

ABSTRACT

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THE EFFECT OF ACCRUAL EARNINGS MANAGEMENT ON THE TENDENCY TO MEET EARNINGS BENCHMARKS.

(xiv + 56 pages; 18 tables; 2 figures; 9 appendices)

This study aims to examine the effect of accrual earnings management on the tendency to meet companies' earnings benchmarks and additionally during the COVID-19 period. Meeting the earnings benchmarks is settled when the value of companies' net income divided by total assets is positive and less than 0.01. Accrual earnings management is measured based on the discretionary accruals. This study uses the data of all the ASEAN companies which are Singapore, Indonesia, Malaysia, Philippines, and Thailand listed in S&P Global Market Intelligence during the period 2017 to 2020. The data is secondary data in the form of financial statements. The research sample amounted to 6,300 observations, consisting of 1,575 companies from all industries except financial. The study finds the evidence regarding the negative effect of earnings management on meeting earnings benchmarks but fail to find the evidence the effect during the COVID-19 period.

References: 50 (1976-2021)

Keywords: accrual earnings management, discretionary accruals, earnings benchmarks, COVID-19