



**ANDALAS UNIVERSITY
ECONOMIC FACULTY**

**KNOWLEDGE AND PERCEPTION
OF ANDALAS UNIVERSITY ACCOUNTING STUDENTS
ON FORENSIC ACCOUNTING**

THESIS

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**KNOWLEDGE AND PERCEPTION OF ANDALAS UNIVERSITY
ACCOUNTING STUDENTS ON FORENSIC ACCOUNTING**

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ABSTRACT

This researched is aimed to get the fact about knowledge and perception of Andalas University Accounting Students on Forensic Accounting. The analysis is based on answers from respondents where data are gathered through questionnaires. The samples of this research were 142 respondents, which consist of accounting students from year 2002 until 2006. The distribution were done with judgment – purposive sampling.

The results of the research showed that Andalas University accounting students have poor knowledge on Forensic Accounting. For the perception, this research had four results. First, the result showed that accounting students of Andalas University perceived that forensic accounting can reveal the corruption in Indonesia. Second, Andalas University accounting students perceived that forensic accountant can eradicating corruption in Indonesia. Third, Andalas University accounting students perceived that forensic accountant carrier in Indonesia had good prospect. And the last, 87, 32% or 124 respondents want to be a forensic accountant.

Chapter I

INTRODUCTION

1.1 Background of the Problem

The economic crisis that attacked the world was re – born the new practices and professions. Forensic accounting practice is one of the ways. There are many people said that the significant factor that motivates the development of forensic accounting practice is the Sarbanes Oxley Act (Tuanakotta, 2007). That Act was established by Public Company Accounting Oversight Board (PCAOB) to police the accounting profession's audits of publicly traded companies, thereby restoring some lost confidence in corporate America. The incidences of high-profile corporate failures (such as Enron, WorldCom, Global Crossing, Qwest, Parmalat) eroded investor confidence and made forensic accounting an attractive career opportunity for accountants to combat fraud.

In Indonesia, forensic accounting is not the new sector. It was done in Indies-Dutch's bankruptcy Act, *Faillissements-Verordening*. The economic crisis in year 1997-1998 had re-born this old idea (Tuanakotta, 2007). Forensic accounting is the application of financial or accounting skill and investigative mentality in order to identify and solve fraudulence with using the relevant evidence (Thornhill, 1995).

Fraud has increased in recent year, causing companies to look for new ways to fight fraudulent activities. According to a survey of New York

executives from 459 public companies and state and federal government agencies, 75 percent of the organizations experienced fraud in the prior 12 months; that is up from 62 percent in 1998 (KPMG Fraud Survey at New York in Warren and Smith, 2006). It means, these companies indicated that they plan to implement new approaches to combat fraud and misconduct. One of the ways is using the forensic accountant. Those facts cause the demand for forensic accountant these days is so high (Epps, 2008).

There appears to be a gap between forensic accounting practices and education in the sense that forensic accounting is viewed as one of the most secure career tracks, yet there are only a limited number of accounting programs offering forensic accounting courses (Rezaee, 2003). A series of academic studies have shown that very few universities offer courses in forensic accounting (Buckhoff and Schrader in Rezaee, 2003). Current accounting and audit texts include little coverage of the skills needed for internal or external auditors to recognize situations in which fraud has occurred.

But now, forensic accountant profession has more and more devotee. Forensic accounting is being offered as standalone class or an emphasis within the accounting major or graduate certificates at increasing number universities. For instance, the University of Virginia offers a new, 12 credit graduate certificates in forensic accounting and fraud investigation through its College of Business and Economics. Student at Louisiana State University learn forensic accounting and fraud investigation in a standalone

Chapter V

Conclusion

5.1 Conclusion

This research aims to get empirical data about the knowledge and perception of accounting student of Andalas University about Forensic Accounting. This is an explorative research that uses the primary data. Data was collected through the distribution of questionnaire.

The first result of this research is accounting student of Andalas University had poor knowledge about forensic accounting. It showed by the percentage of the right answer is just 43, 92 %. Researcher perceived this result is caused of most respondents have not take the subject related with forensic accounting yet.

The second result is Andalas University accounting students perceived that forensic accounting can reveal the corruption in Indonesia. The third result is Andalas University accounting students perceived that forensic accountant can eradicating corruption in Indonesia. And it was followed by the fourth result, Andalas University accounting students perceived that forensic accountant carrier in Indonesia had good prospect. And last result of this research is 87, 32% or 124 respondents want to be a forensic accountant.

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