

Research.

## Earnings Management: Literature Study of Current Development

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**Abstract:** This study purposes to provide a broad overview of current earnings management through a literature study for the 2017-2022 period. Structured Literature Review (SLR) is used to investigate how earnings management develops and focuses. This study uses keywords such as "Profit" and "Earnings Management" to identify studies that are relevant to a particular topic. A total of 27 published studies were found. This study identifies the main directions of Earnings Management research in the 2017-2022 period and discusses several important aspects of the research, namely methodology, research methods, and theory used. To enrich the results, this study defines the scope, type of industry, topics and variables used in this research. This study provides insight into future earnings management research that is used by researchers to develop Earnings Management research. Some of the items proposed can be used as a guide for future Earnings Management research, such as sustainability in SMEs and the public sector. Ensuring sustainability is one of the research topics that can serve as a direction for future researchers. Theories such as agency theory can be an alternative to explain the reality of sustainability reporting.

**Keywords:** Profit, Earnings Management, Structured Literature Review (SLR)

### Introduction

Financial reporting has the goal of providing data and information about financial position, company performance and changes in financial statement position which purposes to provide information for a number of users of financial statements in making economic decisions (Hariyati & Astri Fitria, 2014). Profit has an important role in the financial statements of a company because the quality of a profit will be the center of attention for many interested parties. Profit information is one step of consideration for investors to invest in a company. High profits will attract investors to invest in a company. Information on a company's earnings is important for investors because management often uses it to manage earnings by manipulating profits to be reported in the financial statements.

The implementation of earnings management in a company can be seen from several factors, one of which can be measured from the mechanism of the company's financial performance which can be seen and assessed through the level of company profitability. Profitability is the company's ability to generate profits. In making decisions, creditors and investors will always monitor the profitability ratios of a company. Good company performance can be seen from a high level of profitability, conversely if the level of profitability is low, it indicates that the company's performance has decreased. The low level of profitability will trigger managers to apply earnings management. One way that managers do to make financial reports look good is to do window dressing, managers will be able to fulfill their personal interests to get bonuses.

Dwiridotjahjono (2010) states that corporate governance is a system, process and set of rules that are built with the purpose of directing and controlling the company so that it will create good, fair and transparent relations between various related parties and have

**Felicia Komala; Maya Sari; Carmel Meiden.** Earnings Management: Literature Study of Current Development

interests (stakeholders) in the company. The purpose of having a good corporate governance mechanism is to pressure management to take opportunistic actions which are reflected in earnings management actions.

Institutional ownership is the ownership of shares owned by an institution such as securities companies, insurance companies, banks, investment companies, pension funds, and other institutional ownership. Institutional ownership has the goal of increasing optimal oversight of the performance of company management (Triwahyuningtias & Muharam, 2012). The high institutional ownership in a company, monitoring of management performance will increase. Institutional ownership has the ability to control management through an effective monitoring process thereby reducing management actions in managing earnings.

Managerial ownership is share ownership owned by company management. The existence of share ownership owned by management means that there is alignment between the interests of shareholders and managers, this is because managers can directly feel the benefits of each risk and the consequences of each decision taken. For the wrong decision, the manager must also bear the consequences.

Auditors have an important role in improving company supervision and finding errors that occur. But sometimes the auditor cannot detect errors that can cause earnings management actions to be detected, for this reason the quality of the auditor is very influential in producing quality audit results. The quality audit results will create good corporate governance so that management's opportunity to manage earnings is lower. Therefore, the role of the audit is very important in presenting reliable and quality financial reports.

Company size is a value used to measure the size of a company. Large company sizes have a management tendency to conduct earnings management because large companies have greater pressure to maintain their credibility in presenting financial information. Large companies have considerable incentives to conduct earnings management, because large companies must be able to meet the expectations of their investors or shareholders (Aprina & Khairunisa, 2015).

Historically, earnings management is not an unknown concept in the business world. Some companies actually conduct earnings management activities by reporting company profits that are not true. This refers to agency theory which states that where there is information asymmetry, information imbalance is caused by the different distribution of information between principals and agents. The agent as the manager of the company will know more about the internal information and prospects of the company in the future than the principal, so it is likely that the agent will not always act in accordance with the wishes of the principal in realizing the company's goals (Jensen & Meckling, 1976).

This review contributes to the accounting literature. This study focuses on earnings management in accounting, management and business journals, especially those related to sustainability from 2017 to 2022. It is very important to capture the direction of the development of Earnings Management research, especially in the fields of accounting, management and business. The literature review will highlight the various methodologies used, the theoretical basis of the research, the limitations of the sustainability literature, and provide recommendations for future research.

## **Formulation of the Problem**

This reserach uses a literature review approach because according to Massaro et al., (2016), literature review contributes to developing research lines and questions according to previous research findings. In order to develop insights and criticisms that are useful for evaluating, identifying, and discussing Earnings Management in the future, this study adopts the SLR method. According to Massaro et al., (2016: 767), the meaning of SLR is:

*“An SLR is a method for studying a corpus of scholarly literature, to develop insights, critical reflections, future research paths and research questions.”*

Hahn & Kühnen (2013) suggest 5 (five) steps needed for a systematic literature review:

1. Research question: An important first step in SLR is defining the research question.
2. Material collection: The second step is to collect articles to be reviewed.
3. Selection and evaluation: The next step is to evaluate the relevant articles from their sources. Keywords are used to filter articles by identifying titles and reading abstracts of papers.
4. Descriptive analysis and synthesis: Discusses the formal aspects of the chosen theme to obtain valid results. The purpose of this analysis is to categorize the results of each article by explaining how they relate to one another. For this reason, it is necessary to record the details of each article.
5. Results: To complete the literature review process, findings on critical points of concern in the research question are discussed. Additionally, an important function of the SLR is to serve as an area of future research.

Next, the researcher will identify 3 (three) general research questions to focus specifically on the Earnings Management literature:

1. How has Earnings Management research developed?
2. What is the focus and methodology of the Earnings Management literature?
3. What are the future suggestions for Earnings Management research?

## **LITERATURE REVIEW**

### **Agency Theory**

Agency theory is a theory that describes the relationship between managers and shareholders in the company. The main principle in this theory states that there is a working relationship between the party giving the authority (principal), namely investors and the party receiving the authority (agency), namely the manager (Jensen & Meckling, 1976). Principals always want a large and fast return on the investment they make through dividends from each share they own. Agents want reciprocity in the form of giving large compensation or bonuses for their performance in managing the company. Both have different interests, so both of them are competing to fulfill their own interests. Then there is information asymmetry, namely the imbalance of information held by investors and management. Information asymmetry between agents and principals can trigger managers to perform opportunistic behavior. The existence of an information gap between managers and company owners indicates that management has the opportunity to maximize their interests, one of which is by conducting earnings management.

### **Positive Accounting Theory**

Positive accounting theory is a theory developed by Watts & Zimmerman (1986) which explains accounting policies and practices in companies and predicts what policies managers will choose under certain conditions in the future. Determination of appropriate accounting policies and practices is important for companies in terms of preparing financial reports. So that in determining accounting policies, its implementation cannot be separated from the authorities and parties who have an interest in the preparation of financial statements. Positive accounting theory is often associated with earnings management where this positive accounting theory explains many factors that influence management in selecting optimal accounting procedures and having specific goals. According to positive accounting theory, the accounting procedures used by companies do not have to be the same as the others, but companies are given the freedom to choose the available alternatives to minimize contract costs and maximize the company value.

### **Earnings Management**

Earnings management is an action implemented by managers by intervening in the preparation of financial statements by choosing accounting policies or by taking concrete actions that can mislead stakeholders so that these actions can fulfill their personal goals. Motivation to perform earnings management according to Watts & Zimmerman (1986)

consists of a Bonus Hypothesis Plan, Debt to Equity Hypothesis (Debt Covenant Hypothesis), Political Cost Hypothesis (Size Hypothesis). Forms of earnings management according to Scott (2015: 447) are forms of Taking a bath, Income minimization, Income maximization, and Income smoothing.

### Profit

One of the objectives of financial reporting is to provide financial data and information that can show and explain the company's achievements in generating profits. Profit is the result of a period that has been achieved by the company. In the book Accounting Theory (Suwardjono, 2014: 464), profit is a form of reward for the company's efforts to produce goods and services, which results from excess income over costs. Profit is also an increase in assets in a period because of the results of productive activities that can be distributed to creditors, the government, shareholders (in the form of interest, taxes and dividends) without affecting the integrity of the original shareholders' equity. The management always makes and plans the amount of profit earned in each period by determining how much profit target to achieve in a period. Setting targets for profit is very important for company management so that they are motivated to always work optimally in managing the company. Profit generated by the company will be used by various interests such as owners and management. The profits earned are also used to improve the welfare of the owners and employees. Profits will also be used to increase the company's capital so that the company can increase its production and performance. Setting targets for profit is very important for company management so that they are motivated to always work optimally in managing the company. Profit generated by the company will be used by various interests such as owners and management. The profits earned are also used to improve the welfare of the owners and employees. Profits will also be used to increase the company's capital so that the company can increase its production and performance.

## RESEARCH METHODS

This research method uses Structured Literature Review (SLR). SLR is used to investigate how earnings management develops and focuses.

The framework uses a systematic process, manual and electronic search combined to define the papers reviewed in this study. In the first stage, keywords like Earnings Management, Profits were used to search for this article. This paper contains only academic publications. In the search process, non-academic publications are excluded from this scope. Even though the use of these keywords initially gave quite a lot of results, several papers were ignored because they did not cover the theoretical aspects used, making it inappropriate to discuss this topic. In addition, several papers also do not specifically discuss proxies used in earnings management. Journal references for this analysis eventually amounted to a total of 27 publications.

Categorizing the unit of analysis is a useful strategy in identifying and exploring theoretical understanding in reviewing articles. For this reason, this study categorizes analysis according to important aspects of research, namely methodology, research methods, and theory as the basis for research on Earnings Management, as well as the scope of the research. To enrich the results of the study, this study also categorizes sinta journals in research, the time development of earnings management is studied, research methods, levels of sinta journals, theory, scope of study, and testing topics which are the object of this study. In the first stage, the research records bibliographic data from each article consisting of the author, year of publication, title, and journal.

Table 1 Ammount of Earnings Management Topics in each journal

No	Journal	Ammount
1	Jurnal Akuntansi dan Auditing Indonesia	2
2	Jurnal Akuntansi dan Keuangan	1
3	Jurnal Bisnis dan Akuntansi	4
4	Jurnal Ekonomi dan Bisnis	1

5	Jurnal Ekonomi Manajemen dan Bisnis	1
6	Jurnal Ilmiah Akuntansi dan Bisnis	3
7	Jurnal Ilmiah MEA (Manajemen, Ekonomi, dan Akuntansi)	3
8	Jurnal Magister Akuntansi Trisakti	4
9	Jurnal Manajemen Bisnis Krisnadwipayana	1
10	Jurnal Mirai Management	1
11	Jurnal Online Insan Akuntan	3
12	Sakulanta, Prosiding Sarjana Akuntansi Tugas Akhir Secara Berkala	1
13	The Accounting Journal of Binaniaga	2
<b>TOTAL</b>		<b>27</b>

In this research phase, 30 articles were found with the keywords profit, earnings management. The next stage of screening is to look at the name of the journal and read the abstract to find out whether the earnings management topic discussed in the study is in accordance with the research results. 3 articles were excluded from the sample because they did not contain the theory and model of earnings management used in the journal. This research produced 27 articles for further review. As shown in Table 1, the papers collected came from leading accounting, management and business journals such as the Jurnal Akuntansi dan Auditing Indonesia, Jurnal Akuntansi dan Keuangan, Jurnal Bisnis dan Akuntansi, Jurnal Ekonomi dan Bisnis, Jurnal Ekonomi Manajemen dan Bisnis, Jurnal Ilmiah Akuntansi dan Bisnis, Jurnal Ilmiah MEA (Manajemen, Ekonomi, dan Akuntansi), Jurnal Magister Akuntansi Trisakti, Jurnal Manajemen Bisnis Krisnadwipayana, Jurnal Mirai Management, Jurnal Online Insan Akuntan, Sakulanta, Prosiding Sarjana Akuntansi Tugas Akhir Secara Berkala, dan The Accounting Journal of Binaniaga.

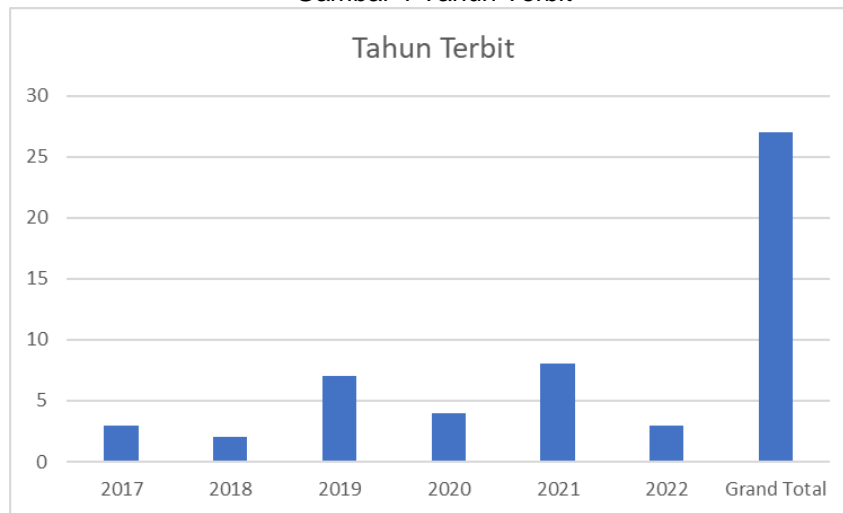
The first phase of this research found that most of the Earnings Management articles were in the Business and Accounting Journal and the Jurnal Magister Akuntansi Trisakti (4 articles). A large number of articles were also found in the Jurnal Ilmiah Akuntansi dan Bisnis, Jurnal Ilmiah MEA (Manajemen, Ekonomi, dan Akuntansi), the Jurnal Online Insan Akuntan, each of which consists of 3 articles. Journal of Responsibility (four articles). Meanwhile, other journals only have one or two articles that are relevant to the search keywords.

## RESULTS AND DISCUSSION

### Development over time

Regarding the year of publication, Figure 1 illustrates that there has been an increase in the number of published papers from 2017 to 2022. The increase was relatively high, especially in 2018 and 2019 and in 2020 and 2021. This trend indicates a growing interest in Earnings Management research. The increase in Profit Management research after 2019 could be because of cases of companies conducting earnings management.

Gambar 1 Tahun Terbit

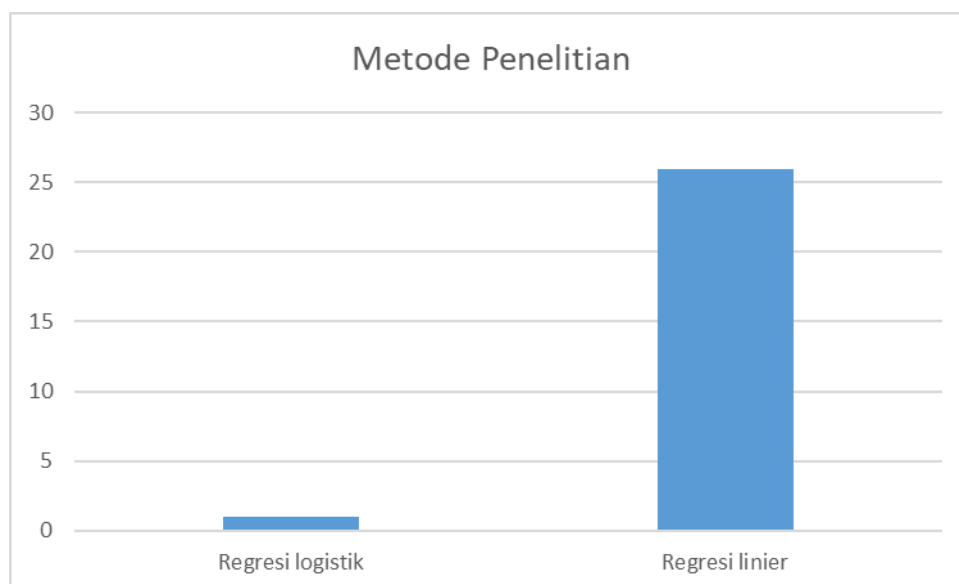


### Research Methods

When conducting research, two testing methodologies can be used, namely the linear regression method and logistic regression. These two methods are also used in Earnings Management research. A total of 26 researchers used the linear regression method, while one researcher used the logistic regression method.

When conducting research, there was research on Earnings Management which was published on Sinta's web. In research conducted during the 2017-2022 period, there are journals published on the sinta web. Most of the Profit Management research published on the Sinta web was published on Sinta 3 in 2021. The total Profit Management research on Sinta 3 during the 2017-2022 period was 9 studies. While the least published research on Profit Management is on Sinta 4, namely 3 researches

Figure 2 Research Methods



Theory	Author	Publish
Agency Theory	Aisyah Istiqomah & Desi Adhariani	2017
	Angga Setiawan, Naela Tubastuvi, Tri Septin Muji R, & Ika Yustina Rahmawati	2022
	Arya Pradipta	2019
	Asri Jaya	2020
	Bino Sulaksono	2018
	Caroel Akbar& Listiya Ike Purnomo	2021
	Cindy Felicya & Paulina Sutrisno	2020
	Dimas Rahmat Hidayat, Deden Afriyanto Perdana, Sekar Mayangsari, & Lin Oktris	2021
	Ellysia Millenia & Tjhai Fung Jin	2021
	Fitri Dwi Febrianti, Sugiyanto, & Juwita Ramandani Fitria	2020
	Herry Winarto & JMV Mulyadi	2019
	Iren Meita	2019
	Kalvarina Sabatini & I Putu Sudana	2019
	Kurniawati	2018
	Laras Pangesti	2019
	Mauliddini Nadhifah & Abubakar Arif	2020
	Putu Ery Setiawan & I Made Pande Dwiana Putra	2019
Resi Ariyasa Qadri & Nilna Annisa Najiha	2021	
Hendi & Kitty	2022	
Positive Accounting Theory	Iren Meita	2019
	Mauliddini Nadhifah & Abubakar Arif	2020
	Putu Ery Setiawan & I Made Pande Dwiana Putra	2019
	Vogy Gautama Buanaputra	2021
Avoidance Theory	Mauliddini Nadhifah & Abubakar Arif	2020
Fraud Triangle Theory	Yulia Sesaria & Gusganda Suria Manda	2021
Family Ownership Theory	Kadek Trisna Dwiyantri	2017
Role Alignment Theory	Ria Karina	2021
Resource Dependence Theory	Grasia Yenta Deruvenesia & Ika Kristiantib	2022
Legitimacy Theory	Caroel Akbar& Listiya Ike Purnomo	2021
The Stakeholder Theory	Stacia Senjaya, Fransiskus Randa, & Ferdinandus Sampe	2021
Political Theory	Ria Karina	2021
SEW Theory	Stacia Senjaya, Fransiskus Randa, & Ferdinandus Sampe	2021
Signal Theory	Angga Setiawan, Naela Tubastuvi, Tri Septin Muji R, & Ika Yustina Rahmawati	2022
	Dimas Rahmat Hidayat, Deden Afriyanto Perdana, Sekar Mayangsari, & Lin Oktris	2021
	Ellysia Millenia& Tjhai Fung Jin	2021
	Mauliddini Nadhifah & Abubakar Arif	2020
	Muljanto Siladjaja & Yuli Anwar	2019
Stakeholder Theory	Mauliddini Nadhifah & Abubakar Arif	2020
Capital Structure Theory	Islamiah Kamil & Meilayah Ariyani	2017

Tabel 2 Model Pengujian Penelitian

No	Author (Year of Publication)	Testing Models
1	Angga Setiawan, Naela Tubastuvi, Tri Septin Muji R, & Ika Yustina Rahmawati (2022)	Logistic Regression Analysis
2	Hendi & Kitty (2022)	Linear Regression Analysis
3	Grasia Yenta Deruvensia & Ika Kristiantib (2022)	Linear Regression Analysis
4	Ellysia Millenia & Tjhai Fung Jin (2021)	Linear Regression Analysis
5	Caroel Akbar & Listiya Ike Purnomo (2021)	Linear Regression Analysis
6	Yulia Sesaria & Gusganda Suria Manda (2021)	Linear Regression Analysis
7	Stacia Senjaya, Fransiskus Randa, & Ferdinandus Sampe (2021)	Linear Regression Analysis
8	Dimas Rahmat Hidayat, Deden Afriyanto Perdana, Sekar Mayangsari, & Lin Oktris (2021)	Linear Regression Analysis
9	Resi Ariyasa Qadri, Nilna Annisa Najiha (2021)	Linear Regression Analysis
10	Vogy Gautama Buanaputra (2021)	Linear Regression Analysis
11	Ria Karina (2021)	Linear Regression Analysis
12	Cindy Felicya, Paulina Sutrisno (2020)	Linear Regression Analysis
13	Asri Jaya (2020)	Linear Regression Analysis
14	Mauliddini Nadhifah & Abubakar Arif (2020)	Linear Regression Analysis
15	Fitri Dwi Febrianti, Sugiyanto, & Juwita Ramandani Fitria (2020)	Linear Regression Analysis
16	Arya Pradipta (2019)	Linear Regression Analysis
17	Iren Meita (2019)	Linear Regression Analysis
18	Putu Ery Setiawan & I Made Pande Dwiana Putra (2019)	Linear Regression Analysis
19	Kalvarina Sabatini & I Putu Sudana (2019)	Linear Regression Analysis
20	Siladjaja & Yuli Anwar Muljanto (2019)	Linear Regression Analysis
21	Herry Winarto & JMV Mulyadi (2019)	Linear Regression Analysis
22	Laras Pangesti (2019)	Linear Regression Analysis
23	Bino Sulaksono (2018)	Linear Regression Analysis
24	Kurniawati (2018)	Linear Regression Analysis
25	Kadek Trisna Dwiyanti (2017)	Linear Regression Analysis
26	Islamiah Kamil & Meiliyah Ariyani (2017)	Linear Regression Analysis
27	Aisyah Istiqomah & Desi Adhariani (2017)	Linear Regression Analysis



### Sinta Journal Level

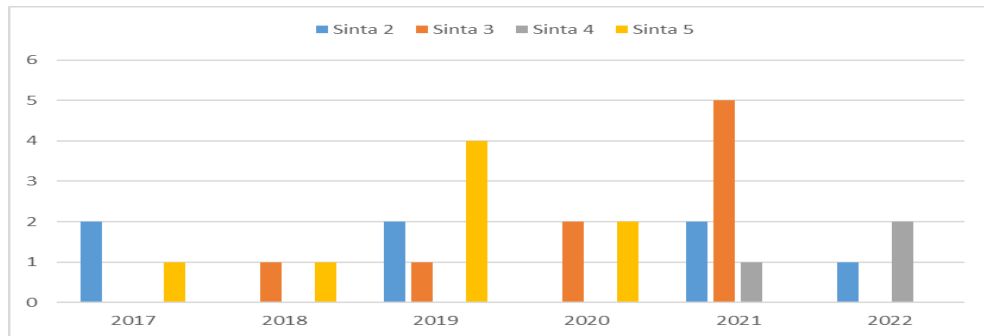


Figure 3 Levels of Sinta's Journal

### Theory

Figure 4 describes the theory used in the Earnings Management study during the review period. The theory most widely used in the research period is the agency theory, where this theory assumes that all individuals act in their own interests. Principals always want a large and fast return on their investment through dividends from each share owned. Agents want large compensation or bonuses for their performance in running the company. Both have different interests, so both of them are competing to fulfill their own interests. Apart from agency theory, signaling theory is also the basis for several researchers discussing Earnings Management (A. Setiawan et al., 2022; Hidayat et al., 2021; Millenia & Jin, 2021; Nadhifah & Arif, 2020; Siladjaja & Anwar, 2019).

Apart from these two theories, another theory used in research is positive accounting theory (Buanaputra, 2021; PE Setiawan & Dwiana Putra, 2019; Nadhifah & Arif, 2020; Meita, 2019) which explains the theory developed by explaining accounting policies and practice in the company and predict what policies will be chosen by managers under certain conditions in the future. Determination of appropriate accounting policies and practices is important for companies in terms of preparing financial reports.

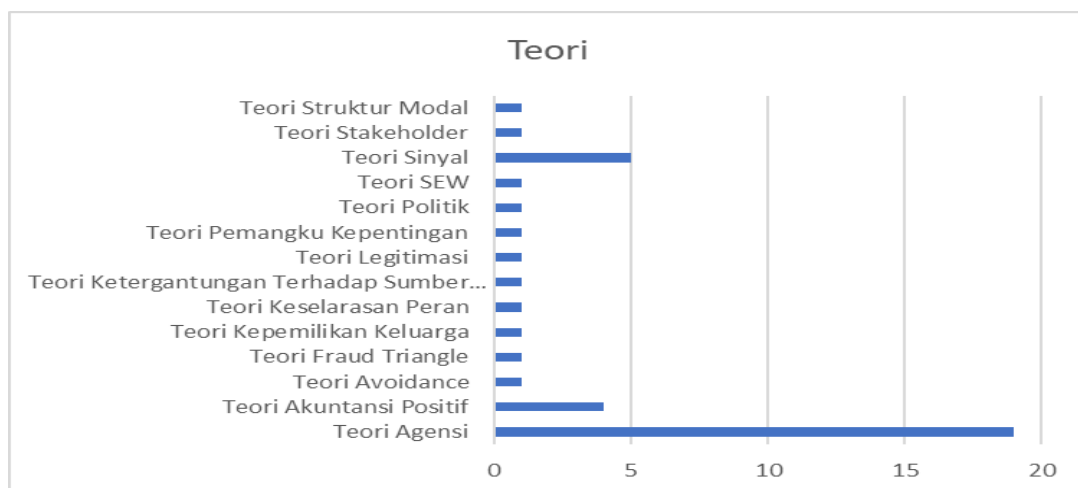


Figure 4. Theories

A review of the theory used in Earnings Management research shows that several theories can be used as alternatives in explaining Earnings Management, such as avoidance theory (Nadhifah & Arif, 2020), fraud triangle theory (Sesaria & Manda, 2021), family ownership theory (Dwiyantri, 2017), role alignment theory (Karina, 2021), resource dependency theory (Deruvensi & Kristianti, 2022), legitimacy theory (Akbar & Purnomo, 2021), stakeholder theory (Senjaya et al., 2021), political theory (Karina, 2021), SEW theory (Senjaya et al., 2021), stakeholder theory (Nadhifah & Arif, 2020), capital structure theory (Kamil & Ariyani, 2017).

### Scope of Study

The scope of research is also a concern in this research to find out what was the concern of previous researchers. A total of seven studies discuss Earnings Management in manufacturing companies (Deruvensi & Kristianti, 2022; Hidayat et al., 2021; Nadhifah & Arif, 2020; PE Setiawan & Dwiana Putra, 2019; Istiqomah & Adhariani, 2017; Pangesti, 2019; Jaya, 2020), five researches discussing Earnings Management in Non-Financial Companies (Hendi & Kitty, 2022; Millenia & Jin, 2021; Felicya & Sutrisno, 2020); Pradipta, 2019; Sulaksono, 2018;), three studies discuss Earnings Management in Companies listed on the Indonesia Stock Exchange (Hendi & Kitty, 2022; Siladjaja & Anwar, 2019; Massaro et al., 2016).

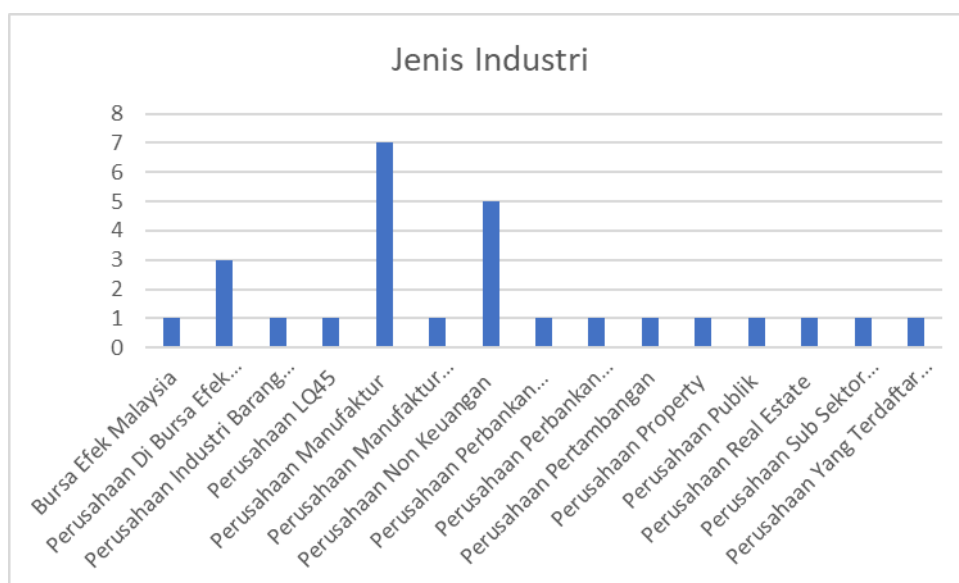


Figure 5 Types of Industry

### Testing Topics

In the Earnings Management research conducted during the 2017-2022 period; there is an independent variable that has been tested the most by researchers, the independent variable that has been tested the most on Earnings Management is company size. Company size is used to assess the size of a company which can be classified according to the size of total assets, market capitalization, and net sales. Company size can be seen through the total assets owned by the company. The greater the company's total assets mean that the company's asset value is higher, it can be concluded that total assets can determine the size of a company (Prasetya & Rahardjo, 2013).

In addition, the variables used in other Earnings Management tests are managerial ownership, institutional ownership, and profitability. Managerial ownership is ordinary share ownership owned by the management of a company, which can be measured by the percentage of shares owned by management who are actively involved in making company decisions. With the ownership of company shares by managers, it can align potential

differences in interests between shareholders outside of management so that it can reduce agency problems if a manager is also an owner. When the manager is an owner, the manager will make decisions that can maximize his utility both financially and non-financially (Jensen & Meckling, 1976).

Institutional ownership as an institution that owns company shares will supervise managers so that managers as managers of the company can manage the company's performance more optimally. The high share owned by the institutional parties, the monitoring efforts conducted by institutional ownership to management become more effective because it can control opportunistic behavior conducted by managers (Jensen & Meckling, 1976).

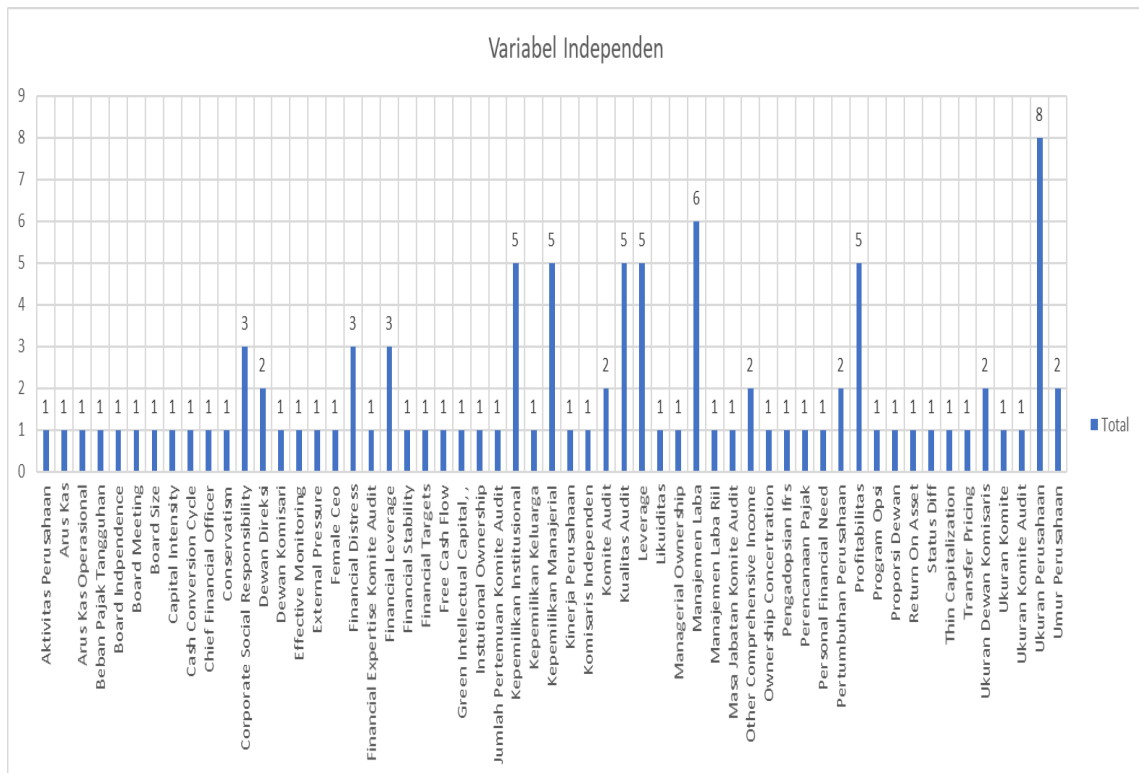


Figure 6 Variables

**The future for Earnings Management research**

This section answers the third research question, "What is the future of Earnings Management research?". Some references taken such as the influence of company size, leverage, profitability, and several other variables have an influence on Earnings Management. As a management, of course, you have to keep operational activities running smoothly and of course you need supervision from the institution so that management avoids opportunistic actions.

The next Earnings Management researcher is advised to be able to measure Earnings Management by using other proxies such as using the Kasznik model. Future researchers can also use other corporate governance components that have not been tested in this research sample, such as audit committees, boards of commissioners or use the overall good corporate governance mechanism, and can use sectors other than manufacturing such as plantations or hospitals to determine other levels of Earnings Management.

## CONCLUSIONS AND RECOMMENDATIONS

This SLR research presents empirical research on Earnings Management for the 2017-2022 period and provides an overview using a qualitative approach. This study also describes and discusses various approaches used in the Earnings Management literature. This study has identified a sample of 27 studies related to sustainability reporting published in accounting journals published between 2017 and 2022. To the knowledge of the authors, this study is the most recent literature review providing an overview of Earnings Management research. This analysis is different from previous studies which focused on management and profit keywords. This research is different from previous studies that use quantitative research and testing. Using this approach,

This study has contributed to a recent summary of sustainability reporting research and provides interesting insights and recommendations for future researchers conducting research on Earnings Management. According to the reviews conducted, this study shows various Earnings Management topics along with the variables tested from Earnings Management research in terms of amount, research variables, type of industry, theory used over the last few years.

The 2017–2022 period has seen an increase in Earnings Management research, especially since 2021 which uses a qualitative and quantitative paradigm. The Earnings Management study uses various research testing methods, namely linear and logistic regression analysis. Agency theory and signal theory are still the theories that are widely used in explaining research related to Earnings Management. However, avoidance theory, fraud triangle theory, family ownership theory, role alignment theory, resource dependency theory, legitimacy theory, stakeholder theory, political theory, SEW theory, stakeholder theory, and capital structure theory are also used in explaining Earnings Management. Several studies use more than one theory to explain Earnings Management. SR's research scope consists of the manufacturing, banking, non-financial, and mining industries. Research on Earnings Management during this period attracted more researchers from the manufacturing industry listed on the Indonesian Stock Exchange.

Through this research there are influences that can still be studied and further developed on Earnings Management research. Of all the studies on Earnings Management reviewed, they were generally conducted in the manufacturing sector, although there were only a few studies in the plantation industry or hospitals. This paper has limitations that can be the basis for improving further research. It was also concluded that the reliability of the results can be confirmed more using the SRL method than using the traditional literature review. However, the researcher's understanding and beliefs will greatly influence the interpretation of the results.

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