

## FINTECH LENDING AND IMPULSIVE BEHAVIOR: HOW GREAT IS THE POTENTIAL AND INTENTION TO COMMIT ACCOUNTING FRAUD?

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### ABSTRACT

*This research aims to prove the meaning of impulsive behavior and the use of paylater in digital transactions which can trigger intentions to commit accounting fraud in companies. This research was conducted using qualitative methods with a phenomenological approach which aims to interpret and explain the experiences a person experiences in life. In this research, researchers selected company employees in the finance department who are vulnerable to committing fraud or have great potential to commit fraud and have the following criteria: (1) Have a minimum of 5 years of work experience, (2) Informants have carried out transaction activities using financial technology specifically. using paylater. Based on the results of the research conducted, it can be concluded that there are several potential frauds committed by company employees, specifically the finance department, which include: (a) Note manipulation, (b) Asset embezzlement (c). Cash Embezzlement. Apart from that, the use of paylater can have positive and negative impacts, the positive impact can make it easier to fulfill needs or desires without having to wait a long time or the availability of sufficient money to be able to meet these needs, while from the negative side it can be seen from the intention of fraud that will arise for employees. Companies that are research informants, when they use paylater, must think about how to pay the debt and the possibility of committing fraud by looking at the potential for fraud that arises at the work location where they are placed.*

**Keywords:** *Asset embezzlement; Cash Embezzlement; Impulsive Behavior; Note manipulation; Paylater*

### ABSTRAK

Penelitian ini bertujuan untuk membuktikan makna perilaku impulsif dan penggunaan paylater dalam transaksi digital yang dapat memicu niat untuk melakukan kecurangan akuntansi di perusahaan. Penelitian ini dilakukan dengan metode kualitatif dengan pendekatan fenomenologis yang bertujuan untuk menginterpretasikan dan menjelaskan pengalaman yang dialami seseorang dalam hidup. Berdasarkan hasil penelitian yang dilakukan, dapat disimpulkan bahwa penggunaan paylater dapat memiliki dampak positif dan negatif, dampak positifnya dapat mempermudah pemenuhan kebutuhan atau keinginan tanpa harus menunggu lama atau ketersediaan uang yang cukup untuk memenuhi kebutuhan tersebut, sedangkan dari sisi negatifnya dapat dilihat dari niat kecurangan yang akan timbul pada karyawan. Perusahaan yang menjadi informan penelitian, ketika mereka menggunakan paylater, harus memikirkan cara untuk membayar utang dan kemungkinan melakukan kecurangan dengan melihat potensi kecurangan yang muncul di tempat kerja mereka ditempatkan.

**Kata Kunci:** *Manipulasi catatan; Penggelapan aset; Penggelapan kas; Paylater; Perilaku impulsive*

## 1. INTRODUCTION

As is known, the presence of technology offers convenience in various life activities. In everyday life, the presence of technology is able to provide assistance to the community to simplify the activity process, shorten the activities carried out and reduce the costs required. The presence of technology has brought about huge changes in various lines of human activity, such as: learning activities, business and economic activities, social and humanitarian activities, etc. The presence of technology in business and economic activities is able to provide a new color for society with the presence of applications and policies that make it easier for society to fulfill their desires and needs.

One of the advances in technology in the business and economic sectors can be seen from the presence of financial technology, which is a technological innovation in the financial sector so that financial transactions can be carried out practically, easily and effectively. Financial technology or what is more often known as FinTech is the result of a combination of financial services and technology which ultimately changed the business model from conventional to moderate, where initially you had to pay face to face and bring a certain amount of cash, now you can make long distance transactions by making payments. payments that can be made in just seconds.

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services that create convenience in financial transactions.

The application of fintech can make it easier for people to access financial services even if they are in remote areas as long as they still have access to the internet, so there is no difficulty in simply transferring money or paying bills (Ansori, 2019). FinTech is present along with changes in people's lifestyles which are currently dominated by users of information technology, the demands of a fast-paced life. With Fintech, problems in buying and selling transactions and payments such as not having time to look for goods at shopping places, going to banks/ATMs to transfer funds, reluctance to visit a place because of unpleasant service can be minimized. In other words, Fintech helps buying and selling transactions and payment systems become more efficient and economical but still effective. As is known, the development of financial technology provides innovation with the birth of various choices of financial services available in e-commerce. One of the financial services as a payment innovation from fintech is fintech lending, better known as Paylater (Aisyah et al., 2023). Paylater is said to be an online lending and borrowing service without using a credit card with the advantage of a "buy now pay later" service with regular payments and low interest discounts (A. P. Fauziah & Naomi, 2022).

The presence of the Paylater service is considered to make it easier for consumers to get what they want even if they don't have a certain amount of cash at that time, although to be able to use the Paylater service requires several conditions and procedures. The presence of Paylater is considered to increase people's consumptive behavior which ultimately makes it difficult to differentiate between needs and wants. The presence of pay later services can also have a negative value if seen from the impulsive behavior that will

result, as it is known that impulsive behavior is an attitude or behavior carried out without careful thought or adequate consideration. It is also said that impulsive behavior tends to act spontaneously and suddenly, without thinking about the consequences or consequences of their actions. Impulsive behavior can arise when someone is consumptive by seeing offers of goods that are promotional and can be paid using pay later.

When making a payment via paylater, it is likely that someone will not think further about how to pay off the debt, this is what is said to be a consequence that will arise from impulsive behavior. Of course, this behavior will have a negative impact if someone is unable to pay off their debt. Including having the intention to commit fraud at work. This intention will be realized if there is an opportunity and potential to commit fraud.

## 2. RESEARCH METHOD

The object in qualitative research is a natural object, or natural setting, so this research method is often referred to as a naturalistic method. A natural object is an object that is as it is, not manipulated by the researcher so that the conditions when the researcher enters the object, after being in the object and after leaving the object remain relatively unchanged. The data criterion in qualitative research is definite data. Definite data is data that actually occurs as it is, not data that is merely seen or spoken, but data that contains meaning behind what is seen and said (Sugiyono, 2014). According to Moleong (2011) Qualitative research is research that attempts to explore information in depth, and is open to all responses and not just yes or no answers.

In qualitative research, data collection is carried out in natural settings, primary data sources and data collection techniques are mostly participant

observation, in-depth interviews and documentation (Sugiono, 2017). Basically, the use of data (after it has been processed and analyzed) is as an objective basis in the process of making decisions/policies in order to solve problems by decision makers (Situmorang, 2010). This research uses data collection techniques consisting of: (1) in-depth interviews, in which researchers conduct in-depth interviews with research informants by extracting information in depth, so that the research results are in accordance with the determined research objectives; (2) Observation, Observation aims to describe the setting being studied, the activities taking place, the people involved in the activity, and the meaning of the event seen from the perspective of those involved in the event being observed.

Furthermore, in qualitative research it is known that information is obtained through informants, which according to (Moleong, 2009) informants are people who are used or used to provide information about the situation and conditions of the research setting. So this informant must have a lot of experience regarding the research setting. In selecting informants, special criteria are required. In this research, researchers selected company employees in the finance department who were vulnerable to committing fraud or had great potential to commit fraud and had the following criteria:

1. Have a minimum of 5 years work experience
2. Have carried out transaction activities using financial technology, specifically using paylater

Triangulation in qualitative research is a multimethod approach used by researchers when collecting and analyzing data. The basic idea is that the phenomenon under study can be understood well so that a high level of truth can be obtained if approached from various points of view.

Photographing a single phenomenon from different points of view will enable a reliable level of truth to be obtained. Therefore, triangulation is an effort to check the correctness of data or information obtained by researchers from various different points of view by reducing as much as possible the bias that occurs during data collection and analysis. The following is a division of several triangulation categories:

1. Method triangulation is carried out by comparing information or data in different ways. As is known, in qualitative research researchers use interview, observation and survey methods. To obtain reliable information and a complete picture of certain information, researchers can use free interview methods and structured interviews.
2. Triangulation between researchers is carried out by using more than one person in data collection and analysis. This technique is recognized as enriching the body of knowledge regarding the information extracted from the research subject. However, it should be noted that the person invited to dig into the data must have research experience and be free from conflicts of interest so as not to harm the researcher and create new biases from triangulation.
3. Triangulation of data sources is exploring the truth of certain information through various methods and sources of data acquisition. For example, apart from interviews and observations, researchers can use participant observation, written documents, archives, historical documents, official records, personal

notes or writings and drawings or photos.

4. Theoretical triangulation. The final result of qualitative research is in the form of a formulation of information or a thesis statement. This information is then compared with the relevant theoretical perspective to avoid individual researcher bias in the findings or conclusions produced.

The following are the stages carried out in conducting research using a phenomenological approach, namely bracketing, intuiting, analyzing, and describing:

1. Bracketing "the process of identifying and holding any previously formed beliefs and opinions that may exist regarding the phenomenon or symptoms being studied.
2. Intuiting "the process that occurs when researchers are open to the meaning associated with a phenomenon by those who have experienced it, resulting in a general understanding of the phenomenon being researched.
3. Analyzing "a process that involves other processes which include coding, categorization and understanding the meaning of the phenomenon.
4. .Describing "at this stage, the researcher understands, understands and defines the phenomenon that he wants to research or study. The goal is to communicate and offer differences, or critical descriptions in written or verbal form.

### **3. RESULTS AND DISCUSSION**

The informants in this research were company employees who were placed in the finance department which

was vulnerable to the potential for committing accounting fraud and had at least five years of work experience. Based on information obtained from informants, it is known that there are several potential frauds that may be committed, such as:

1. Manipulation of Notes
2. Embezzlement of Assets
3. Embezzlement of Cash

There are several modes used, including:

- a. Embezzlement of money received without recording it in cash registers and receipts. This type is difficult to detect because there are no supporting records, so what can be done is to improve the quality of internal control.
- b. Take a portion of cash receipts from and record them on the receipt invoice in a smaller amount. The rest is put in his pocket. One way to prevent this is to separate functions between reception and reception.
- c. Cash can also be taken outside trading activities, for example from investment income, interest from banks, sales of fixed assets and used goods.
- d. Cash collection through different reporting between cash receipts and proof of transactions from cash or credit receipts. The amount recorded in the sales forecast with evidence, while the amount recorded in the cash account is understated.
- e. Recorded receipt deductions are too high than they actually are. This method is a simple method but difficult to detect.
- f. Debit cash receipts with accounts other than cash when receiving money from customers. For example, direct cash receipts are charged to certain costs

(the same is a debit). Customers who pay it off are deemed to have not paid it off and are immediately charged to the receivables loss.

- g. Record fictitious receipts and fictitious customers. Recording the value of receipts from customers is too small than the actual value, so that when receiving payment, the excess can be taken.
- h. Lapping, namely delaying recording cash receipts for personal use (borrowed or even taken). To pay it off, use cash from subsequent customer receipts. This can go on continuously.

Based on the results of interviews with informants, information can be obtained that all informants in this study have used paylater in carrying out activities to fulfill their needs or desires. The following is data obtained from informants regarding the intensity of use of paylater:

Table 1.1 Data on Informant Paylater Use

Informant A	Buying Holiday plane tickets	Traveloka Paylater
Informant B	Buy clothes, necessities, iPhone, etc.	Kredivoo Paylater
Informant C	Buying Clothes and Necessities	Shopee Paylater
Informant D	buy holiday plane tickets	Traveloka Paylater
Informant E	Paying electricity and household needs, buying an iPhone	Home Credit

source: Data processed by researchers (2024)

Based on this data, information was obtained that all research informants had used PayLater to fulfill their needs and desires, each informant had their own needs and of course used different PayLater applications.

Based on observations made, information was obtained that Paylater makes it easy for someone to fulfill their needs or desires, even though they do not have cash available at that time. Furthermore, based on the interviews conducted, it was stated that impulsive behavior, which is an attitude or behavior carried out without careful thought or adequate consideration, often occurs and

comes to mind and is tempting when there are offers of attractive promotions even though you don't have money. Paylater is considered capable of being a solution to being able to fulfill what you want, without thinking about future payments. One of the informants said that impulsive behavior is the main reason behind the use of paylaters and fights often occur between husbands and wives because of this problem, this was conveyed by one of the informants:

Informant A:

*Personally, in my opinion, the presence of paylaters really makes it easier to get something you want even if you don't have enough money. Impulsive behavior often occurs without thinking about the effects of debt that will arise in the future.*

Meanwhile, informant B said the same thing, in such a way:

*The same as the previous informant, in my opinion the presence of financial technology, specifically paylaters, can have both positive and negative impacts. However, in my personal opinion, the impact is greater on the negative side, because the emergence of debt will give rise to intentions to commit fraud in the workplace, especially if there is a big opportunity to do so.*

Based on the results of interviews with the informants above, information can be obtained that using paylater can have positive and negative impacts, the positive impact can make it easier to fulfill needs or desires without having to wait a long time or the availability of sufficient money to be able to meet these needs, while on the negative side It can be seen from the fraudulent intentions that will arise for company employees who become research informants, who, when they have used paylater, must think about how to pay the debt and the possibility that fraud will

be carried out by looking at the potential for fraud that appears at the work location where they are placed.

As is known, when someone commits fraud there must be an underlying reason, one of which is when someone is in debt due to using paylater and in the end cannot pay the debt, then that person will look for strategies on how to pay the debt resulting from purchases using paylater, one of which is by looking for potential fraud in the workplace. The following are the causes of fraud due to impulsive behavior due to the use of paylater:

1. Motivation/pressure

As stated, this pressure is related to a person's intention to commit fraud. Someone who commits fraud must have their own motivation or drive. Based on observations and interviews conducted, information was obtained that someone who is under pressure and unable to pay the bill from the paylater will try to look for opportunities to commit fraud.

2. Opportunity

Opportunity is said to be an opportunity to find a gap in fulfilling a certain desire. The intention to commit fraud can be carried out if there is an opportunity or potential fraud that could become a loophole. Based on the results of observations and interviews conducted, information was obtained that there are actually a lot of opportunities to commit fraud in the workplace, especially in the marketing and finance departments, starting from manipulation of notes, embezzlement of assets and embezzlement of cash, as well as other categories of fraud.

3. Rationalization

Rationalization is said to be a process, method, act of making it rational; process, method, act of rationalizing (something that may have previously been irrational). Rationalization in this case can occur when employees who have debts due to the use of paylater commit fraud at their workplace and this action is carried out many times so that the perpetrator of the fraud considers this to be something rational and does not realize that this is something wrong.

Strategy to Reduce Intention to Commit Fraud as an Impact of Using Paylater In order to reduce the potential for fraud to occur in a company, a strategy is needed in an effort to minimize the intention to commit fraud as a result of using paylater so that they do not have the ability to pay the debt. The following are strategies for reducing intentions to commit fraud as a result of using paylater:

1. Increasing Spiritual Values as an Anti-Fraud Culture

One of the efforts made to minimize the intention to commit fraud as a result of using paylater is to increase the spiritual values for each employee in the company, so that the religiosity values they possess are expected to be able to eliminate the intention to commit fraud. Spiritual values include benevolence, honesty, compassion, tolerance, and others. Spiritual values are very important in shaping a person's character and making them a good person and useful to the surrounding environment.

2. Reduce Paylater Use

One further effort to reduce the intention to commit fraud is to reduce the use of paylater, the use of paylater

exceeding the capacity of the income generated will give rise to debt which will give rise to the intention to commit fraud for employees to pay off debts due to excessive use of paylater exceeding the capacity of the revenue generated.

3. Confirm the source of debt payment before carrying out purchasing activities using Paylater The next effort is to ascertain the source of debt payments or the source of income generated by a person before making a decision to use paylater, this is done to reduce the intention to commit fraud.

#### 4. CONCLUSION

1. Based on the results of the research conducted, it can be concluded that there is a number of potential frauds committed by company employees, specifically the finance department, which include: (a) Note manipulation, (b) Asset embezzlement (c). Cash Embezzlement
2. Based on the results of observations and in-depth interviews with informants, information was obtained that using paylater can have positive and negative impacts, positive impacts can make it easier to fulfill needs or desires without having to wait a long time or the availability of sufficient money to be able to meet these needs, while From the negative side, it can be seen from the fraudulent intentions that will arise for company employees who become research informants, who, when they have used paylater, must think about how to pay the debt and the possibility that fraud will be carried out by looking at the potential

for fraud that appears at the work location where they are placed.

The limitations of this research can be seen from the research approach used. For further research, it is hoped that other approaches such as ethnography can be used to add cultural concepts to the research phenomenon.

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