ABM simulations. See Agent-based modeling (ABM)	Accredited investors, 50 ACFE. See Association of Certified
simulations	Fraud Examiners (ACFE)
Accountants, 4, 139	Agency risks, 53, 55
Australian, 147	Agent-based modeling (ABM)
Canadian, 148	simulations, 27
career anchors, 158 forensic, 27	Aggressive accounting choice, 48, 49, 55, 63
millennials, 31, 149, 150, 158	Agreeableness, 120–121, 123, 125,
older generations, 31	128, 131–132
organizational citizenship, 8	Alibaba, 23
personality, 121	Altruism, 7, 8
professional, 142, 152, 157	Analysis of variance (ANOVA), 12,
public accounting industry, 23	13, 64–65, 67, 155
risk averse, 4	Anchor-and-adjustment phenomenon,
social desirability response bias	57, 58
(SDRB), 9	Angel investors
survey, 7	accounting choice disclosure. See
Taiwan, 7	also Accounting choice
(un)ethical behavior, 9	disclosure, 48
Accounting choice disclosure, 59, 67	account risk disclosure, 55-60
agency risks, 53	angel valuation judgments,
anchor-and-adjustment	51–53
phenomenon, 57, 58	"changes" approach, 61
conservative accounting choice, 53,	demographic information, 62, 63
56–57	disconfirming disclosure, 49, 68
disconfirming attributes, 58	experimental design, 61
execution risk, 53	FASB revenue recognition
market risk, 54	standard, 60
overpayment risk, 53, 55	hypotheses testing, 64–66
revenue outcomes, 53, 54	limitations, 69–70
Account risk disclosure, 59, 67	manipulation checks, 63
agency risk, 55	non financial vs financial models,
anchor-and-adjustment	63–64
phenomenon, 57, 58	private company investment, 48
conservative accounting choice,	prospect theory, 49
56–57	revenue account, 61-62
disconfirming attributes, 58	seed equity investment (SEI)
economic realities, 55	contexts, 49–50
risk-averse behaviors, 55	straight-equity funding, 60

Tukey HSD post hoc pairwise	occupational misconduct, 77, 79
analysis, 67–68	organizational losses predictors,
Antifraud control mechanisms, 78, 79	88, 91–92, 108–109
factor analysis, 94	organizational misconduct, 77, 78,
Kaiser criterion, 88, 89	79
scoring coefficients, 107	organization type clustering, 84, 85
statistics, 82	parallel analysis (PA), 84, 89, 90
tetrachoric cross-correlation	private vs. work-related issues, 88
matrix, 84, 104	robustness, 94–95
Asset misappropriation, 79	scoring coefficients, 106
Certified Fraud Examiners (CFEs),	tenure, 93–94
82	tetrachoric cross-correlation
defined, 78	matrix, 82-84, 102-103
determinants, 78	Behavioral warning signs, 78
loss sizes, 80, 81, 95	Big five personality traits, 8, 121–122,
organizational losses predictors,	126, 131, 134–135
91, 110–117	Buffer/conduit theory, 27, 40-41
sociodemographic factors, 78	culture-oriented internal controls,
Association of Certified Fraud	26
Examiners (ACFE), 78-79,	dynamic orientation, 30
81, 95–96, 101	ethical conduct, 29
"Attentive" supervisor, 123	fraud-related values, 22, 25
AU-C-Section 240 (AICPA), 24	indicators, 29, 35, 36, 38
Autonomy Corp., 23	individual and collective values, 23
ratenemy cerp., 20	layers, 26
Behavioral red flags (BRFs)	management control systems
antifraud control mechanisms, 79,	(MCSs), 24
82, 84, 88	OC-related auditing guidance, 24
Association of Certified Fraud	risk factors, 23
Examiners (ACFE), 78–79,	taxonomy, 28
81, 95–96, 101	Business ethics research, 9
comprehensive analysis, 79–81	Business etines research, 7
Coterie, 88, 93	Capital budgeting, 8
exploratory factor analysis (EFA),	Career anchors
79, 82, 84–89, 95	definition, 142, 143
financial distress, 88, 90, 93	manage careers, 146–147
hierarchical linear models (HLMs),	other fields, 147–148
84	primary, 142, 150, 153, 156
industry clustering, 84	types, 142
large-scale fraud, 94	validity, 143–144
low-income group, 93	Career management, 146–147
micro-level database, 81–82	Career Orientations Inventory (COI),
monetary vs. nonmonetary	142, 146, 148
issues, 88	Cash incentives, 4

Index 165

Certified Fraud Examiners (CFEs),	External organizational behavior, 31
78, 80–82, 88, 90	Extraversion, 120, 121-129, 131-132,
Certified Public Accountants (CPAs),	134
147	
Chi-square test, 11, 12	Fair promotion practices, 31
goodness of fit test, 153	FASB revenue recognition standard,
independence, 156, 157	60
Citigroup, 22, 77	Financial distress, 88, 90, 93
Collective fraud orientations, 23, 28	Financial reporting, 49
Committee of Sponsoring	Fraud-deterring organizational
Organizations (COSO)	orientations, 22
Fraud Risk Management Guide,	Fraud-encouraging individual
22	orientations, 22, 23
Internal Control-Integrated	Fraud-fighting model, 28
Framework, 22, 24	Fraud-related values. See also
Comparables, 51	Organizational culture
Conscientiousness, 121–123, 125–129,	(OC), 22, 24, 25, 28, 40
131–132	Fraud risk management, 22
Conservative accounting choice, 48,	
53, 55–57, 63	Hierarchical linear models (HLMs),
Corporate fraud scandals,	84–85, 94, 108–111,
22–23	116–117
Cross-correlation matrix	
factors, 105	Incentives, 3–5
tetrachoric, 82-84, 102-103	performance effects, 6, 7
C-suite responsibility, 23	social desirability response bias (SDRB), 16
Deutsche Bank, 23, 77	Industry clustering, 84
, ,	Internal organizational behavior, 31
Ethics, 8, 40–41	International Country Risk Guide, 96
behavior, 30, 36, 38	•
codes of conduct, 26, 29	Job performance, 120, 123, 124
concerns, 30, 38	Job satisfaction, 7, 80, 142, 148, 150,
decision-making, 28	157
fraud risk management, 22	Job stress, 7
integrity and, 22	JP Morgan, 77
models, 24	
performance appraisal, 30-31	Kaiser criterion, 88, 89
standards, 24	KPMG, 80, 101
tone at the top, 28–29	Landan manhan anahan an (LMV)
Execution risk, 53	Leader-member exchange (LMX)
Exploratory factor analysis (EFA),	theory, 123, 124
79, 82, 84–89, 95	LIBOR scandal, 77 Locus of control (LOC), 6–7, 10–14
Extant theory, 22	Locus of control (LOC), 0-7, 10-14

Management control systems (MCSs),	ethics-oriented performance
22, 24, 29, 30	appraisal content, 30
Management information systems	extant theory, 22
(MIS), 147	factor analysis, 23, 24
Market risk, 54	fraud control, 28
Marlowe-Crowne scale, 11	fraud-fighting model, 28
Millennials, 36	fraud-related values, 22, 24
accountants, 142, 149, 150, 158	fraud risk management, 22
characteristics, 144-146	hypothesis-testing research, 24
older generations, 31–32	individual fraud orientations, 23,
organizational culture (OC),	27
31–32	instrument, fraud orientation,
Monetary incentives, 2-4, 6, 9, 13	32–33
types, 5	integrity and ethical values, 22
	internal control, 21–24
Neuroticism, 121-125, 128-129,	management control systems
131–132	(MCSs), 22, 24
Nonmonetary incentives, 3, 4	millennials, 31–32
Not-for-profit organizations, 80	multivariate analysis, 37-40
	older generations, 31–32
OC. See Organizational culture (OC)	performance goals, ethical
Occupational fraud. See also Asset	behavior, 30
misappropriation, 96	performance review systems, 31
Occupational misconduct, 77, 79	predisposition to commit fraud, 27
Older generations, 31–32	professional education
OLS models, 84–85, 88, 94–95,	participants, 32
108–117	recruitment and training, 29
Openness, 121–123, 125, 128, 129,	risk factors, 24
131–132	susceptibility to social influence,
Organizational behavior, 120–124,	27–28
134	tone at the top, 28–29
Organizational citizenship, 8	univariate analysis, 35–37
Organizational commitment, 30, 142,	written rules, 29–30
148	Organizational misconduct, 77, 78, 79
Organizational culture (OC)	Organization type clustering, 84, 85
A-B-C analysis, 25	Overpayment risk, 53, 55
buffer/conduit theory. See also	
Buffer/conduit theory, 29	Parallel analysis (PA), 84, 89, 90
collective fraud orientations, 23, 28	Participation rates, 10, 15–16
corporate fraud scandals, 22-23	vs. chi-square test, 12
C-suite responsibility, 23	incentives, 3–5
demographic information, 33, 34	locus of control (LOC), 6-7
employees' values on fraud, 28	payment level, 5
ethical concerns, 30	prosocial behavior (PSB), 7–8

Index 167

social contract, 5, 6	treatment condition effort, 12
social desirability response bias	true volunteers, 2
(SDRB), 8–9	undergraduate accounting class,
treatment condition effort, 12	research project, 10
variables of interest, 6	variable of interest, 2
Percentage ownership interest, 52	Revenue account, 61–62
Performance review systems, 31	Revenue outcomes, 53, 54
Personality traits, 120, 122–127, 131,	
132	Scorecard Approach, 51
PriceWaterhouseCoopers (PWC), 144	Seed equity investors (SEIs)
Principal component analysis (PCA),	accounting disclosures, 48
37, 39, 150	angel investors, 50, 64
Private company accounting and	incentives, 48
reporting	investee company management, 49
conservative accounting choice, 60	investment decisions, 62
disclosure requirements, 49	percentage ownership interest, 48
Prosocial behavior (PSB), 7–8, 10–14	venture capitalists (VCs), 50
Prosocial Tendencies Measure, 11	Self-assessed job performance, 7
Public company investors, 49–50, 53,	Self-deception bias, 8
60, 68	Self-justify unethical behavior, 31
•	Social contract, 4–6, 13
Qualtrics software, 149	participation rates, 5, 6
	Social desirability response bias
Recruiting method and participant	(SDRB), 8–14
behavior	SoftCo., 60, 61
actual volunteers, 2	Straight-equity funding, 60
chi-square test, 11, 12	Supervisor abuse, 122, 127, 131–132
compensation, 15, 16	Supervisor feedback, 120–122, 132,
data collection, 10	134
demographic information, 11	Supervisor support, 121–122,
individual difference variables, 14,	133–134
15, 16	Conscientiousness, 132
instruments, 10–11	definitions, 123
least effective method, 16	effects, 123–124
limitations, 17	Extraversion, 132
monetary incentive, 9, 13	questionnaire, 127
outcome variables, 10	_
participation rates. See also	"Tolorant" aunomisor 122
Participation rates, 2, 3	"Tolerant" supervisor, 123 Tukey HSD post hoc pairwise
pseudo volunteers, 2	
pure volunteers, 3	analysis, 67–68
sample characteristics, 3, 4	Turnover, 120–122
social contract, 13	effects, 123–124
statistical tests, 2	intentions, 124

US Statement of Auditing Standard (SAS) No, 99, 80, 101

Valuation judgments, 68
accounting choice disclosure,
53–60
account risk disclosure, 55–60
angel funding, 53
cell means plot, 65, 66
entrepreneur(s) relationship, 52
financial information, 51, 53
investment decisions, 69
nonfinancial information, 51

percentage ownership interest, 52
primary financial interest, 66
Variance inflation factor (VIF) test,
108–111, 116–117, 129
employees vs. managers,
94–95
firm sizes, 95
lowest and largest values exclusion,
95
Vendor-specific objective evidence
(VSOE), 60
Venture capitalists (VCs), 50, 69

Venture Capital Method, 51