

The Dark Triad Personality and Ethical Financial Reporting Choices

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Abstract

This study investigates the influence of Dark Triad personality traits on ethical financial reporting choices. The Dark Triad dimensions examined include narcissism, Machiavellianism, and psychopathy. The research population comprises students enrolled in Accountant Profession Education programs in Indonesia. Data were collected using a purposive sampling method, resulting in 137 valid responses from Diponegoro University, Stikubank University, and Gadjah Mada University. Multiple regression analysis was employed to test the proposed hypotheses. The results indicate that narcissism, Machiavellianism, and psychopathy each have a significant negative effect on ethical financial reporting choices. These findings suggest that individuals exhibiting higher levels of Dark Triad traits are more likely to engage in unethical financial reporting behavior. This study extends the behavioral accounting literature by providing empirical evidence on the role of personality traits in ethical decision-making among future accounting professionals. The results offer practical implications for accounting education institutions, emphasizing the importance of integrating ethical training and personality-based awareness into professional accounting education to enhance ethical judgment and reporting practices.



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1. INTRODUCTION

Ethical financial reporting plays a critical role in maintaining transparency, accountability, and stakeholder trust. However, cases of accounting scandals, including earnings manipulation and financial misstatements, continue to occur across jurisdictions despite the strengthening of accounting standards, ethical codes, and regulatory oversight (Rezaee & Riley, 2018; Dechow et al., 2021). These recurring scandals highlight a clear phenomenon gap, indicating that formal regulations and professional guidelines alone are insufficient to ensure ethical financial reporting. Prior studies suggest that individuals often face performance pressure, incentive schemes, and organizational demands that may encourage unethical reporting behavior, even in highly regulated environments (Free & Murphy, 2018; Murphy et al., 2020).

Existing literature increasingly acknowledges that unethical financial reporting behavior is influenced not only by external or situational factors, such as corporate governance and regulatory pressure, but also by internal individual characteristics (Köbis et al., 2019; D'Onza et al., 2022). Nevertheless, a significant research gap remains. Most prior studies emphasize institutional mechanisms or examine personality traits in isolation, while empirical research that simultaneously analyzes the Dark Triad personality traits—narcissism, Machiavellianism, and psychopathy—in the context of ethical financial reporting is still limited. This gap is particularly evident in accounting education and emerging economy contexts, where ethical decision-making plays a critical role in shaping future professional behavior.

This study offers novelty by integrating the Dark Triad personality framework with Attribution Theory to explain ethical financial reporting behavior. Attribution Theory explains how individuals interpret events and assign responsibility based on internal or external causes, thereby influencing ethical judgment and behavior (Martinko et al., 2020; Robbins & Judge, 2019). By emphasizing internal attribution, this study highlights how stable psychological traits shape ethical financial reporting choices beyond situational pressures and formal rules. Moreover, this research simultaneously examines all three Dark Triad traits within a single empirical model, allowing for a comparative assessment of their relative effects.

The contributions of this study are twofold. Theoretically, it extends behavioral accounting and ethics literature by providing empirical evidence on the role of personality traits and internal attribution in ethical financial reporting decisions. Practically, the findings offer important insights for accounting education institutions, professional bodies, and organizations by emphasizing the need to incorporate behavioral awareness and ethics-oriented training as complements to regulatory controls in mitigating unethical financial reporting and reducing the likelihood of future accounting scandals.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Attribution Theory

Attribution theory has been widely discussed in contemporary behavioral and organizational research. Recent literature defines attribution as a cognitive process through which individuals interpret and explain the causes underlying their own and others' behavior, both internally through perception and externally through expressed judgments (Martinko, Harvey, & Dasborough, 2020). Although attribution theory comprises several perspectives, they consistently emphasize how individuals process information to understand events, evaluate causes, and determine appropriate actions (Harvey, Madison, Martinko, Crook, & Crook, 2019).

Attribution theory explains that individuals tend to behave as rational interpreters who attempt to make sense of events by identifying their underlying causes. In doing so, individuals construct causal explanations to maintain logical consistency in understanding social behavior and environmental outcomes (Martinko et al., 2020). These attributional judgments subsequently influence attitudes, ethical evaluations, and behavioral responses.

Contemporary attribution theory generally consists of three key dimensions: locus of causality, stability, and controllability. The locus of causality refers to whether the cause of an event is attributed to internal factors, such as personal traits or abilities, or to external factors, such as situational or environmental conditions. Stability concerns whether the cause is perceived as permanent or temporary, while controllability reflects the extent to which the cause is believed to be under an individual's control (Harvey et al., 2019; Martinko et al., 2020). This study specifically focuses on the locus of causality dimension to explain internal and external attributions in ethical decision-making contexts.

According to Robbins and Judge (2019), internal attribution refers to behavior that is perceived as being under an individual's personal control, such as personality traits or moral values, whereas external attribution arises from situational influences, including organizational pressure or environmental constraints. To distinguish between internal and external attributions, individuals typically rely on three informational cues: distinctiveness, consensus, and consistency (Robbins & Judge, 2019). These attributional processes provide a relevant theoretical framework for explaining how individual personality traits influence ethical financial reporting behavior.

Ethical Financial Reporting Selection

Recent accounting ethics literature reiterates that an ethical approach to accounting theory places strong emphasis on the principles of fairness and truthfulness in financial reporting (Frecka, 2018; Rezaee, 2019). Fairness implies that financial reports should treat all stakeholders equitably and avoid presenting biased information that favors particular parties. Truthfulness, although difficult to define precisely in accounting practice, refers to the requirement that financial statements faithfully represent economic reality and comply with established measurement and reporting standards. Accordingly, fairness remains the core concept underlying ethical financial reporting.

The phrase “reasonably presented”, commonly found in audit reports, indicates that financial statements have been prepared in accordance with generally accepted accounting principles and include adequate disclosures to prevent misleading representations of a company’s financial performance (Messier, Glover, & Prawitt, 2018). Contemporary discussions emphasize that ethical financial reporting should focus on the fair presentation of factual information, ensuring fairness both in the data disclosed and in the treatment of financial statement users (Frecka, 2018). In addition, transparency constitutes another essential attribute of ethical financial reporting, reflected in clarity, completeness, and understandability of financial information (Rezaee, 2019; IASB, 2020).

Narcissism

Narcissism is a personality concept that reflects an inflated self-view and self-aggrandizement (Miller et al., 2017; Campbell & Foster, 2019). Individuals with narcissistic traits tend to exhibit a strong sense of entitlement, lack of empathy, and an excessive need for power, which leads to reduced concern for others and a higher tendency to exploit others for personal gain (Grijalva et al., 2018). Such tendencies are particularly evident when narcissistic individuals receive negative feedback or experience ego threat (Back et al., 2018).

In addition, individuals with narcissism are strongly preoccupied with power, status, and success, and they frequently seek opportunities to demonstrate superiority and gain admiration from others (Campbell & Campbell, 2020). This drive for self-enhancement often manifests in behaviors aimed at attracting attention and validating their self-importance, even though these outcomes are frequently achieved at the expense of others (Grijalva & Newman, 2019).

Machiavellianism

Niccolò Machiavelli’s ideas emphasize strategies to acquire and maintain power, which later formed the conceptual basis of Machiavellianism in personality research (O’Boyle et al., 2017). Machiavellianism has been widely examined in psychology as a personality trait characterized by instrumental behavior, manipulation, and exploitation of others to achieve personal goals, often while disregarding conventional values such as honesty and moral standards (Kiazad et al., 2018). Within Machiavellianism, ethical considerations tend to be minimal, as individuals high in this trait prioritize outcomes over moral principles. As a result, Machiavellianism is frequently associated with unethical and immoral behavior, particularly in organizational and financial decision-making contexts (Belschak et al., 2020).

Psychopathy

Psychopathy was initially understood as a personality disorder characterized by indifference to others and social norms, impulsivity, and a lack of guilt or remorse when engaging in behaviors that harm others (Hare & Neumann, 2017). In social life, individuals

with psychopathic traits often appear convincing, professional, and charismatic; however, they display shallow emotions and tend to experience difficulty in understanding others and empathizing, as their attention is predominantly focused on personal thoughts and goals (Patrick, Fowles, & Krueger, 2018).

Narcissism Towards Ethical Financial Reporting Choices

Based on attribution theory, narcissism is classified as an internal attribution because the source of individual behavior originates from within the individual. Attribution theory distinguishes between internal and external attributions, where internal attribution refers to behavior arising from factors under an individual's control, while external attribution refers to behavior driven by forces outside the individual's ability to control or avoid (Robbins & Judge, 2017).

Narcissism is viewed as a personality characteristic possessed by certain individuals and is associated with both costs and benefits (Grijalva et al., 2018). In particular, narcissism generates a strong need for recognition, which typically manifests as admiration, praise, or positive affirmation from others (Sedikides et al., 2017). Furthermore, recognition from others tends to be reinforcing for narcissistic individuals, leading them to seek continuous validation rather than being satisfied with a single compliment (Morf et al., 2018; Chatterjee & Hambrick, 2017). To obtain such admiration, individuals with narcissistic traits consistently attempt to impress others, even at the expense of ethical considerations. Based on prior studies, the following hypothesis is formulated.

H1: Narcissism has a negative effect on the selection of ethical financial reporting.

Machiavellianism Towards the Selection of Ethical Financial Reporting

Robbins and Judge (2017) explain that, within attribution theory, an individual's behavior is influenced by internal or external conditions. Internal attribution refers to behavior that originates from within the individual, whereas external attribution refers to behavior driven by factors outside the individual, such as the surrounding environment. In the context of Machiavellianism, such behavior can be understood as being primarily influenced by internal factors inherent in the individual.

Empirical research examining the relationship between Machiavellianism and ethical behavior has been widely conducted. Recent studies indicate that individuals with high levels of Machiavellianism are not necessarily lacking moral values; instead, they tend to adopt ethical standards that differ from commonly accepted moral norms (Belschak, Den Hartog, & Kalshoven, 2018). In the accounting context, individuals with strong Machiavellian tendencies are more likely to ignore established rules to achieve predetermined objectives (Hartmann & Maas, 2017). Moreover, contemporary empirical evidence consistently shows that Machiavellian traits have a strong negative influence on ethical decision-making (Zettler, Thielmann, & Hilbig, 2020). Specifically, higher levels of Machiavellianism have been found to be negatively associated with the selection of ethical financial reporting (Murphy, 2018). Based on these findings, the following hypothesis is proposed.

H2: High machiavellism has a negative effect on the selection of ethical financial reporting.

Psychopathy Towards Ethical Financial Reporting Selection

In attribution theory, individual behavior is influenced by two conditions, namely internal and external factors (Robbins & Judge, 2017). Behavior caused by conditions originating within the individual is referred to as internal attribution, whereas behavior driven by factors outside the individual is classified as external attribution. Based on attribution

theory, psychopathy can be viewed as a form of internal attribution because it originates from stable psychological traits within the individual.

Psychopathy has increasingly attracted attention in accounting and business research (Bailey, 2017). Initially, psychopathy was conceptualized as a personality disorder; however, more recent studies suggest that it is better understood as a relatively stable personality trait that is resistant to change (Hare & Neumann, 2017; Patrick, Fowles, & Krueger, 2018). Empirical evidence examining the relationship between psychopathy and ethical behavior, although still limited, consistently indicates that higher levels of psychopathy are associated with greater tolerance for unethical behavior and rule violations (Pletzer et al., 2019; Bailey, 2017). Nevertheless, Bailey (2017) also reports that accounting and business students generally exhibit relatively low levels of psychopathic traits. Based on these findings, the following hypothesis is proposed.

H3: Psychopathy has a negative effect on the selection of ethical financial reporting.

3. RESEARCH METHOD

Research Design

This research is categorized as explanatory research because it aims to identify and explain causal links among variables derived from established hypotheses (Sugiyono, 2022). Furthermore, the study employs a quantitative methodology, given that the data are expressed in numerical form and examined using statistical analysis.

Population and Sample

The research population comprises individuals participating in the Accountant Professional Education (PPA) program throughout Indonesia. Data obtained from the Ministry of Research, Technology, and Higher Education (Kemenristekdikti) indicate that 3,160 students are actively enrolled in the program for the 2024/2025 academic year.

This study uses the purposive sampling method. According to Ghazali (2021), purposive sampling requires that the selected sample is certain groups that are considered to be able to provide the information desired by the researcher and meet certain criteria. The sample criteria in this study are students of Accountant Professional Education at Diponegoro University, Stikubank University and Gadjah Mada University who have or are taking Business Ethics courses so that respondents are considered to have basic knowledge about the basics of ethics in financial reporting. According to Ghazali (2021), the adequate number of samples ranges from 30 to 500. So, the number of samples used in this study is as many as 150 respondents.

Operational Definition

Narsis

Raskin and Hall (1979) formulated a scale of measurement of narcissism called the Narcissistic Personality Inventory (NPI) which amounted to 40 question items. Then Ames, et al. (2006) stated that 16 questions from the NPI-40 can be used to measure narcissism. This study uses NPI-16 formulated by Ames, et al. (2006).

Machiavellianism

Chistie and Geis (1970) were one of the first psychologists to study and develop measurements for Machiavellianism, namely MACH IV which consisted of 20 questions. This study adopted the scale used in Cote's (2013) study using 8 out of 20 MACH IV scales.

Psychopath

This study uses a sub-clinical psychopathy measurement scale developed by Levenson, et al (1995) which was later called Levenson's Self-Report Psychopathy Scale (LSRP). LSRP has 16 question items using a likert scale of 1 to 5.

Ethical Financial Reporting Selection

The selection of ethical financial reporting was measured using three indicators adopted from prior experimental research, including the choice of reported income amount, the estimated income size based on belief, and the percentage of confidence in selecting the reported income (Murphy, 2018; Bailey, 2017). In the scenario presented, respondents were confronted with several reporting situations in which they were required to choose the amount of income to be reported to the head office. The respondents' selections were then used as a reference to assess their ethical stance in financial reporting decisions.

Variable Control

This study considered gender, age, and education variables to control for factors that systematically influence the selection of ethical financial reporting. Gender variables are measured using dummy variables where 0 is the code for women and 1 is the code for men. The age variable was measured by how old the respondents were by giving a code 1 for the age of 20 – 25 years, code 2 for the age of 26 – 30 years, and code 3 for the age of >30 years. As for the level of education, it is measured by the last education that has been taken by the respondents. Code 1 will be given for respondents who have completed their final education in S1 and code 2 for S2.

Analytical Techniques

Descriptive Statistical Analysis

According to Ghazali (2021), descriptive statistics provide a summary of data by examining measures including the mean, standard deviation, variance, extreme values, range, kurtosis, and skewness. This approach helps to simplify and systematically present data so that it can be easily understood and interpreted. In this study, demographic data encompass age, gender, academic semester, employment status, and educational institution.

Polychoric Correlation

Polychoric correlation is a correlation matrix used when all variables are measured on an ordinal scale and treated as ordinal data. Recent methodological studies explain that ordinal variables are not continuous and therefore should not be analyzed using Pearson correlations, as their means, variances, and covariances are not meaningful in the same way as continuous variables (Holgado-Tello et al., 2018). Consequently, polychoric correlation is recommended as an appropriate initial input for multivariate analyses involving ordinal data.

In this study, the dependent variables are ordinal variables consisting of three response categories. Therefore, polychoric correlation is employed as the first step in constructing the input matrix for factor analysis. This approach is widely recommended in situations where respondents make choices among a limited number of ordered categories, as it provides more accurate parameter estimates than correlations based on continuous assumptions (Flora & Curran, 2017; Li, 2016).

Factor Analysis and Confirmatory Factor Analysis

The application of factor analysis is intended to test the validity and reliability of

measurement instruments by revealing the dimensions that form a construct. This method also makes it possible to evaluate the contribution of each variable to each dimension. Ghazali (2021) states that when such dimensions and variable explanations are clearly identified, factor analysis fulfills its main roles in data summarization and data reduction.

Confirmatory Factor Analysis (CFA) represents a theory-driven factor analysis technique grounded in prior theoretical and conceptual assumptions. As noted by Ghazali (2021), CFA is applied to assess correlations among variables as well as to evaluate the validity and reliability of measurement instruments, ensuring robust and reliable data.

Classic Assumption Test

Based on the analysis tool used in this study, namely multiple linear analysis, it will be possible to consider the absence of violations of classical assumptions consisting of normality, multicollinearity, and heteroskedasticity.

Research Analysis Model

In this study, the variables used in analyzing the factors that affect the selection of ethical financial reporting are narcissism, Machiavellianism, and psychopathy and the control variables are gender, age, and level education. So that the multiple linear regression analysis model in this study is as follows:

$$PPKE = a + \beta_1NARC + \beta_2MACH + \beta_3PSIC + \beta_4GENDER + \beta_5AGE + \beta_6EDU + e$$

Where

PPKE : Ethical Financial Reporting

A : Konstanta

$\beta_1, \beta_2, \beta_3$: Multiple Regression Coefficient

NARC : Narcissism

MACH : Machiavellianism

PSYCHIC : Psychopath

GENDER : Gender

AGE : Age

EDU : Education Level

And : Error

Multiple Regression Analysis

Multiple linear regression analysis is employed to identify causal relationships in which variable X acts as the predictor of variable Y as the outcome. This analytical technique is used to examine the influence of explanatory variables on the dependent variable. In addition to identifying relationships among variables, multiple linear regression also quantifies the strength of these causal effects.

4. RESULT AND ANALYSIS

4.1 Research Data

This study targeted 150 respondents, and a total of 146 responses were successfully obtained. Of the 146 questionnaires collected, 9 were excluded due to incomplete information, resulting in 137 questionnaires that were eligible for further analysis. The demographic characteristics of the respondents are presented in Table 4.2.

Table 4.2 Respondent Demographics (n=137)

Information	Sum	Persentase (%)
Gender		
Man	39	28,46
Woman	98	71,53
Age		
20-25 years	63	45,98
26-30 years	61	44,52
>30 years old	13	9,48
Semester		
1	70	51,09
2	67	48,90
Final Education		
S1	127	92,70
S2	10	7,29
Work		
Accountant	25	18,24
Non-Accountant	38	27,73
Not Working	74	54,01
University		
Undip	27	19,70
Unisbank	36	26,27
UGM	74	54,01

Source: Primary data processed, 2025

Descriptive Statistical Analysis

Descriptive statistics are used in this study to describe the characteristics of the research data. The analysis includes measures of central tendency and dispersion, namely the minimum, maximum, mean, and standard deviation for all variables. SPSS 26 was used to process the data, and the results are shown in Table 4.3.

Table 4.3 Descriptive Statistics

Continuous Variables						
Research Variables	N	Min	Max	Mean	Mean Theoretical	Std. Deviation
Reporting Selection Ethical Finance	137	8	17	12,88	15	2,042
Narsis	137	24	76	47,29	48	9,631
Machiavellianism	137	11	38	25,62	22,5	5,479
Psychopath	137	25	73	53,32	48	8,457
Age	137	1	3	1,64	2	0,640
Education	137	1	2	1,07	1,5	0,261
Variable Categorical						
	N	Thick.1	%	Thick.0		%

Source: Primary data processed, 2025

Validity Test

The assessment of instrument validity in this research employed the Average Variance Extracted (AVE) approach within factor analysis. Instruments with AVE values above 0.51 are regarded as valid. The outcomes of the validity testing for each variable are shown in Table 4.4.

Table 4.4 Validity Test Results

Variabel	AVE	Information
Ethical Financial Reporting Selection	0,90	Valid
Narsis	0,68	Valid
Machiavellianism	0,76	Valid
Psychopath	0,77	Valid

Source: Primary data processed, 2025

In table 4.4 above, it is shown that the AVE value for each variable in this study is greater than 0.51. It can be concluded that the selection variable of ethical financial reporting has met the assumption of validity and can be said to be valid.

Reliability Test

The reliability of the measurement instruments was assessed through factor analysis by evaluating the factor loading values, where values above 0.70 indicate acceptable reliability. The outcomes of the reliability testing for indicators related to ethical financial reporting selection, narcissism, Machiavellianism, and psychopathy are reported in Table 4.5.

Table 4.5 Reliability Test Results

Indicator	Factor Loading	Information
Ethical Financial Reporting Selection		
Income options	0,854	Reliabel
Confidence level	0,884	Reliabel
Possibility to choose options Ethical Income	0,803	Reliabel
Impossibility of choosing an option Neutral income	0,979	Reliabel
Possibility to choose options unethical income	0,939	Reliabel
Narsis		
I realized that I was a person who well, because others talk like that.	0,713	Reliabel
I like to be the center of attention.	0,726	Reliabel
I am someone special.	0,812	Reliabel
I like it if I have authority over others.	0,833	Reliabel
I find it easy to manipulate people Other.	0,749	Reliabel
I try hard to get a taste respect from the people around me.	0,774	Reliabel
I tend to show off if I get something new.	0,834	Reliabel
I always knew what I was doing.	0,882	Reliabel
Everyone loves to listen to my stories.	0,816	Reliabel
I expect a lot from others.	0,771	Reliabel
I really like it when it comes to being the center of attention.	0,741	Reliabel
Others always seem to acknowledge authority I.	0,806	Reliabel

I'm going to be a great person.	0,740	Reliabel
I like Convince person other to do what I want.	0,788	Reliabel
I feel more dexterous than anyone else.	0,840	Reliabel
I am an extraordinary person.	0,851	Reliabel
Machiavellianism		
I choose not to explain the reasons behind my actions unless they can benefit me later.	0,720	Reliabel
The best way to treat others is to say what they want to hear.	0,857	Reliabel
It is not a problem to assume that basically everyone has bad traits because those bad traits will definitely be visible if given the chance.	0,850	Reliabel
There is no reason to lie to others.	0,739	Reliabel
The average successful person has good morals.	0,878	Reliabel
The biggest difference between most criminals and others is that criminals are stupid enough to get caught.	0,889	Reliabel
Most individuals will easily forget if they lose valuable things except for the property they own.	0,799	Reliabel
Psychopath		
Succes is based on who deserves, I don't care about the losers.	0,836	Reliabel
For me, something that is right is the one that suits my opinion.	0,817	Reliabel
In this day and age, I feel justified in doing anything to achieve success.	0,833	Reliabel
My main goal in life is to have as many things as possible.	0,717	Reliabel
Making a lot of money is my most important goal.	0,874	Reliabel
I don't care if other people think of developing value in themselves, I will stay focused on my goals.	0,781	Reliabel
Fools deserve to be taken advantage of.	0,884	Reliabel
My top priority is to try to find information independently.	0,861	Reliabel
I tell others what they want to hear so they will do what I want.	0,776	Reliabel
I would be upset if my success was achieved with the help of others.	0,795	Reliabel
I often admire true deception Really smart.	0,790	Reliabel
I try not to hurt others in achieving my goals.	0,800	Reliabel
I enjoy when playing with other people's feelings.	0,893	Reliabel
I feel bad if the words or my actions hurt others.	0,888	Reliabel
Even though I am trying try hard to sell something, I no on lie.	0,867	Reliabel
Being cheating is not justified because it is not be fair to others.	0,827	Reliabel

Source: Primary data processed, 2025

Based on table 4.5 above, it can be seen that the value of the loading factor of each indicator of each variable shows a value greater than 0.70. So it can be concluded that all indicators of the dependent variables in this study are reliable.

Classic Assumption Test Normality Test

This study applied the Kolmogorov-Smirnov test to examine data normality, where normality in multivariate testing is assessed through residual values. A significance level above 0.05 indicates a normal distribution of the data (Ghozali, 2021). The outcomes of the normality test are shown in Table 4.6.

Table 4.6 Kolmogorov Smirnov Test Results

		Unstandardized Residual
N		137
Normal Parameters ^{a,b}	Mean	,0000000
	Hours of deviation	1,51239155
Most Extreme Differences	Absolute	,052
	Positive	,052
	Negative	-,042
Kolmogorov-Smirnov Z		,610
Asymp. Sig. (2-tailed)		,851

Source: Primary data processed, 2025

In table 4.6 it can be seen that the resulting significance value is 0.851 and greater than 0.05. This shows that the results of the data obtained have been distributed normally and the sample from this study has been eligible for testing at the next stage.

Multicollinearity Test

The purpose of the Multicollinearity test is to test whether the regression model finds a correlation between independent variables. The Tolerance and Variance Inflation Factor (VIP) values contained in each variable are seen to determine whether or not there is multicollinearity in the regression model. The results of the multicollinearity test are presented in the following table 4.7.

Table 4.7 Multicollinearity Test Results

Model	Collinearity Statistics	
	Tolerance	BRIGHT
Narsis	0,595	1,681
Machiavellianism	0,595	1,682
Psychopath	0,602	1,662
Gender	0,982	1,019
Age	0,945	1,059
Education	0,967	1,019

Source: Primary data processed, 2025

The tolerance values of the variables narcissism, Machiavellianism, psychopathy, gender, age, and education were known to be greater than 0.1 and for the VIF values of the three variables also showed values lower than 10. Therefore, it can be concluded that all variables have met the requirements of the tolerance threshold and VIF and can be continued for further testing.

Heterokedasticity Test

Ghozali (2021) explained that the heterokedasticity test aims to test whether in the regression model there is a difference in variance from the residual one observation to other observations. The results of the Glejser Test are presented in the following table 4.8.

Table 4.8 Heterokedasticity Test Results

	Model	t-value	Significance
1	(Constant)	1,698	0,092
	Narsis	-0,829	0,409
	Machiavellianime	-0,228	0,820
	Psychopath	1,519	0,1 31
	Gender	0,501	0,617
	Age	-0,038	0,970
	Education	-0,474	0,636

Source: Primary data processed, 2025

Based on table 4.8, the variables narcissism, Machiavellianism, psychopathy, gender, age, and education have a significance value of >0.05 and it can be concluded that there is no heterokedasticity in this regression model.

Hypothesis Testing Results

Coefficient of Determination Test (R²)

The results of the determination coefficient test are presented in the following table 4.9.

Table 4.9 Determination Coefficient Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,672	0,451	0,426	1,547

Source: Primary data processed, 2025

Based on table 4.9 presented, it can be seen that the value of the determined coefficient that is polarized is 0.426. This means that narcissism, Machiavellianism, psychopathy, gender, age, and education can explain the selection of ethical financial reporting by 42.6%. While the remaining 57.4% can be explained by other variables that are not included in this study.

Simultaneous Significance Test (F Test)

The results of the fitting model for the F test are presented in the following table 4.10.

Table 4.10 Results of the Simultaneous Significance Test (F Test)

F-count	F-table	Significance	Criterion Testing	Information
17,818	2,169	0,000	$P < 0.05$	Signifikan

Source: Primary data processed, 2025

Based on table 4.10 above, it can be seen that the F-calculation value is 17.818 which is greater than the F-table value of 2.169, so it can be concluded that the variables narcissism, Machiavellianism, psychopathy, gender, age, and education have an effect on the variables of ethical financial reporting selection. A probability value of 0.000 lower than 0.05 indicates that the independent variables in this model together or simultaneously can explain the dependent variables.

Partial Significance Test (t-test)

The t-test was used to prove the hypothesis and to find out whether the variables narcissism, Machiavellianism, and psychopathy partially affected the variables of ethical

financial reporting selection. The results of the t-test are presented in the following table 4.11.

Table 4.11 Partial Test Results (t-test)

	Unstandardized		Standardized			
	Model	Coefficients	Std. Error	Beta	t-value	Itself.
1	(Constant)	21,647	1,040		20,819	0,000
	Narsis	-0,046	0,018	-0,218	-2,591	0,011
	Machiavellianism	-0,096	0,031	-0,257	-3,052	0,003
	Psychopath	-0,071	0,020	-0,295	-3,521	0,001
	Gender	0,214	0,296	0,047	0,724	0,470
	Age	-0,293	0,213	-0,092	-1,376	0,171
	Education	0,081	0,517	0,10	0,156	0,876

Source: Primary data processed, 2025

Based on the t-test results in Table 4.11, each independent variable's effect on the dependent variable can be identified. For a sample of 137 respondents ($df = 133$), the threshold t-value is 1.978. The narcissism variable shows a coefficient of -0.046 and a t-statistic of -2.591 , exceeding the critical value, with a significance level of 0.011. This negative and statistically significant coefficient suggests that higher narcissism is associated with lower ethical financial reporting, thereby supporting the first hypothesis. From the perspective of Attribution Theory, narcissistic individuals tend to make internal attributions that emphasize personal superiority and self-interest, enabling them to justify unethical reporting decisions when such actions benefit their self-image.

Based on the regression analysis, Machiavellianism exhibits a coefficient value of -0.096 and a t-statistic of -3.052 , which exceeds the critical t-value, along with a significance level of 0.003. The negative and significant coefficient demonstrates that Machiavellianism adversely affects the selection of ethical financial reporting, leading to the acceptance of the second hypothesis. Consistent with Attribution Theory, individuals with high Machiavellian traits are more likely to attribute unethical outcomes to external pressures or situational demands, thereby reducing personal moral responsibility and legitimizing unethical reporting behavior.

The t-test results for the psychopathy variable show a regression coefficient of -0.071 . The obtained t-statistic is -3.521 (t-count exceeds t-table), with a significance value of 0.001 (< 0.05). The negative coefficient indicates that psychopathy negatively affects the selection of ethical financial reporting. The findings confirm the third hypothesis, with psychopathy showing the strongest negative effect on ethical financial reporting. In attributional terms, individuals with psychopathic traits tend to minimize responsibility and moral attribution, making ethical considerations less relevant in their decision-making processes.

Gender shows a regression coefficient of 0.214 and a t-value of 0.724, with a significance level of 0.171 (> 0.05). This result indicates that gender does not significantly influence ethical financial reporting choices.

The test results for the age variable show a regression coefficient of -0.293 with a t-statistic of -1.376 (t-count below the critical t-value). The significance level of 0.171 (> 0.05) indicates that age does not have a statistically significant effect on the selection of ethical

financial reporting.

Education shows a regression coefficient of 0.081 and a t-value of 0.516, with a significance level of 0.876 (> 0.05). This result indicates that educational level does not significantly influence ethical financial reporting choices.

Gender, age, and education do not significantly influence ethical financial reporting choices. This suggests that ethical decision-making is primarily shaped by internal personality traits rather than demographic characteristics, reinforcing the explanatory power of dispositional attributions.

The findings in the table demonstrate that psychopathy has the dominant effect on ethical financial reporting choices, as indicated by the largest standardized beta coefficient of -0.295 . The effect is subsequently followed by Machiavellianism ($\beta = -0.257$) and narcissism ($\beta = -0.218$).

5. CONCLUSION

This study concludes that Dark Triad personality traits significantly influence ethical financial reporting choices, with psychopathy showing the strongest effect, followed by Machiavellianism and narcissism. In contrast, demographic variables—gender, age, and education—do not significantly affect ethical financial reporting selection.

The findings contribute theoretically by reinforcing the role of personality traits in explaining ethical decision-making within behavioral accounting research. Practically, the results highlight the importance of incorporating ethical and behavioral considerations into accounting education, training, and professional development to mitigate unethical reporting behavior.

This study is limited by its use of student samples, self-reported data, and a cross-sectional design, which may restrict generalizability and causal interpretation. Future research is encouraged to involve practitioner samples, apply longitudinal or experimental approaches, and examine additional factors such as organizational ethical climate or other psychological traits influencing ethical financial reporting choices.

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