted variance

	AVE
Ethical Perception (Y)	0.500
Love of Money (X1)	0.508
Machiavellianism (X2)	0.500
Idealism (X3)	0.705

Source: Data processed by researchers (2024)

The Average Variance Extracted (AVE) value is the measurement model that shows how much variance in the indicators is attributed to the latent variables. If the AVE value is over 0.5, it signifies that the latent variable has good validity. Reflective indicator variables can be assessed by looking at the AVE value for each construct. A model is deemed satisfactory if the AVE value for each construct exceeds 0.5.

The AVE results for the Love of Money variable (X1) show 0.604, for the Machiavellian variable (X2) it is 0.523, for the idealism variable (X3) it is 0.614, and for the Ethical Perception variable (Y) it stands at 0.604. Since all these values are above 0.5, it can be concluded that the variables in this study have good validity overall.

4.1.5. Composite Reliability

Table 7. Composite Reliability

	Composite Reliability
Ethical Perception (Y)	0.883
Love of Money (X1)	0.890
Machiavellianism (X2)	0.908
Idealism (X3)	0.705

Source: Data processed by researchers (2024)

The reliability of the construct was evaluated through composite reliability. A construct is deemed dependable if the composite reliability score surpasses 0.70, indicating that the indicator consistently measures its underlying factor.

According to the results of the composite reliability assessment, the Love of Money variable (X1) scored 0.890, the Machiavellian variable (X2) scored 0.908, the Idealism variable (X3) scored 0.705, and the Ethical Perception variable (Y) scored 0.883. All three variables demonstrated composite reliability scores above 0.70, suggesting that all variables examined in this study are reliable.

4.1.6. Inner Model Evaluation (Structural Model)

The Inner Model aims to evaluate the relationships between latent variables in this study. This evaluation includes measuring the strength of the relationship (path coefficient), statistical significance, and the model's ability to explain the variability of the dependent variable using the R-Square value.

A) R-square

Table 8. R-square

	R Square
Ethical Perception (Y)	0,273

Source: Data processed by researchers (2024)

The R^2 value of 0.273 suggests that the model can account for 27.3% of the variations in Purchase Decisions that are influenced by factors like rebranding and social media marketing, leaving 72.7% of the variations to be explained by factors not considered in this study, apart from Love of Money, Machiavellianism, and Idealism.

4.1.7. Hypothesis Testing

A) Path Coefficients

Table 9. Path Coefficients

	Path Coefficients (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STERR)	P Values
Idealism → Ethical Perception	0.020	0.044	0.118	0.170	0.865
Love of Money → Ethical Perception	0.324	.346	.082	3.946	0.000
Machiavellian → Ethical Perception	0.338	0.347	0.097	3.497	0.001

Source: Data processed by researchers (2024)

From Table 7 Path Coefficients, it can be concluded that:

1. It is suspected that love of money influences ethical perception, with path coefficients of 0.324 and a T-statistic value of 3.946 > 1.96 (from the Z_{α} table value = 0.05) or a P-value of 0.000 < 0.05, with significant results.
2. It is suspected that Machiavellianism influences Acceptable Ethical Perception, with path coefficients of 0.338 and a T-statistic value of 3.497 > 1.96 (from the Z_{α} table value = 0.05) or a P-Value of 0.001 < 0.05, with a significant result.

3. It is suspected that idealism influences ethical perception, but this is not acceptable, with path coefficients of 0.020 and a T-statistic value of $0.170 < 1.96$ (from the Z_{α} table value = 0.05) or a P-value of $0.870 > 0.05$, with non-significant results.

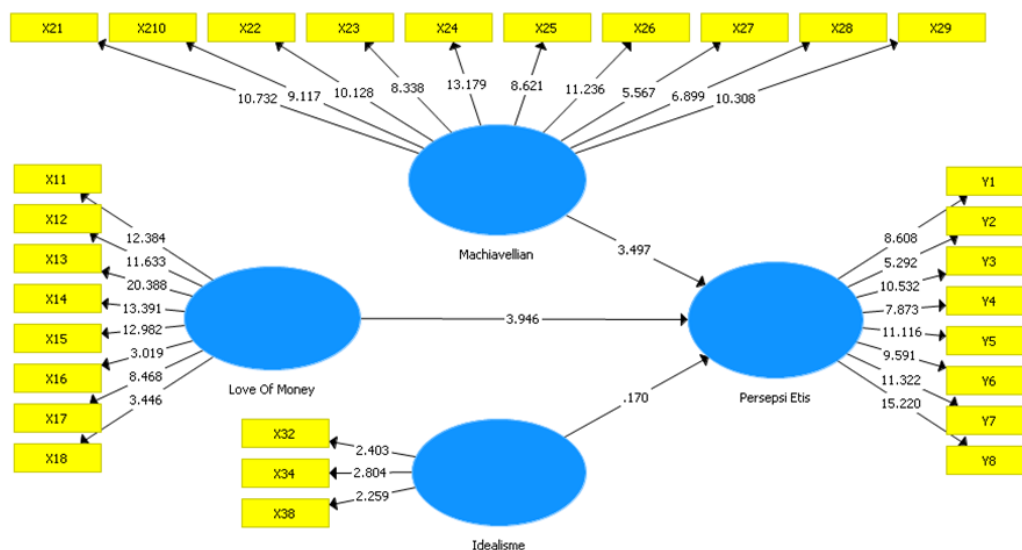


Figure 3. Inner Model with Bootstrapping T-Statistic significance values.
Source: data processing, smartPLS output

4.2. Discussions

4.2.1. The influence of love of money on ethical perceptions

Love of money reflects how a person views and values money. In the accounting profession, this is relevant because it concerns integrity in financial management. Referring to the Theory of Attitude and Behaviour, Love of Money can influence ethical perceptions, but research findings are still mixed—some show negative effects (Elias & Farag, 2010) and others positive effects (Dali & Jumatrianing, 2022). The disparities between the Love of Money and ethical perceptions suggest that their connection is influenced by various factors such as social norms and personal experiences. It is not a straightforward relationship but one that is shaped by the interplay of individual beliefs, societal norms, and other contextual elements.

Love of Money, or the love of money, is often considered a factor that influences a person's ethical behaviour. Based on the Attitude and Behaviour Theory proposed by Triandis (1984), it provides a clear framework for understanding this phenomenon. According to this theory, a person's behaviour is not only influenced by what they want to do (attitude), but also by social norms, habits, and expected consequences. The theory suggests that the love of money is associated with an individual's beliefs and values about money, influencing their ethical conduct. According to a study conducted by Dali and Jumatrianing in 2022, a love of money has a positive impact on the ethical perspectives of accounting students. They suggest that students who value money are more likely to recognise the significance of honesty in attaining financial success in the long term. The findings of this research support the idea that a love of money motivates students to act with integrity. The presence of a professional academic environment plays a crucial role in reinforcing this connection.

However, this finding differs from the research by Rinaldi and Dewi (2023), which found a negative influence of Love of Money on ethical perceptions. It was observed that an obsession with wealth can lead to behaving in a self-serving manner. This variation may be clarified by

the cultural and educational background, which emphasizes the importance of ethical conduct as a valuable asset in the field of accounting.

4.2.2. The influence of Machiavellianism on ethical perceptions

Machiavellianism is often associated with manipulation and self-interest, but the results of this study show that it has an influence on ethical perceptions. Paradoxically, strategic Machiavellian individuals understand that ethical behaviour can be a tool for achieving long-term goals. This research indicates that Machiavellian traits, under certain conditions, can contribute to ethical perceptions, especially when individuals have a strong understanding of the consequences and strategic value of ethical behaviour. Effective ethics education can guide them to use ethical understanding pragmatically (Inguaggiato et al., 2021).

Machiavellian traits in accounting students are personality characteristics marked by a tendency to manipulate others for personal gain, high pragmatism, and a focus on outcomes rather than processes. According to Triandi's Attitude and Behaviour Theory, Machiavellian traits have a direct relationship with attitude dimensions and expected consequences. Individuals with high Machiavellian tendencies have attitudes that lead to the achievement of goals by disregarding conventional moral considerations and calculating consequences that benefit themselves. Wade et al. (2019) research found that Machiavellian traits have a negative influence on accounting students' ethical perceptions due to their manipulative tendencies. However, the results of this study show the opposite, namely that Machiavellian traits have a positive effect on ethical perceptions.

This difference can be explained through the educational approach at UPN 'Veteran' East Java. Students with Machiavellian traits have better analytical skills in understanding the risks of ethical violations. Hren et al. (2006) research supports this finding by showing that Machiavellian students can be guided to use their strategic abilities positively if given the right educational ethics. Thus, Machiavellian traits are not always a threat to ethical perceptions if the educational environment is able to guide them towards understanding the long-term consequences of unethical actions.

4.2.3. The influence of idealism on ethical perceptions

Idealism emphasises firm moral principles, but in accounting practice, overly rigid idealism can be an obstacle. Difficulties in adjusting to complex ethical dilemmas can lower students' ethical perceptions (Latif, 2001). While idealism is important as a moral foundation, it must be balanced with the ability to understand and address the complexities of ethics in professional practice. Therefore, balancing idealism with professional reality is key to developing ethical competence.

Idealism among accounting students reflects the belief that ethical actions always yield positive consequences and a refusal to compromise moral values under any circumstances. Within the framework of Triandis' Attitude and Behaviour Theory (1971, 1980), idealism is directly correlated with the components of attitude and social norms, where individuals with high idealism have strong attitudes towards universal moral principles and prioritise compliance with applicable ethical norms. Research by Alfitriani et al. (2021) shows that idealism has a positive effect on the ethical perceptions of accounting students because of their belief in universal moral values.

The study's findings suggest that idealism has a detrimental impact on ethical perspectives. This aligns with Latif's (2001) research indicating that strict idealism can impede an individual's comprehension of ethical challenges in reality. Students with high idealism tend to have unrealistic moral expectations, making it difficult to adapt to practical situations in the modern business world. Bierly III et al. (2009) also found that extreme idealism can

create internal conflicts when individuals are faced with situations where flexibility is needed to achieve the best solution without violating basic ethical principles.

Thus, although idealism is often considered a positive attribute, in certain contexts such as accounting education, excessive idealism without contextual understanding can actually reduce students' ethical perceptions.

5. Conclusion

After examining 87 accounting students at UPN 'Veteran' East Java, it was discovered that factors such as the desire for wealth and manipulative characteristics have a significant impact on the ethical views of students, whereas the concept of idealism does not have a notable effect. These findings suggest that orientation toward money and manipulative tendencies are more dominant in shaping ethical perceptions than idealism, which is theoretically considered the foundation of ethical behaviour. Theoretically, these results contribute to the development of accounting ethics curricula, particularly with an emphasis on students' psychological aspects, such as attitudes toward money and manipulative tendencies. Practically, these results indicate the need for a more personalised and reflective learning approach for educators. However, the limitations of this study lie in its narrow geographical scope and the use of self-report instruments, which are susceptible to social bias. Therefore, it is recommended that future research include a broader sample from various universities and consider additional variables such as religiosity or academic pressure. Educational institutions are also encouraged to integrate real-life case studies and develop special modules related to Love of Money and Machiavellianism in accounting professional ethics education.

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