



Determining Factors for Fraud Prevention

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Abstract

The purpose of this study is to investigate how internal audit, internal control systems, anti-fraud awareness, and good corporate governance mechanisms affect PT. Bank Mandiri Jakarta Cikini Area's ability to prevent fraud. By distributing questionnaires, primary data for the study was obtained. 41 members of an internal auditing team participated in this study as respondents. Non-probability sampling is used in this sampling technique. The findings of the study demonstrate that internal audit, internal control systems, anti-fraud awareness, and good corporate governance practices all significantly impact PT. Bank Mandiri Jakarta Cikini Area's ability to prevent fraud. The research's managerial implications include enhancing internal audit's function, bolstering internal control systems, raising anti-fraud awareness across the organization, and fortifying Good Corporate Governance (GCG) mechanisms as a means of preventing fraud. It is imperative that managers give particular attention to the implementation and upkeep of GCG practices, the creation of thorough anti-fraud training programs, the reinforcement of internal control infrastructure, and the allocation of sufficient resources to the internal audit function.

Faktor Penentu Pencegahan Fraud

Abstrak

Kata Kunci:

(1) Good Corporate Governance, (2) Anti fraud awareness, (3) Sistem Pengendalian Internal, (4) Peran Audit Internal, (5) Pencegahan Fraud

Conflict of interest:

None

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Tujuan dari penelitian ini adalah untuk mengetahui bagaimana pengaruh audit internal, sistem pengendalian internal, kesadaran anti-fraud, dan mekanisme tata kelola perusahaan yang baik terhadap PT. Kemampuan Bank Mandiri Jakarta Area Cikini dalam mencegah penipuan. Dengan menyebarkan kuesioner, diperoleh data primer untuk penelitian. 41 anggota tim audit internal berpartisipasi dalam penelitian ini sebagai responden. Non-probability sampling digunakan dalam teknik pengambilan sampel ini. Temuan penelitian menunjukkan bahwa audit internal, sistem pengendalian internal, kesadaran anti-penipuan, dan praktik tata kelola perusahaan yang baik semuanya berdampak signifikan terhadap PT. Kemampuan Bank Mandiri Jakarta Area Cikini dalam mencegah penipuan. Implikasi manajerial penelitian ini mencakup peningkatan fungsi audit internal, penguatan sistem pengendalian internal, peningkatan kesadaran anti-penipuan di seluruh organisasi, dan penguatan mekanisme Tata Kelola Perusahaan yang Baik (GCG) sebagai sarana untuk mencegah penipuan. Sangat penting bagi para manajer untuk memberikan perhatian khusus terhadap penerapan dan pemeliharaan praktik GCG, penciptaan program pelatihan anti-penipuan yang menyeluruh, penguatan infrastruktur pengendalian internal, dan alokasi sumber daya yang memadai untuk fungsi audit internal.



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1. Introduction

Nowadays, fraud is a huge problem in both developed and developing nations. Fraud is a deviation from the law and a deliberate action that hurts other people both directly and indirectly for one's own or a group's benefit. The prevalence of accounting fraud has garnered significant media coverage and grown in importance among global businesses. Fraud is a type of deception that is done on purpose with the intention of defrauding someone of their money without the victim realizing it and benefiting the one committing the fraud (Festi, 2014).

Because banking now plays a significant role in social life, fraud prevention is an important endeavor to undertake. The current state of affairs indicates that people and financial institutions are frequently connected. As stated in Law of the Republic of Indonesia Number 10 of 1998 concerning "Amendments to Law No. 7 of 1992 concerning banking," banks are commercial organizations that raise people's standards of living by taking money from the general public in the form of savings and distributing it to them as credit or in other ways. One strategy to win over both customers and non-customers is to follow rules and refrain from doing anything that can increase the possibility of fraud (Salsabil, 2020).

The largest anti-fraud organization in the world, the Association of Certified Fraud Examiners (ACFE), released a Report to the Nations (RTTN) in 2020 that included 2,504 fraud cases from 125 countries, with a median loss of USD 8,300 per month. and 29 fraud cases were reported in Indonesia (ACFE, 2020). Amidst the digitization of IDR 4.62 trillion, the Financial Services Authority (OJK) documented banking losses as a result of fraud. This is a result of the significant risks and evolving forms of electronic transactions, such as e-commerce. This fraud has its roots in both the external and internal banking environment. In the first quarter of 2020, there were 1,005 instances of fraud in the internal environment; in the second quarter, that number dropped to 796 incidents. In the meantime, compared to 6,444 incidents in the first quarter of 2020, the causes of fraud from the external banking environment increased to 8,218 incidents in the second quarter of 2020 (www.republika.co.id).

According to Tuannakotta (2017), the factors causing fraud cannot be separated from the concept of the fraud triangle, namely pressure, opportunity and rationalization which is called the fraud triangle. Pressure factors are incentives that cause someone to commit fraud due to need or financial problems. Second, the opportunity factor occurs due to lack of effective internal control. And third, the rationalization factor, which is the justification carried out by the perpetrator by rationalizing that the act of cheating is something normal.

This research is a combination of replications from previous research regarding fraud prevention factors that have been successfully tested and have had a significant impact on several studies, including implementing Good Corporate Governance mechanisms and building anti-fraud awareness (Budiantoro et al., 2022), complying with the company's internal control system and information asymmetry (Novandalina et al, 2021), the active role of internal auditors and the effectiveness of internal control in companies (Mahendra et al, 2021), building an attitude of high integrity, independence and professionalism in companies (Wulandari et al, 2018). The measuring instruments for fraud prevention efforts in banking in this study differ from those in earlier studies in that they take into account the role of internal audit, internal control systems, anti-fraud awareness, and good corporate governance practices.

It is anticipated that compliance with the application of GCG principles, an internal control system with active involvement from internal audit, and the creation of an all-encompassing anti-fraud awareness mindset within the company will positively affect fraud prevention, particularly for organizations with strong community ties as stakeholders. Considering that the banking

industry sector is a fairly sensitive institution regarding fraud, the banking industry also plays a very important role as a provider of financial services to the public (Sutedi, 2012).

The purpose of this study is to ascertain the following: (1) the impact of good corporate governance mechanisms on fraud prevention; (2) the impact of anti-fraud awareness on fraud prevention; (3) the impact of internal control systems on fraud prevention; (4) the impact of the role of internal audit in fraud prevention; and (5) the simultaneous impact of these factors on anti-fraud awareness, internal control systems, good corporate governance mechanisms, and the role of internal audit in fraud prevention.

The benefits of this research theoretically include a deeper understanding of the factors that influence the occurrence of fraud in a company, especially banking companies, as well as information and references for students and future researchers. It can also be useful as material for evaluating theory with conditions in the field and contributing to the development of accounting theory. In the meantime, as a practitioner, it is anticipated that this research will help businesses avoid internal fraud and identify the elements that lead to fraud so they can reduce the risks involved.

2. Literature Review and Hypothesis

Agency Theory

The fundamental theory that guides businesses' use of business practices is called agency theory. The foundation for comprehending the dynamic between principals and agents is the agency theory. An agreement between one or more parties to hire third parties to perform a service and then assign decision-making authority to those third parties constitutes an agency relationship in this context (Bastian, 2006). This theory states that agency problems arise because of the division that exists between the owner (principal) and the manager of the company (agent). According to Scott (2015), agency theory makes three assumptions about human nature: (1) humans generally act in their own self-interest, (2) humans have limited cognitive abilities regarding future perceptions (bounded rationality), and (3) humans always avoid risks (risk-averse). These three factors lead to the questioning of the reliability of information generated by humans for other humans.

The relationship between agency theory and banking fraud is that deception or fraud may arise from agency issues, specifically information asymmetry, in which the agent uses information for their own gain (self-interest), which may cause losses for the principal and the business. Within the bank's internal environment, fraud can happen. Another issue that may arise is the presence of conflicts of interest between the agent and the principal, which can create pressure for the Islamic bank to improve its company performance, thus presenting a positive image for the principal (Mufariza, 2018).

Theoretical Framework

The theoretical framework is a conceptual model pertaining to theories concerning a number of significant problems. Additionally, the theoretical framework offers a provisional explanation for a number of the phenomena under investigation. Moreover, the thought process used is based on previous research, both from empirical experiences useful for formulating hypotheses. The theoretical framework will connect the independent and dependent variables of the research, namely Good Corporate Governance (X1), Anti-fraud awareness (X2), Internal Control System (X3), Internal Audit Role (X4), and the dependent variable is Fraud Prevention (Y) (Widayat and Amirullah, 2002).

Trends in Fraud in Accounting

The propensity for accounting fraud has garnered significant media coverage and grown to be a well-known and significant problem in the international business community, particularly in the banking industry. The Financial Services Authority (OJK) reported IDR 4.62 trillion in banking losses as a result of fraud during the digital revolution. The banking industry's internal and external factors are the root causes of this fraud. Consequently, scholars examine the variables impacting the prevention of fraud within the banking industry.

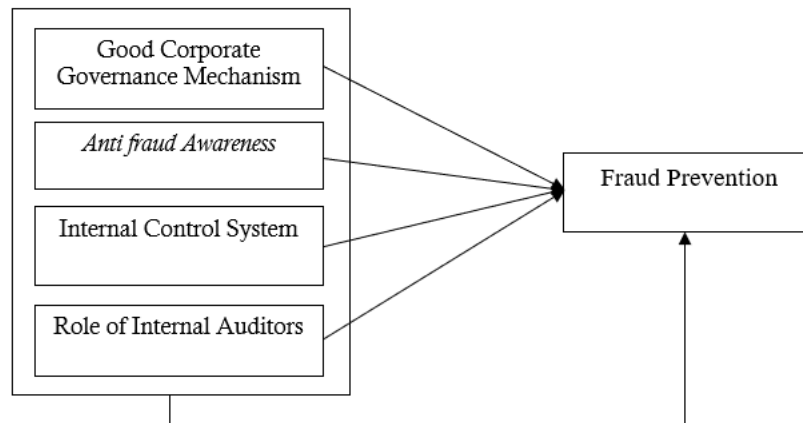


Figure 1. Framework of Thought

Hypothesis

Influence of Good Corporate Governance Mechanism on Fraud Prevention

A framework for governing the functions of the Board of Directors, the Board of Commissioners, shareholders, and other stakeholders is provided by good corporate governance. It establishes a structure to achieve goals and oversees performance. Effective corporate governance stimulates management to achieve company objectives, and shareholders must facilitate effective supervision to encourage the efficient use of resources. According to In'airat's (2015) research, effective corporate governance lowers the chance of asset misuse or fraud prevention. To prevent fraud through Good Corporate Governance, companies need to have independent and professional auditors. Therefore, public sector organizations are required to consistently implement Good Corporate Governance principles to efficiently drive the performance of various resources and create sustainable long-term economic value for shareholders and the surrounding community as a whole.

H1: Good Corporate Governance mechanisms have a positive influence on fraud prevention.

Influence of Anti-fraud Awareness on Fraud Prevention

The goal of anti-fraud awareness is to make everyone in an organization aware of how crucial it is to prevent fraud. It is anticipated that strong leadership and a high degree of anti-fraud awareness will foster a sense of accountability for fraud prevention among all stakeholders in the organization. Previous studies by Wulandari & Nuryanto (2018), Novandalina, Sarbullah, Adriyanto (2021), and Yuniarti (2017) indicate that information about anti-fraud measures positively influences fraud prevention. The presence of anti-fraud awareness fosters a conscious effort to refrain from fraudulent activities. Individuals within the company must play a role in promoting anti-fraud awareness to safeguard the company from fraud.

H2: Anti-fraud awareness has a positive influence on fraud prevention.

Influence of Internal Control System on Fraud Prevention

Internal control, defined by Hery (2017), comprises policies and procedures aimed at protecting a company's assets from misuse, ensuring accurate accounting information, and guaranteeing

compliance with legal regulations and management policies by all company employees. Tuanakotta (2017) suggests that fraud prevention can be achieved through activating internal controls. Nadia, Sukarmanto, and Purnamasari (2018) argue that organizational fraud reflects poor management, limited internal auditors, weak internal control systems, and corruption. Yuniarti (2017) emphasizes that the effectiveness of fraud prevention is significantly determined by the examinations conducted by internal control and the role of external auditors in implementing fraud prevention mechanisms within the organization. This implies that public sector organizations need to consistently and continuously evaluate financial reports.

H3: The internal control system positively influences fraud prevention.

Influence of Internal Audit Role on Fraud Prevention

Internal audit, as defined by Tugiman (2012), is an independent assessment function within an organization with the goal of testing and evaluating organizational activities. Internal audit's responsibility is to keep an eye out for fraudulent activity. In order to help management prevent fraud, internal auditors must test and assess the efficacy and dependability of controls while taking into account the possible risks of fraud in different segments. Previous studies by Verbry (2014) and Festi (2014) state that the role of internal auditors significantly influences the continuity of a company. Effective internal auditors enable companies to achieve their goals, positively impacting company performance. Festi (2014) suggests that the more effective the role of internal audit, the better fraud prevention can be implemented. Effective fraud prevention is possible when internal audit can identify potential fraud. Conversely, when internal audit fails to identify potential fraud, fraud occurs, resulting in losses for the company.

H4: The role of internal auditors has a positive influence on fraud prevention.

3. Data and Method

Types of Research

This study used a quantitative approach and an associative research design. The independent variables in this study—good corporate governance, anti-fraud awareness, internal control system, and the role of internal auditors in fraud prevention—were found to have a casual cause-and-effect relationship. With this quantitative research design, numbers derived from qualitative data (questionnaires) are analyzed and the results are expressed using a Likert scale.

Research Population and Sample

The population in this study was the internal auditor team of Bank Mandiri Jakarta Cikini Area and also the internal auditor team of branches under the auspices of the Jakarta Cikini Area, totaling 41 respondents. Sampling criteria were taken by applying non-probability sampling techniques with the technique taken, namely saturated sampling (census). In this study, the research sample was the entire research population, totaling 41 respondents who were part of the Internal Auditors such as: Jakarta Cikini Area Business Control Team, Branch Business Control and Verifiers from 21 branches under the auspices of the Jakarta Cikini Area. This study's data were gathered through primary data collection methods, specifically field studies using questionnaires and observations.

Data analysis method

Statistical Product and Service Solutions (SPSS) software version 24.0 is used to test the data in several stages of the analysis, including descriptive analysis, instrument testing (validity and reliability tests), classical assumption testing (autocorrelation, heteroscedasticity, normality, and multicollinearity tests), multiple linear regression analysis, and hypothesis testing (partial, simultaneous, and coefficient of determination tests).

4. Results

Descriptive Analysis

Descriptive analysis was also done in this study to see how Bank Mandiri Jakarta Cikini Area employees were using internal control systems, anti-fraud awareness, good corporate governance, and the role of internal auditors in preventing fraud. The results of descriptive analysis give a summary of the collected data. You can use this data description as a guide to see the features of the acquired data. features of the data that are displayed, like the average value. Table 1 displays the findings of the descriptive analysis, illustrating the degree to which respondents viewed the variables used as research indicators.

Table 1. Descriptive Analysis Results

	Respondents	Average Results	Evaluation
Good Corporate Governance	41	4.39	Very good
Anti-fraud Awareness	41	4.36	Very good
Internal Control System	41	4.44	Very good
Internal Audit Role	41	4.36	Very good
Fraud Prevention	41	4.37	Very good

Source: Processed data, 2023

The aforementioned table displays the mean results for each variable. A number >4.20 indicates that the variable falls into the "Very Good" assessment category in the interval interpretation. The findings indicate that Bank Mandiri Jakarta Cikini Area's implementation of good corporate governance, anti-fraud awareness, internal control system, role of internal audit, and fraud prevention mechanisms fall into the very good category.

Instrument Test

A validity test and a reliability test made up the instrument test in this study. A questionnaire's validity is evaluated using the validity test. When the answers to the questionnaire reveal something that the questionnaire is intended to measure, the questionnaire is deemed valid. By comparing the item-total correlation value with the results of the r table calculation, the validity test is evaluated. A declaration of validity is made if r count is greater than or equal to r table. In the meantime, a questionnaire that serves as an indicator of a variable or construct can be measured using reliability testing. When a respondent's responses to a questionnaire remain constant or steady over time, it's considered dependable. Reliability can be assessed with SPSS by applying the Cronbach alpha statistical test. If a construct or variable has a Cronbach alpha value greater than 0.60, it is considered reliable.

Table 2. Reliability Test Results

Variable	Cronbach Alpha	Cut of value	Results
Good Corporate Governance	0,936	0,60	Reliabel
Anti-fraud Awareness	0,905	0,60	Reliabel
Internal Control System	0,875	0,60	Reliabel
Internal Audit Role	0,925	0,60	Reliabel
Fraud Prevention	0,900	0,60	Reliabel

Source: Processed data, 2023

It is known that the calculated r value of each variable indicator is higher than the table r value (calculated $r > 0.316$) based on the validity test. Thus, it can be said that every indicator that was employed in this study is reliable. It is known that all variables have a Cronbach Alpha value greater than 0.60 in addition to passing the reliability test. Thus, it can be said that every variable employed in this study is trustworthy.

Classic assumption test

The traditional assumption test is necessary for regression analysis. To determine whether the results of the regression estimates are actually free from symptoms of normality and whether there is no heteroscedasticity, multicollinearity, or autocorrelation, it is necessary to test classical assumptions.

Table 3. Classical Assumption Test Results

No	Classic Assumption Test Type	Variable	Criteria	Test results	Conclusion
1	Normality		Sig > 0,05	0,101	Normally Distributed Data
2	Heteroscedasticity	GCG	Sig > 0,05	0,541	Heteroscedasticity does not occur
		AFA		0,409	
		SPI		0,205	
		PAI		0,275	
3	Multicollinearity (tolerance value)	GCG	Tolerance > 0,10	0,197	Multicollinearity does not occur
		AFA		0,228	
		SPI		0,236	
		PAI		0,340	
4	Multicollinearity (VIF value)	GCG	Nilai VIF < 10	5,072	Multicollinearity does not occur
		AFA		4,389	
		SPI		4,242	
		PAI		2,938	
5	Autocorrelation (DW Test)		Du < DW < 4-Du	1,721 < 1,966 < 2,279	No Autocorrelation Occurs

Source: Processed data, 2023

In the normality test carried out, Asymp Sig results were obtained. (2-tailed) is $0.101 > 0.05$, so it can be concluded that the data is normally distributed. The heteroscedasticity test obtained results for each variable with a significance value > 0.05 so it can be concluded that heteroscedasticity does not occur in all variables. The multicollinearity test showed that each variable had a tolerance value > 0.10 and $VIF < 10$, so it could be concluded that multicollinearity did not occur in all variables. Finally, in the autocorrelation test that was carried out, the result was that the Durbin The calculation of the DW value with the dependent variable fraud prevention is 1.966, which means it is between the dU value of 1.721 and $4 - dU = 2.279$ ($1.721 < 1.966 < 2.279$) thus indicating that there is no autocorrelation.

Multiple Linerar Regression Analysis**Table 4. Multiple Linear Regression Analysis Test Results**

Model	Coefficients ^a					
	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	2.385	4.820			3.495	.024
GCG mechanism	.132	.122	.153		1.759	.047
Anti-fraud awareness	.374	.243	.294		2.541	.013
Internal Control System	.164	.214	.144		1.967	.028
Internal Audit Role	.362	.110	.515		3.298	.002

Source: Processed data, 2023

Based on the results of the multiple linear regression analysis test in table 4, there is a constant value (a) which means that when the independent variable is zero or fraud prevention is not influenced by the independent variable, the average fraud prevention is 2.385. in the regression coefficient (b) each variable has a positive sign, which means that the better the GCG mechanism, anti-fraud awareness, internal control system and internal audit role are applied and carried out in an orderly manner by the company and each employee, the better the level of fraud prevention. at the company.

Hypothesis Testing

Table 5. Hypothesis Testing Results

No	Classic Assumption Test Type	Variable	Criteria	Test results	Conclusion
1	T test	GCG	t count > t table Sig < 0.05 (t = 1.683)	1,759 0,047	Positive and Significant Influence
		AFA		2,541 0,013	
		SPI		1,967 0,028	
		PAI		3,298 0,002	
2	F test		f count > f table p value < a	21,160 > 2,60 0,000 < 0,05	Significant influence
3	Coefficient Test		R square close to 1	R square 0,702	Mutual contribution is getting stronger

Source: Processed data, 2023

T-test Results

Based on the table above, it shows that the calculated t value for each variable is > 1.683 with a sig value. < 0.05, then the GCG mechanism, anti-fraud awareness, internal control system, and the role of internal audit have a positive effect on fraud prevention.

F Test Results

The F test results in table 5 show a p-value of 0.000 < 0.05, which means there is a significant influence between the independent variables GCG mechanism, anti-fraud awareness, internal control system, and the role of internal audit together.

Coefficient of Determination Test Results (R²)

The SPSS model summary output display indicates that the R Square is 0.702 based on table 5. This indicates that independent variables (internal control system, anti-fraud awareness, GCG mechanisms, and the function of internal audit) account for 70.2% of the variation in fraud prevention (Y). Meanwhile, other factors or causes outside the model that were not investigated in this study account for or have an influence on the remaining 29.8%.

5. Discussion

The Influence of Good Corporate Governance Mechanisms on Fraud Prevention

It can be concluded that the Good Corporate Governance mechanism variable partially has a positive effect on preventing fraud among Bank Mandiri employees in the Cikini Jakarta area. If the implementation of the Good Corporate Governance mechanisms implemented increases or gets better, Fraud prevention will also increase. From the research results, it can be interpreted that Bank Mandiri Jakarta Cikini Area applies the principles of Good Corporate Governance well and tends to be better at preventing fraud because in the GCG principles there is an element of transparency so that customers at Bank Mandiri can know the results of Bank Mandiri's performance. The results of this research are supported by the theory which states that Good Corporate Governance will reduce the risk of abuse or prevent fraud (Mulyani, 2020; Raharjanti & Muharrami, 2020). Previous research states that fraud can be minimized by implementing

Good Corporate Governance (Sanusi et al., 2020). It can be concluded that the level of fraud prevention depends on the implementation of good corporate governance carried out by the institution or company.

The Effect of Anti-fraud Awareness on Fraud Prevention

It can be concluded that the anti-fraud awareness variable partially has a positive effect on preventing fraud among Bank Mandiri employees in the Cikini Jakarta area. When the anti-fraud awareness of Bank Mandiri employees increases or gets better, then fraud prevention will be better. From the research results, it can be interpreted that every element in Bank Mandiri Jakarta Cikini Area that has high anti-fraud awareness tends to be better at preventing fraud. Anti-fraud awareness in a company is very important, because anti-fraud awareness is an effort to increase awareness of the importance of preventing fraud by all parties in any organization. They will not commit fraud as long as they comply and the organization supports this with adequate training for all employees to increase employee understanding and awareness of the dangers of fraud. Previous research conducted by Wulandari & Muhammad (2018), Yuniarti (2017) and Siregar (2015) stated that anti-fraud awareness has a positive effect on fraud prevention. This shows that the higher the sense of anti-fraud awareness carried out by office operational activities, the better the results will be in preventing fraud.

The Influence of Internal Control Systems on Fraud Prevention

It can be concluded that the internal control system variables partially have a positive effect on fraud prevention among Bank Mandiri Jakarta Cikini Area employees. The better the internal control system that is created, the more fraud prevention will increase at Bank Mandiri Jakarta Cikini Area. From the results of this research, it can be interpreted that the internal control system at Bank Mandiri Jakarta Cikini Area tends to be better in preventing fraud because it has the function of directing, controlling and supervising various activities with the aim of ensuring that the company's goals are achieved. The research results of Shanmugam, et al. (2012), Josiah et al. (2012) found that internal control and fraud prevention measures will have an impact on improving company performance. The effectiveness of fraud prevention is largely determined by checks carried out by internal control and the role of external auditors in implementing fraud prevention mechanisms within the organization.

The Influence of the Role of Internal Audit on Fraud Prevention

It can be concluded that the variable role of internal audit partially has a positive effect on preventing fraud among Bank Mandiri employees in the Cikini Jakarta Area. The more active the role of internal audit, the higher or better the level of fraud prevention at Bank Mandiri Cikini Area, Jakarta. The relationship between the role of internal auditors in detecting and preventing fraud in a company has a big relationship. Internal auditors are expected to be able to protect the company from all actions that could cause harm to the company. The better the internal auditor's resources, the higher the internal auditor's role in controlling and identifying fraud prevention which can prevent losses for a company. Research by Mahendra et al (2021) and Jayanti (2013) shows that internal auditors have a role in preventing fraud. That the higher the attitude of a company's internal auditor in preventing fraud, the greater the influence on a company's internal control. Internal auditors can carry out evaluations in the form of assessments and tests related to the internal control system implemented by a company.

The Influence of Good Corporate Governance Mechanisms, Anti-fraud Awareness, Internal Control Systems and the Role of Internal Audit on Fraud Prevention

It can be concluded that the Good Corporate Governance mechanism, anti-fraud awareness, internal control system and the role of internal audit together (simultaneously) have a significant effect on preventing fraud among Bank Mandiri employees in the Cikini Jakarta Area. Good governance balanced with high commitment among employees will have implications for the

efficiency of the organization's financial performance. The emphasis on the principles of Good Corporate Governance will then become a strong foundation and basis for the ethics of company employees. With knowledge of ethics and the concept of Good Corporate Governance, it is hoped that it will become a strong foundation for the existence of ethics and corporate governance which will then form a pattern of prevention awareness. Through good leadership and supported by high anti-fraud awareness, it is hoped that all parties will be able to increase awareness and sensitivity to the dangers of fraud and the controls needed to prevent it (Wulandari & Nuryanto, 2018).

6. Conclusion

The following inferences can be made in light of the completed research: Fraud prevention is positively and significantly impacted by effective corporate governance practices. This demonstrates that an organization's ability to prevent fraud increases with the strength of its good corporate governance framework. The prevention of fraud is positively and significantly impacted by anti-fraud awareness. This demonstrates that a company's efforts to raise anti-fraud awareness in operational activities will have a positive impact on the quality of the company's fraud prevention. Fraud prevention is positively and significantly impacted by the internal control system. This demonstrates that the company's efforts to prevent fraud within the organization will be more successful the better its internal control system is designed. Fraud prevention is positively and significantly impacted by the role of internal audit. This demonstrates that the risk of fraud will be reduced and efforts to prevent fraud in the company will increase the more actively internal audit supervises all operational activities. Concurrently, the dependent variable—fraud prevention—benefits greatly from the influence of multiple independent variables, including GCG mechanisms, anti-fraud awareness, internal control systems, and the function of internal audit.

Recommendation

This research has been carried out by several previous researchers with the same dependent variable and also the same object, namely in the banking sector. It is best for future research that has cases similar to the research conducted by researchers to consider other factors besides GCG, anti-fraud awareness, The internal control system and the role of internal audit can significantly influence fraud prevention so that it can provide input for company management, especially in banking companies, to minimize fraud that occurs.

Limitations and avenue for future research

After reviewing the results of this research, there are several limitations obtained and several things that need attention, including the respondents used in this research were only PT employees. Bank Mandiri, which is all part of the internal auditor team, would be better off if the questionnaire distribution sample was expanded to include employees in other departments, such as employees who are part of branch operations, where these employees feel the impact of the performance of the internal auditors themselves so that they can provide their opinions objectively from another point of view.

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