

The Influence Of Compensation Suitability, Internal Control System, The Use Of Information Technology, Ethical Culture Of Organization And Competency On Fraud At Local Government

by Rindu Rika Gamayuni

Submission date: 10-Mar-2020 09:54PM (UTC-0500)

Submission ID: 1273389981

File name: Monograf_Tika-Rindu_Rika-Chara_2018.docx (68.99K)

Word count: 5648

Character count: 32588

The Influence Of Compensation Suitability, Internal Control System, The Use Of Information Technology, Ethical Culture Of Organization And Competency On Fraud At Local Government

1. Tika Pratiwi

Department of Accounting, Faculty of Economic and Bussines,
University of Lampung, Indonesia
Email: tika.pratiwi779@gmail.com

2. Rindu Rika Gamayuni

Department of Accounting, Faculty of Economic and Bussines,
University of Lampung, Indonesia
Email: rindu.gamayuni@yahoo.com

Chara Pratami T. Tubarad

Department of Accounting, Faculty of Economic and Bussines,
University of Lampung, Indonesia
Email: chara.tidespania@yahoo.com

Abstract: The purpose of this study is to obtain empirical evidence about the influence of compensation suitability, internal control system, the use of information technology, ethical culture of organization and competency on fraud. The samples of this study are 89 respondents by using purposive judgment sampling method, which is a sampling with certain criteria. The population is regional device organization of Bandar Lampung city and Pesawaran district. Data are collected by using questionnaire survey method with data analysis method using Structur Equation Model (SEM) with SmartPLS 3.0.0 The results of this study showed that internal control system and the use of information technology have a negative effect on fraud. It demonstrates the advantage of internal control system and the use of information to prevent fraud behavior in local government. While the compensation suitability, ethical culture of organization and competency have no effect on fraud.

Keywords: compensation, internal control system, information technology, ethical culture of organization, competency, fraud

1. Introduction

Fraud is a concept of violation that has a broad perspective. The Association of Certified Fraud Examiners (ACFE) mentions fraud as an unlawful act carried out intentionally for certain purposes (manipulation or giving false reports to others) carried out by people from inside or outside the organization to gain personal or group benefits that directly or indirectly harms others (Yudistira, et al. 2017). According to Sawyer (2006), fraud is an act of fraud that includes sharing irregularities and illegal actions that are characterized by intentional fraud by individuals or groups with the aim of gaining profit.

The most common type of fraud in government entities is corruption. According to Wilopo (2006), the acts of corruption that are generally carried out are manipulating the recording, removal of documents and mark-ups which can be detrimental to state finances. Based on the results of the international transparency survey in 2017, Indonesia ranked 96th out of 180 countries with a value of CPI (Corruption Perception Index) of 37 (news.detik.com, 2017). This is reinforced by the many cases of misuse and embezzlement of state budgets in the government, as quoted from the publication of Indonesia Corruption Watch (ICW), which recorded 576

corruption cases in 2017. The case caused a loss of Rp 6.5 trillion and bribes of Rp 211 billion the number of suspects was 1,298 suspects, with the largest number coming from the state civil apparatus (ASN) from the regional government and the ministry with 495 cases (antikorupsi.org, 2017).

Based on the BPK audit report, Bandar Lampung City and Pesawaran Regency are city districts that obtain WTP opinions from the BPK in 2017. These opinions cannot necessarily be a reflection of freedom from administrative and financial issues in their financial governance and free from corruption, collusion and nepotism. The fact is that there were still a number of fraud cases that occurred, among others, corruption cases of assistance by poor students in the 2013-2015 at SMPN 24 Bandar Lampung with losses reaching Rp. 900 million (Lampost.com, 2016). Corruption cases of death funds by the Head of the City Social agency Bandar Lampung with forgery of 470 death certificates (kompas.com, 2015). Another case is the alleged corruption of ship procurement in the Pesawaran District Transportation Agency in 2016 with a project worth Rp. 403.5 million (Lampost.com, 2017). And the corruption case of the Public Street Lighting Lamp (LPJU) worth Rp1.330 billion in Pesawaran District was also not free from the indication of fraud (Saibumi.com, 2017).

Suspect fraud can be identified through elements in Pentagon Fraud Theory proposed by Howarth (2011). Fraud Pentagon Theory mentions five elements that cause fraud, namely: pressure is the thing that motivates fraud, opportunity is the method or way someone commits fraud, rationalization is justification for the perpetrator when committing fraud, competence in this concept is defined as personal character and ability to play a role the main cause of fraud and arrogance is considered an attitude of superiority. Meanwhile, there are three types of fraud classified by ACFE, known as fraud trees, namely asset misappropriation, fraudulent statements and corruption (Tuanakotta, 2010).

Wilopo (2006) states that unethical behavior and the tendency of accounting fraud can be reduced by increasing the effectiveness of internal controls, adherence to accounting rules, morality and eliminating information asymmetry. Similarly, according to Sari et al. (2015) found that simultaneously the effectiveness of the internal control system, adherence to accounting rules, perceptions of conformity of compensation and implementation of good governance had a simultaneous negative effect on the tendency of fraud. Whereas Sulastris and Simanjuntak (2014), said that there was a negative influence between compliance with the internal control system and the tendency of fraud. This is also reinforced by the statement of Wolfe and Hermans (2004) which states that individual capabilities are personal traits and abilities that cause fraud. Based on the background that has been explained and the phenomena that emerge starting from the rampant practices of corruption (fraud) in the government, there are still gaps in research results and the use of different variables and samples from previous studies, underlying researchers conducting research related to factors that can influence someone commits fraud that is proxied by the variable compensation suit, internal control system, utilization of information technology, organizational ethical culture and competence

2. Material and Method

2.1 Fraud Pentagon Theory

Fraud pentagon theory is an improvement in the theory of fraud triangle proposed by Cressey (1953). Howarth (2011) argues that to improve the ability to detect and prevent fraud is by adding another element, namely competence and arrogance. Then it can be explained that there are five reasons for someone to commit fraud, first there is pressure, namely the desire of employee to act fraud because of pressure from internal and external parties (Howarth, 2011). Second, opportunity is an opportunity that allows fraud to occur which is usually caused by the absence of controlling, the weak internal control of an organization and abuse of authority which results in this opportunity being an opportunity for fraudsters to commit fraud. The third element is rationalization, which is the attitude that allows someone to commit fraud and assume that his actions are not wrong. Rationalization is done through decisions made consciously when the fraud perpetrator places his interests above the interests of others. The fourth element is

competence, Howarth (2011) states that the ability of individuals (individual competence) are personal traits and abilities that play a major role. And the last element is arrogance which is interpreted as an attitude of superiority and greed in part of him who considers that organizational policies and procedures do not apply personally.

2.2 Fraud

In general, fraud is defined as fraud in the financial sector. Hall (2009) defines fraud as an intentional act of fraud committed that causes losses to other parties and provides benefits to fraudsters or their groups. This is in line with that expressed by Sawyer (2006) that fraud is an act of fraud which includes sharing irregularities and illegal actions that are characterized by intentional fraud by individuals or groups with the aim of obtaining personal or group benefits.

Association of Certified Fraud Examiners (ACFE) classifies fraud in three groups based on an action known as the fraud tree, namely Asset Misappropriation, which is the misuse of assets or assets of the company or other parties. Second, Fraudulent Statement actions taken by officials or executives of a company or government agency to cover up the actual financial condition by conducting financial engineering in the presentation of financial statements for profit. Third, corruption is a type of fraud involving the use of influence by employees in business transactions in a way that violates their obligations to employers to benefit from it or themselves or others. (Tuanakotta, 2010).

2.3 Compensation Suitability

According to Griffin (2004), compensation is the financial remuneration provided by the organization to employees as a reward for their work. In other words, compensation is a substitute for something in another form that is sufficient to give a certain sense of justice to someone. In the business scope, compensation is a substitute for employment services in the form of salaries, bonuses, and other employment benefits. Suitability itself is a sense of justice for what they can and they do. Generally the purpose of providing compensation in addition to efforts to fulfill the economic needs of employees also aims to show the organization's fair appreciation and treatment to its employees. Compensation can be either physical or non-physical, which must be calculated and given to the employee according to the sacrifice he has given to the organization where he works.

2.4 Internal Control System

According to the Committee of Sponsoring Organization (COSO) internal control is a system, structure or process that is implemented by management and employees in the company that aims to provide adequate assurance that the control objectives are achieved, including the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with legislation. In line with what was expressed by Mulyadi (2014) the internal control system includes organizational structures, methods and measures that are coordinated to maintain the wealth of the organization, check the accuracy and reliability of accounting data, encourage efficiency and encourage compliance with management policies. According to Mulyadi (2014), the elements of internal control within the company include, (1) Scope of the Control Environment, (2) Risk Assessment, (3) Information and Communication, (4) Control Activities, (5) Monitoring or Monitoring Steps.

2.5 The Use Of Information Technology

Wilkinson, et al. (2000) revealed that the use of information technology is the optimal use of computers (mainframes, mini, micro), software (software), databases, networks (internet, intranet), electronic commerce, and other types of technology-related. Information technology as well as computer technology (hardware and software) for processing and storing information, also functions as a communication technology for the dissemination of information to produce quality information, namely relevant, accurate and timely information. Another benefit offered in the use of information technology is the speed at which information is processed. Therefore, the

use of information technology will greatly help speed up the process of processing financial transaction transactions and presentation and can reduce the level of fraud committed.

2.6 Ethical Culture Of Organization

Robins (2013) said that the organizational ethical culture is a shared perception shared by the members of the organization, so that the perception becomes a system and the shared meaning that is held by its members. While Ivancevich et al., (2006) said that organizational culture is an important concept, as a perspective to understand the behavior of individuals and groups in an organization. According to Robins (2013) that in forming an ethical organizational culture, it is carried out by following the principles as follows,

- a. Become a visible role model
- b. Communicate ethical expectations
- c. Providing ethical training
- d. Give rewards and penalties for ethical actions
- e. Provides an ethical protection mechanism

2.7 Competence

According to Spencer and Spencer (1993) competence is the basic foundation of a person's characteristics and indicates how to behave, think, equate situations, and support for long periods of time. In other words, competence is something that someone shows in work every day. Thus it can be attributed that competence is part of competence in the Fraud model. Pentagon Theory in which competence consists of six components including, position or function in the organization, intelligence or expertise, belief or ego, ability to coerce others, ability to lie and ability to manage stress. Whereas according to Spencer and Spencer (1993) compiled groups of competencies in six clusters, namely, (1) Competence of Achievement and Action, (2) Serving Competencies, (3) Leading Competencies, (4) Managing Competencies, (5) Thinking Competencies, (6) Effective Personality Competence.

2.8 The Influence Of Compensation Suitability On Fraud

Howarth (2011) in the fraud pentagon theory said that one of the causes of someone committing fraud is because of an effort to meet needs beyond their capabilities. These efforts can come from outside pressure. According to Wexley and Yuki (2003) say that an unfair or inadequate compensation and tedious work can support theft incidents by workers, in this case the theft of the assets of the company or organization. Conversely, if this can be done fairly, this compensation is expected to reduce the tendency of accounting fraud. Thoyibatun Research (2009), Sari, et al. (2015) and Pratomo, et al. (2016) shows that with the suitability of compensation given to employees, it will make fraudulent tendencies of these employees difficult to occur. So the hypothesis in this study is as follows,

H1: Compensation compensation has a negative effect on fraud.

2.9 The Influence Of Internal Control System On Fraud

To achieve accountability, the regional government is obliged to exercise control over the implementation of government activities guided by PP No. 60 at 2008. Joseph, et al. (2015) recommend that effective and efficient internal control policies and procedures must be implemented to prevent and detect fraud within the district treasury and other institutions. In addition, effective internal controls will close the opportunity for a tendency to cheat in accounting. Internal control is a tool to put the auditor's trust in the release of financial statements from possible errors and fraud. This is implied by the results of the Wilopo (2006) study which states that internal control tends to be effective in suppressing accounting fraudulent practices. Thoyibatun (2012) also in his study said that the effectiveness of internal controls will have a negative influence on the level of accounting fraudulent tendencies. The more effective the internal control, the less the level of accounting fraud in an organization. Based on this description, the hypothesis in this study are:

H2: The Internal Control System has a negative effect on fraud.

2.10 The Influence Of The Use Of Information Technology On Fraud

In Government Regulation Number 65 of 2010 it is stated that in order to realize accountability and transparency in regional financial management, the use of information technology is a need that must be fulfilled, to help manage data faster, effectively and efficiently. With the implementation of a system based on the use of technology, the agency can reduce errors and deviations by changing procedures that are usually done manually with programmed controls that implement the function of supervising and controlling each transaction processed, because all activities will be recorded more systematic (Korompis, 2013). In addition, the use of technology in the government sector will reduce the presence of face-to-face interactions between apparatus and other stakeholders, as well as in the forwarding of e-government, e-tender or e-procurement that can prevent fraud (Elder, et al., 2013).

Therefore, the use of information technology greatly influences the effectiveness of fraud prevention systems. With the use of optimal information technology, all work support system programs which are techniques in fraud prevention systems can be implemented more effectively and efficiently. As stated by Huslina, et al. (2015) and Korompis (2013) that the use of information technology has a positive effect on the effectiveness of fraud prevention systems. So, the hypothesis in this study are as follows, namely:

H3: The Use of information technology has a negative effect on Fraud.

2.11 The Influence Of Ethical Culture Of Organization On Fraud

In the theory of rationalization put forward by Howarth (2011), the ethical culture of the organization is included in the element of rationalization, which is considered as a justification that has been commonly done within the organization or is already common, even though the nature or culture is wrong. So that it can be said, if an act of fraud is carried out in an organization is something that is normal and normal to do, then everyone in the organization will tend to commit fraud. Just as the research conducted by Rae and Subramaniam (2008) shows that in a more ethical environment, an employee will be more inclined to carry out or run company regulations, and avoid fraudulent acts within the agency, this ethical environment can be assessed in the presence organizational ethical culture and organizational commitment. This is in line with the research conducted by Pramudita (2013), Apriadi (2014), stating that the ethical culture of the organization negatively influences the occurrence of fraud in the government sector. Based on the explanation above, the hypothesis in this study is formulated as follows:

H4: Ethical Culture of Organizations negatively affects fraud.

2.12 The Influence Of Competence On Fraud

Competence is the basic foundation of a person's characteristics and indicates how to behave, think, equate situations, and support for long periods of time (Spencer and Spencer, 1993). With these competencies, someone can understand the weaknesses of the existing system. Howarth (2011) states that one of the traits possessed by fraudsters is intelligence and creativity. The ability to recognize weaknesses in work procedures and internal controls generally becomes the capital of fraudsters to commit fraud. With its creativity, actors can penetrate the internal control system and take personal advantage (Pratomo, et al., 2016). This is in line with the ACFE study, Report To The Nation 2010 which states that fraudsters have a high level of education and Pratomo, et al. (2016) which states that competence has an influence on fraudulent actions. Based on the explanation above, the hypothesis in this study is formulated as follows:

H5: Competence has a positive effect on fraud.

2.13 Analysis Method - Outer Model Testing

Outer models are often also called (outer relations or measurement models) that define how each indicator block is related to its latent variables. This measurement model (outer model) is used to test construct validity and instrument reliability. Validity test in this study was measured by convergent validity and discriminant validity with values more than 0.7 was considered very high. While reliability testing is done by analyzing Cronbach's alpha and composite reliability. In accordance with the rules used, Cronbach's alpha of more than 0.7 indicates a very high level of reliability (Ghozali, 2014).

2.14 Analysis Method - Inner Model Testing

The structural model (inner model) is a model for predicting the causality relationship between latent variables. The structural model (inner model) is evaluated using R-square for the dependent construct, and the Coefficient (β) Path.

2.15 Analysis Method - Hypothesis Testing

Testing the hypothesis of compensation suitability, internal control systems, the use of technology, organizational ethical culture, competence and fraud is done by comparing the results of t-statistics (path coefficient) with t-table. If the t-statistic is higher than the t-table value, it means that the hypothesis is supported or accepted. In this study for 95 percent confidence level (alpha 5 percent) then the t-table value for the hypothesis $\alpha = 5\%$ is > 1.96 (Ghozali, 2014).

3. Results

The data in this study were collected by distributing physical questionnaires to the state civil apparatus working in the OPD of Bandar Lampung city and Pesawaran District with a sample criteria that had been determined as many as 100 questionnaires. With a return rate of 89 questionnaires or 89%, the details are as follows:

Table 1 - Percentage of Distribution and Return of Questionnaires

No.	Information	Total	Percentage
1.	Distributed questionnaire	100	100%
2.	Returning questionnaire	94	94%
3.	Questionnaire that doesn't return	6	6%
4.	Questionnaires that do not fit the criteria	5	5%
5.	Questionnaires that can be processed and analyzed	89	89%

Sumber: Data primer yang diolah (2018)

Table 2 – Convergent Validity Test

Variable	AVE
Compensation Suitability	0.815
Internal Control System	0.838
The Use Of Information Technology	0.832
Ethical Culture Of Organization	0.785
Competence	0.911
Fraud	0.778

Sumber: Output PLS, data diolah (2018)

From Table 2, it can be seen that if the constructs from all variables have the value of AVE > 0.7 with the lowest score is 0.785 on the construct of ethical culture of organization. This score shows that a latent variable has been able to explain more than half of variants from its indicators in the average. Therefore, the constructs of study have good data convergent validity value.

Table 3 - Cronbach's Alpha dan Composite Reliability

	Cronbach's Alpha	Composite Reliability	
Compensation Suitability	0.874	0.908	Reliable
Internal Control System	0.865	0.904	Reliable
The Use Of Information Technology	0.773	0.870	Reliable
Ethical Culture Of Organization	0.846	0.889	Reliable
Competence	0.933	0.951	Reliable
Fraud	0.836	0.884	Reliable

Sumber: Output PLS, data diolah (2018)

Based on Table 3, if the value of composite reliability > 0.7 in all constructs, with the lowest value of 0.884 in fraud and cronbach's alpha in all constructs also has the value above 0.7 with the lowest value in fraud of 0.836, it can be concluded that all constructs have good reliability.

Table 4 - Hypothesis Test Result

	Original Sample	Sample Mean	Standard Deviation	t-Statistic	P Value
X1 -> Y	0.107	0.104	0.081	1.322	0.187
X2 -> Y	-0.199	-0.204	0.086	2.316	0.021
X3 -> Y	-0.379	-0.372	0.108	3.514	0.000
X4 -> Y	0.348	0.350	0.099	3.508	0.000
X5 -> Y	-0.120	-0.117	0.104	1.146	0.252

Sumber: Output PLS, data diolah (2018)

Based on Table 4, it is known that the effect of compensation suitability on fraud. It is known that t-statistics value is $1.322 < 1.96$ and ρ -value is $0.187 > 0.05$ with path coefficient value of 0.107 which shows there is no negative and significant effect of compensation suitability of fraud. Therefore, H1 of this study is not supported.

Hypothesis H2 is the internal controlling system affects fraud. It is known that t-statistics value of $2.316 > 1.96$ and ρ -value of $0.021 < 0.05$ show that there is significant effect, and path coefficient value of -0.199 shows that variable internal controlling system effectiveness negatively and significantly affects variable fraud. Therefore, H2 of this study is supported.

Hypothesis H3 is the use of information technology on fraud has t-statistics value of $3.514 > 1.96$ and ρ -value of $0.000 < 0.05$ with path coefficient value of -0.379. It shows that variable of the use of information technology negatively and significantly affects variable of fraud, so H3 of this study is supported.

Hypothesis H4 is the ethical culture of organization affects fraud. It is known that t-statistics value is $3.508 > 1.96$ and ρ -value is $0.00 < 0.05$ with path coefficient value of 0.348 which shows there is no negative effect of ethical culture of organization affects on fraud. Therefore, H4 of this study is not supported.

Hypothesis H5 is the competence affects fraud. It is known that t-statistics value is $1.146 < 1.96$ and ρ -value is $0.252 > 0.05$ with path coefficient value of -0.120 which shows there is negative and no significant effect of competence on fraud. Therefore, H5 of this study is not supported.

4. Discussion

The results of the first hypothesis are not supported. This can happen because someone's satisfaction is something that has no limits. In accordance with the theory put forward by Bologna, et al. (1987) based on GONE Theory, some people behave deviant in terms of behaving fraud is because of greed. Where is the nature of someone who is greedy will always feel

dissatisfied with what he has achieved and will always try to get things that are desired in various ways.

In fact, in Indonesia the perpetrators have high income and occupying positions. This indicates that fraud does not always occur because compensation factors are considered inappropriate. This research is in line with the research of Wilopo (2006) and Siregar and Mufid (2018) which state that the appropriate compensation given does not reduce the tendency of accounting fraud.

Based on the results of this study which shows the results that internal control has a significant influence on prevention of fraud. With the existence of well-implemented internal controls, this might reduce or prevent the possibility of fraud in the organization. This is consistent with the theory expressed by Sawyer which states that the function of the internal control system to prevent, detect things that are not desirable and direct the things that are desired. The results of this study are in accordance with Purwitasari's (2013) study of the influence of internal control in prevention of fraud. The results of his research show that internal control has a positive and significant effect on fraud prevention.

The use of information technology in an organization can be a great opportunity in supporting an agency's internal control system to prevent fraud. IT systems can reduce errors and deviations by replacing procedures that are usually done manually with programmed controls that implement the function of supervising and controlling each transaction processed (Korompis, 2014). And this research is in line with the research of Huslina, et al. (2015) which states that the use of information technology has a positive effect on the effectiveness of fraud prevention systems.

The results of this fourth hypothesis are not supported, it could happen because of the presence of unclear witnesses and the absence of means to report if there was an act of fraud committed by an employee could be the cause of this. This is not in line with the statement of Robbins and Judge (2013) about ethical organizational culture where organizational culture tends to form high ethical standards among its members. The results of this study are in line with the research of Sulastri and Simanjuntak (2014) and Faisal (2013) who found that the ethical culture of the organization had no effect on fraud.

The fifth hypothesis explains that the high and low competencies a person has does not guarantee that someone is able to commit fraud. Where this is reinforced by the fact that corruption has occurred in Indonesia and the perpetrators have penetrated from all walks of life, from low-level employees to high-ranking officials. In addition, the competencies contained in Law No. 5 of 2014 concerning State civil apparatus explain that the competency of an ASN consists of technical, managerial and socio-cultural competencies in which all three competencies require work experience and knowledge that can be interpreted by both think many times to do things that are deviant because with the experience they get and the knowledge they have they know better what things will result in their work if they commit fraud. This research is in line with Siregar and Mufid's research (2018) which states that competence does not affect fraud.

5. Conclusion

This study aims to examine whether there is effect of compensation suitability, the internal controlling system, the use of information technology, ethical culture of organization and competence on fraud at local government by using 10 agency Bandar Lampung City and Pesawaran district as the sample of study. The result of testing in this study concludes that there is negative and significant effect of internal controlling system and the use of information technology on fraud. This result proves the advantage of governance reinforcement to prevent fraud behavior in local government. Meanwhile, variable compensation suitability, ethical culture of organization and competence do not affect the fraud.

6. Limitations

Limitations in this study include, there are still many other factors that influence a person's actions to commit fraud to be able to explain overall about fraud, this study uses purposive sampling, which is determining the sample that has certain criteria, the questions posed in this questionnaire still cannot represent the whole of each variable in this study, data collection techniques in this study are using questionnaires. The limitations of the study using a questionnaire that is sometimes the answers given by the respondent do not indicate the real situation

References

- Ansori, Ahmad Faisol, Einde Evana, Rindu Rika Gamayuni. 2018. The Effect of Good University Governance, Effectiveness of Internal Controlling System, and Obedience of Accounting Regulation on the Tendency of Fraud in PTKIN-BLU. *Research Journal of Finance and Accounting*, Vol.9, No.4.
- Association of Certified Fraud Examiners (ACFE), 2010. Report to the Nations on Occupational Fraud and Abuse.
- Badan Kepegawaian Negara. 2003. Keputusan Kepala Badan Kepegawaian Negara Nomor 46A Tahun 2003 tentang Pedoman Penyusunan Standar Kompetensi Jabatan Struktural Pegawai Negeri Sipil.
- Badan Pemeriksa Keuangan. 2017. Hasil Pemeriksaan Atas Laporan Keuangan Semester II Tahun 2017. (<http://www.bpk.go.id/>).
- Bologna, Jack G dan Robert F Lindquist. 1987. *Fraud Auditing and Forensic Accounting New Tool and Techniques*, John Wiley & Sons Inc., 1987, New York.
- Boynton, W. C dan Kell Walter G. 1996. *Modern Auditing*, 6th Ed. New York, Jhon Wiley & Sons, Inc.
- Committee of Sponsoring Organizations of the Treadway Commission (COSO) (2013). *Internal Control – Integrated Framework*, COSO, Durham.
- Coram, P., Ferguson, C., dan R. Moroney. 2006. *The Value of Internal Audit in Fraud Detection*, Working Paper Merbourne Research, The University of Melbourne.
- Dewi, C.K.R. 2017. Pengaruh pengendalian internal, kesesuaian kompensasi, ketaatan aturan akuntansi dan perilaku tidak etis terhadap kecenderungan kecurangan akuntansi (Studi empiris pada SKPD Kabupaten Bengkalis). *JOM fekon*. Vol: 4, No. 1.
- Fajarina, Wirda, Darwanis dan Abu Bakar Usman. 2012. Pengaruh Lingkungan Pengendalian, Penilaian Risiko, Kegiatan Pengendalian, Informasi dan Komunikasi, Serta Pemantauan Terhadap Pencegahan Fraud Pengadaan Barang/Jasa Pada SKPD di Pemerintah Aceh. *Jurnal Akuntansi Pascasarjana Universitas Syiah Kuala*, Vol.1 No.1.
- Ghozali, 2014. *Structural Equation Modeling: Metode Alternatif Dengan Partial Least Square (PLS)*. Edisi 4. Semarang : Badan Penerbit Universitas Diponegoro.
- Griffin, w. Ricky. 2004. *Manajemen*. Jakarta : Erlangga.
- Hall, James A. 2009. *Sistem Informasi Akuntansi*. Buku 1 Edisi 4. Jakarta. Salemba Empat.
- Howarth, Crowe (2011). *The Fraud Pentagon: Considering the Five Elements of Fraud*. *The CPA Journal*
- Huslina, Hersi, Islahuddin, dan Nadir Syah. 2015. Pengaruh Integritas Aparatur, Kompetensi Aparatur, Dan Pemanfaatan Teknologi Informasi Terhadap Efektivitas Sistem Pencegahan Fraud. *Jurnal Magister Akuntansi Pascasarjana Universitas Syiah Kuala*, Volume 4, No. 1. Hal 55-64.
- Ikatan Akuntan Indonesia. 2001. *Standar Profesional Akuntan Publik*. Standar Auditing Seksi 316. Pertimbangan atas Kecurangan dalam Audit Laporan Keuangan.
- Indriantoro, Nur dan Bambang Supomo. 2013. *Metodologi Penelitian Bisnis*. Badan Penerbit Fakultas Ekonomi Universitas Gadjah Mada. Yogyakarta.
- Joseph, O.N, O. Alberth dan J. Byaruhanga. 2015. Effect of internal control on fraud detection and prevention in district treasuries of Kakamega Country. *International Journal of Business and management invention*. Vol:4, No.1.Hal.47-57.
- Kharis, Abdul. 2010. Pengaruh Kualitas sumber Daya Manusia terhadap pelaksanaan sistem pengendalian internal pada PT Avian avian. *JOM fekon*. Vol: 5, No. 3.

- Korompis, Claudia W.M. 2014. Dampak Teknologi Informasi dalam Pengendalian internal untuk Mengantisipasi kecenderungan keurangan Akuntansi. *Jurnal Riset Akuntansi Going Concern*. Vol: 9, No 4.
- Kuncoro, M. 2013. *Metode Riset untuk Bisnis dan Ekonomi: Bagaimana meneliti dan Menulis Tesis?*. (Edisi 4). Jakarta, Indonesia: Erlangga.
- Larasati, Putri. 2017. Pengaruh Pemanfaatan Teknologi Informasi, Pengawasan Keuangan Daerah, Sumber Daya Manusia Dan Pengendalian Intern Akuntansi Terhadap Keterandalan Pelaporan Keuangan Pemerintah Daerah. *JOM Fekon*, Vol.4 Nomor 1.
- Mulyadi. 2014. *Auditing*. Jakarta : Salemba Empat
- Peraturan Pemerintah Nomor 60 Tahun 2008 tentang Sistem Pengendalian Internal Pemerintah.
- Peraturan Pemerintah Nomor 65 Tahun 2010 tentang Perubahan atas Peraturan Pemerintah Nomor 56 Tahun 2005 Tentang Sistem Informasi Keuangan Daerah.
- Peraturan Pemerintah No 71 Tahun 2010 tentang Standar Akuntansi Pemerintahan.
- Pratomo, Ananto, Bambang Agus Pramuka Dan Siti Maghfiroh. 2016. Analisis fraud Diamond Terhadap Kecenderungan Perilaku Fraud Pada Pengelola Keuangan Pemerintah (Survey Pada Pengelola Keuangan Pemerintah Kabupaten X). *Simposium Nasional Akuntansi XIX*, Lampung.
- Rae and Subramaniam. 2008. Quality Of Internal Control Procedures Antecedents And Moderating Effect On Organisational Justice And Employee Fraud. *Managerial Auditing Journal* Vol. 23 No. 2, 2008 pp. 104-124.
- Roberts, Clare, Pauline Weetman, and Paul Gordon, 2002. *Internal Financial Accounting: A Comparative Approach*, 2nd ed. Great Britain: Prentice Hall
- Romney, Marshal B., dan Paul John Steinbart. 2015. *Sistem Informasi Akuntansi*. Edisi 13. Jakarta: Salemba Empat.
- Sari, Ni Luh Putu Purnama, Gede Adi Yuniarta, dan I Made Pradana Adiputra. 2015. Pengaruh Efektifitas Sistem Pengendalian Internal, Ketaatan Aturan Akuntansi, Persepsi Kesesuaian Kompensasi dan Implementasi Good Governance Terhadap Kecenderungan Fraud (Studi Empiris Pada SKPD di Kabupaten Tabanan). *e-Journal S1 Ak Universitas Pendidikan Ganesha*, Volume 3, No.1.
- Safriyana, Fifi. 2014. Peranan Pengendalian Internal dalam Mengantisipasi Kecenderungan Kecurangan Akuntansi. *Jurnal. Universitas Maritim Raja Ali Haji. Tanjungpinang*.
- Sawyer, Lawrence B, Mortimer A. Dittenhofer dan James H.Scheiner. 2006. *Internal Auditing*. Jakarta: Salemba Empat.
- Sulastris dan Binsar H Simanjuntak. 2014. Fraud Pada Sektor Pemerintah Berdasarkan Faktor Keadilan Kompensasi, Sistem Pengendalian Internal, dan Etika Organisasi Pemerintah. *e-Journal Magister Akuntansi Trisakti*. Volume 1 Nomor 2.
- Sulistiyowati, Firma. 2007. Pengaruh Kepuasan Gaji Dan Kultur Organisasi Terhadap Persepsi Aparatur Pemerintah Daerah Tentang Tindak Korupsi. *JAAI*, Vol. 11, No. 1.
- Suyanto. (2009). Fraudulent Financial Statement Evidence from Statement on Auditing Standard No. 99. *Gajah Mada International Journal of Business*, Vol. 11, No. 01, hal. 117-144.
- Thoyibatun, Siti. 2012. Faktor-Faktor yang Berpengaruh Terhadap Perilaku Tidak Etis dan Kecenderungan Kecurangan Akuntansi Serta Akibatnya Terhadap Kinerja Organisasi. *Ekuitas: Jurnal Ekonomi dan Keuangan*. Volume 16, Nomor 2, Juni 2012
- Tuanakotta, Theodorus M. 2010. *Akuntansi Forensik dan Audit Investigatif*. Edisi 3. Jakarta: Salemba Empat.
- Veithzal Rivai. 2006. *Manajemen Sumber Daya Manusia untuk Perusahaan dari Teori ke Praktek*. Jakarta: PT. Raja Grafindo.
- Wilkinson, W. Joseph, Michael J. Cerullo, Vasant Raval, & Bernard Wong-On- Wing. 2000. *Accounting Information Systems: Essential Concepts and Applications*. Fourth Edition. John Wiley and Sons. Inc.
- Wilopo. 2006. Analisis faktor-faktor yang berpengaruh terhadap kecenderungan kecurangan akuntansi: Studi pada perusahaan publik dan badan usaha milik Negara di Indonesia. *Simposium Nasional Akuntansi 9 Padang*, Hal 21-69.

- Wolfe, D.T., dan Hermanson, D.R. (2004). The Fraud Diamond: Considering the Four Elements of Fraud. The CPA Journal, 74 (12)
- Yudistira, I Gusti Agung Ngurah Rahma, Edy Sujana, dan Gede Adi Yuniarta. 2017. Pengaruh Aspek Tekanan, Penegakan Peraturan, Rasioanlisasi, dan Wewenang Pegawai Terhadap Fraud (Studi Empiris Pada SKPD Kabupaten Karangasem). e-Journal S1 Ak Universitas Pendidikan Ganesha. Vol: 8 No: 2 Tahun 2017.
- Zanaria, Yulita. 2017. Pengaruh Aplikasi Teknologi, Accounting Reporting terhadap Pencegahan Fraud serta Implikasinya terhadap Reaksi Investor. Jurnal Akuisisi. Vol 13, No 1 april 2017.
- <https://news.detik.com/berita/3879592/indeks-persepsi-korupsi-2017-indonesia-peringkat-ke-96> diakses pada tanggal 21 Februari 2018.
- <http://www.lampost.co/berita-pelaku-korupsi-bsm-smpn-24-bandar-lampung-bertambah-lagi-dua-orang> diakses pada tanggal 21 Februari 2018.
- <https://regional.kompas.com/read/2015/01/12/15101961/470.Surat.Keterangan.Kematian.Dipalsukan.demi.Uang.Kadinsos.Ditahan> diakses pada tanggal 21 Februari 2018.
- https://www.antikorupsi.org/sites/default/files/tren_korupsi_2017_0.pdf diakses pada tanggal 1 maret 2018.
- <http://www.saibumi.com/artikel-64933-kadis-pasar-pesawaran-korupsi-lampu-jalan-13-milyar.html#ixzz5ElpZx2Pw> diakses pada tanggal 20 April 2018.
- <http://www.lampost.co/berita-dua-tersangka-korupsi-pengadaan-kapal-dishub-pesawaran-diperiksa> diakses pada tanggal 20 April 2018.

The Influence Of Compensation Suitability, Internal Control System, The Use Of Information Technology, Ethical Culture Of Organization And Competency On Fraud At Local Government

ORIGINALITY REPORT

17%

SIMILARITY INDEX

10%

INTERNET SOURCES

6%

PUBLICATIONS

18%

STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to Universitas Jenderal Soedirman Student Paper	7%
2	Submitted to Universitas Diponegoro Student Paper	3%
3	Submitted to Universitas 17 Agustus 1945 Surabaya Student Paper	2%
4	pdfs.semanticscholar.org Internet Source	1%
5	Submitted to Sriwijaya University Student Paper	1%
6	pt.scribd.com Internet Source	1%
7	Submitted to Udayana University Student Paper	1%
8	Submitted to Universitas Islam Indonesia Student Paper	1%

9

Submitted to Universitas Negeri Semarang

Student Paper

1%

10

Douglas M. Boyle, F. Todd DeZoort, Dana R. Hermanson. "The effect of alternative fraud model use on auditors' fraud risk judgments", *Journal of Accounting and Public Policy*, 2015

Publication

1%

Exclude quotes Off

Exclude matches < 1%

Exclude bibliography On