



Determinants of Fraud Prevention with Monitoring Center for Prevention (MCP) As Moderation

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Abstract

The purpose of this research is to analyze the influence of Leadership Style and Organizational Commitment on fraud prevention efforts. Then, to analyze the Monitoring Center for Prevention (MCP) moderating the influence of Leadership Style and Organizational Commitment on efforts to prevent fraud. This research is included in explanatory research. This research was carried out at the NTB Provincial Government with research subjects namely Civil Servants who are in Regional Apparatus who are responsible for seven MCP Intervention Areas with a sample of 95 people. The data collection technique used in this research is a questionnaire. Data analysis in the research used SEM-PLS with the Smart PLS version 4.0 program. The research results show that (1) Leadership style positively and significantly affects fraud prevention in the West Nusa Tenggara Provincial Government. (2) Organizational Commitment has a positive and significant effect on fraud prevention. (3) The Monitoring Center For Prevention (MCP) moderates leadership style toward fraud prevention in a negative direction. This indicates that MCP weakens the influence of leadership style on fraud prevention. (4) The Monitoring Center For Prevention (MCP) moderates the organization's commitment to fraud prevention positively. This shows that with the MCP, organizational commitment is further strengthened in preventing fraud.

Keywords: *Leadership Style and Organizational Commitment; Monitoring Center for Prevention (MCP); Fraud*

Introduction

One of the problems faced by Indonesia is corruption. According to data from the Corruption Perceptions Index (CPI) in the Transparency International report, in 2021 Indonesia will be ranked 96th out of 180 countries. (JDIH BPK Team Representative of West Papua Province 2022). The existence of corruption hurts all aspects of social, national, and state life so a country experiences many obstacles and obstacles to being able to develop into a developed country that can provide the best public services and improve the welfare of society. Various social problems also arise due to corruption resulting in injustice, social inequality, poverty, poor public services, and many other social problems. According to Abdul (2017), the impacts caused by corruption are also very dangerous, one of which is the decline in the national economy (Ruslin 2017).

The impact of corruption on a country, apart from the decline in the economy, also has other impacts, including reducing investment, increasing income inequality, increasing state debt, hampering the development of public facilities, decreasing state income from taxes, and various other problems. Based on data from the KPK (2022) Corruption Perception Index (IPK) in 2021 published by Transparency International Indonesia (TII), Indonesia is still one of the most corrupt countries among other G20 countries with a score of 38 which is ranked 96th out of 180 countries (TII 2023).

Meanwhile, based on a survey conducted by the Central Statistics Agency (BPS) in 2021, the Anti-Corruption Behavior Index (IPAK) in Indonesia is still low, namely around 3.88%. This IPAK is an indicator to measure the level of community permissiveness towards anti-corruption behavior by focusing on three main phenomena of corruption, namely bribery, extortion, and nepotism. (Central Statistics Agency 2021). The IPAK score uses a scale of 0-5, which shows that the higher the score obtained, the better the community behaves more anti-corruption.

Based on Presidential Regulation Number 54 of 2018 concerning the National Strategy for Preventing Corruption (Stranas PK), the Corruption Eradication Commission (KPK) as a corruption prevention institution has also created applications to prevent fraud, one of which is the MCP (Monitoring Center for Prevention). MCP (Monitoring Center for Prevention) is an application or dashboard developed by the Corruption Eradication Commission to monitor the performance achievements of corruption prevention programs, through improving governance implemented by regional governments throughout Indonesia. (KPK; BPKP and KEMENHAGRI 2023).

The MCP (Monitoring Center for Prevention) application has been used as a tool to prevent fraud in regional government environments, whether provincial or district/city throughout Indonesia, since 2018 (Stranas PK, 2018). Of the various corruption cases that have occurred in Indonesia, the Corruption Eradication Commission has focused on 8 intervention areas which are vulnerable points for opportunities for fraud to occur in government. The eight intervention areas are Planning and Budgeting, Licensing, Procurement of Goods and Services, APIP Capability, ASN Management, Regional Tax Optimization, Regional Asset Management, Village Fund Management (specifically for District Government) (KPK; BPKP and KEMENHAGRI 2023).

Previous research was conducted separately in eight Intervention Areas. In the Planning and Budgeting Intervention Area, research was conducted by Indrawati who stated that the practice of fraud in preparing the RKA was planning spending accounts that were easy in the SPJ, taking advantage of opportunities in the form of legal loopholes or less effective regulations to act. (Sulli 2020). Apart from that, research in the Goods and Services Procurement Intervention Area conducted by Azmi and Rahman shows the role of e-procurement in mitigating procurement fraud in Malaysia which shows that e-procurement helps reduce the risk of abuse, fraud, and corruption by providing transparent information from all auction participants (Azmi and Rahman 2015).

In the Licensing Intervention Area, there is research conducted by Arifin and Irsan which states that if improvements are not made to the licensing system in the regions, corruption will continue to occur because licensing is a soft ground for regional officials to commit licensing corruption. (Zainul 2019). Meanwhile, research regarding the MCP (Monitoring Center for Prevention) application with a focus on preventing corruption in corruption-prone areas has not been discovered by researchers so researchers are interested in making this a novelty in the research that will be carried out. This is to research conducted by Soemitra (2022) which states that to optimize coordination regarding the eradication of corruption by the provisions of Articles 6b and 8 of Law Number 19 of 2019, the Corruption Eradication Commission (KPK) formed a Monitoring Center for Prevention (MCP) which collaborates with the Ministry of Home Affairs and BPKP (KPK; BPKP and KEMENHAGRI 2023). In this research, the MCP (Monitoring Center for Prevention) is a moderator in fraud prevention efforts (Eternal 2023).

In efforts to prevent fraud, several factors can influence such as Law Enforcement, Effectiveness of Internal Control, Information Asymmetry, Procedural Fairness, Ethical Management Culture, and Organizational Commitment. (Mustikasari 2013). Research conducted by Pramudita suggests that apart from the effectiveness of the Internal Control System, other factors can influence fraud, namely Leadership Style and Suitability of Compensation. (Pramudita 2013). In line with that, Adinda and Sukardi in their research also stated that Organizational Commitment, Organizational Culture, Effectiveness of Internal Control, Suitability of Compensation, and Enforcement of Regulations are factors that influence fraud. Apart from that, it was also added that Distributive Justice and Procedural Justice are factors that can influence fraud (Adinda 2015).

There is a research gap (difference in research results) that shows that Leadership Style and Organizational Commitment may or may not influence efforts to prevent fraud. Research conducted by Pramudita found that there is a negative influence in the Government Sector between Leadership Style and fraud (Pramudita 2013). Meanwhile, research conducted by Desviana stated that Leadership Style does not influence fraud (Desviana, Basri, and Nasrizal 2020). Likewise, Organizational Commitment, research conducted by Ayu states that Organizational Commitment has a positive effect on fraud prevention (Ayu et al. 2020). Meanwhile, Pramudita stated that Organizational Commitment does not affect fraud (Pramudita 2013). Based on this research gap, researchers are interested in researching Leadership Style and Organizational Commitment in fraud prevention efforts with the Monitoring Center for Prevention (MCP) as Moderation.

Literature Review

Fraud Triangle Theory

The Fraud Triangle Theory proposed by Cressey (1973) states that there are three causes or triggers for fraud, namely pressure, opportunity or opportunity, and rationalization. Pressure is the motivation of individuals to act fraudulently due to both financial and non-financial pressure from individuals and pressure from the organization. Opportunity is the opportunity for fraud to occur due to weak or ineffective controls, thus opening up opportunities for fraud to occur. Rationalization: Fraud occurs because of conditions of local ethical values that encourage ("allow") the occurrence of fraud. (Skousen, Smith, and Wright 2009).

Linked to Leadership Style, every Leader has the potential to commit fraud due to three factors by the Fraud Triangle Theory with the Monitoring Center for Prevention (MCP) application created by the Corruption Eradication Committee, fraud prevention efforts can be optimized minimizing the occurrence of fraud. Meanwhile, for the Organizational Commitment variable, if the organization's commitment is low in carrying out its duties and functions, it can create the potential for fraud. With the Monitoring Center for Prevention (MCP) application created by the Corruption Eradication Commission, it has become a rule to minimize the potential for fraud by the three Fraud Triangle Theory factors, namely pressure, opportunity or opportunity (Opportunity), and rationalization.

Agency Theory

Eisenhardt (1989) states that agency theory is based on three assumptions, namely, human nature assumptions, organizational assumptions, and information assumptions. Human nature assumptions are grouped into three, namely, (1) Self-interest, namely the human nature to prioritize one's interests, (2) Bounded-rationality, namely the human nature that has limited rationality, and (3) Risk aversion, namely the human nature that is more choose to avoid risks. Organizational assumptions are grouped into three, namely: (1) Conflict as a goal between participants, (2) Efficiency as a criterion of effectiveness, and (3) Information asymmetry between owners and agents which is an assumption that states that information is a commodity that can be purchased (Eisenhardt 1989).

Agency theory views the regional government as an agent for the community (principal) will act with full awareness of its interests and views that regional government cannot be trusted to act in the best interests of the community. Agency theory assumes that there is a lot of information asymmetry between agents (government) who have direct access to information and principals (society). The existence of information asymmetry is what allows fraud or corruption to occur by agents. As a consequence, local governments must be able to carry out their duties and functions as mandated. This is done to reduce information asymmetry so that we can provide maximum public services.

Based on agency theory, local government management must be supervised to ensure that management is carried out in full compliance with various applicable rules and regulations. This is to minimize one of the factors that cause fraud, namely the existence of weaknesses in the system that an employee has the power or ability to exploit so that fraudulent acts can be committed. (Arifianti, Santoso, and Handajani 2015). By making efforts to prevent fraud, whether in the form of regulations or application systems, the information asymmetry that occurs can be reduced. As information asymmetry decreases, the possibility of committing corruption also becomes smaller.

Leadership Style

Leadership style is a position where a leader must be able to influence, direct, and demonstrate his abilities so that all organizational goals can be achieved according to what has been set. According to Miftah (2010:56), leadership style is a behavioral norm used by a person when that person tries to influence the behavior of other people. (Thoha 2010). Meanwhile, according to Davis, et al. (1994: 192) leadership style is the ability to arouse the enthusiasm of other people to be willing and have total responsibility for efforts to achieve or exceed organizational goals.

From this definition, it can be concluded that leadership is the effort of a person who is entrusted with the task of being a leader, to organize, unite, and move his subordinates together to achieve the goals that have been set. In essence, leadership comes from the leader's personality so that he can influence other people. By influencing his subordinates, a leader hopes that his subordinates can move in a certain bond, direct activity, be aware, and cooperate with full responsibility for their work. In other words, if leadership can run well then an organization can carry out organizational duties and functions and achieve organizational goals while minimizing the opportunity for fraud to occur.

Organizational Commitment

Organizational commitment is a behavior that is used as a measure and assessment of the strength of members in an organization in carrying out their duties and obligations to the organization. Commitment can be seen as a value orientation towards the organization which shows that individuals think about, pay attention to, and prioritize their work and organization. Individuals voluntarily give all their efforts and mobilize and develop their potential to help the organization achieve its goals (Yuliani 2003).

Organizational commitment is a situation where an employee supports a particular organization and its goals and desires to maintain membership in that organization. So high job involvement means siding with an individual's particular job, while high organizational commitment means siding with the organization that recruits that individual (Robbins 2008).

According to Mathis and Jackson (2006: 83), organizational commitment is the degree to which employees believe in and accept organizational goals, and want to stay with the organization (Robert and Mathis 2006). Meanwhile, according to Hunt and Morgan (1994), employees have strong organizational commitment (Hunt, S.D., & Morgan 1994) if you have trust and accept the goals and values of the organization, are willing to strive towards achieving organizational goals, have a strong desire to remain as a member of the organization.

According to Luthans (2006:55), organizational commitment is a strong desire to remain a member of a particular organization, the desire to try hard by the wishes of the organization, as well as certain beliefs and acceptance of the values and goals of the organization (Luthans 2006). In other words, it is an attitude that reflects employee loyalty to the organization and an ongoing process in which organizational members express their concern for the organization and its continued success and progress.

Fraud

Fraud in Indonesian it is not only narrowly defined as fraud, in the world of finance fraud can mean theft (article 362 of the Criminal Code), extortion and threats (article 368 of the Criminal Code), embezzlement (article 372 of the Criminal Code), fraudulent acts (378 of the Criminal Code), and so on. According to Alison (2006), fraud is a form of deliberate fraud that causes losses without the injured party realizing it and provides profits for the perpetrator of the fraud. (Alison 2006). Fraud generally occurs because there is pressure to commit fraud or encouragement to take advantage of existing opportunities and there is a (generally accepted) justification for the action.

Fraud can be classified based on the type of fraud committed. The Association of Certified Fraud Examiners (ACFE) or the Association of Certified Fraud Examiners (2016) classifies fraud into 3 classifications which are often called fraud trees, namely: (1) Misappropriation of assets, namely misuse, theft of company assets or property or On the other hand, this type is the easiest to detect because it is tangible or can be measured/calculated (defined value). (2) Fraudulent Statements are actions carried out by officials or executives of a government agency to cover up the true financial condition by carrying out financial engineering in the presentation of financial reports to gain profit or perhaps it can be analogous to the term window dressing. (3) Corruption, which is the type of fraud that is most difficult to detect because it involves collaboration with other parties, such as bribery and corruption, which is the most common type in developing countries where law enforcement is weak and there is still a lack of awareness of governance. which is good so the integrity factor is still questionable.

This type often cannot be detected because the parties working together enjoy the benefits (mutualistic symbiosis). This includes abuse of authority/conflict of interest, bribery, illegal gratuities, and economic extortion. Meanwhile, Delf (2004) added another typology of fraud, namely cybercrime. This is the most sophisticated type of fraud and is carried out by parties who have special expertise and are not always owned by other parties.

In efforts to prevent fraud, several factors can influence such as Law Enforcement, Effectiveness of Internal Control, Information Asymmetry, Procedural Fairness, Ethical Management Culture, and Organizational Commitment. (Mustikasari 2013). Research conducted by Pramudita (2013) suggests that apart from the effectiveness of the Internal Control System, other factors can influence fraud, namely Leadership Style and Suitability of Compensation. (Pramudita 2013). In line with that, Adinda and Sukardi (2015) in their research also stated that Organizational Commitment, Organizational Culture, Effectiveness of Internal Control, Appropriateness of Compensation, and Enforcement of Regulations are factors that influence fraud. (Adinda 2015). Apart from that, it was also added that Distributive Justice and Procedural Justice are factors that can influence fraud.

Monitoring Center for Prevention (MCP)

Monitoring Center for Prevention (MPC) is an integrated application developed by the KPK in 2018(JDIH BPK Team Representative of West Papua Province 2022) to facilitate the monitoring of coordination and supervision efforts to prevent corruption which are operated, one of which is by the Regional Government. The aim of the Monitoring Center for Prevention (MCP) is to encourage Regional Governments to be able to transform values and practices in Regional Governments to create good Governance.

The Monitoring Center for Prevention (MCP) application is an implementation of the Corruption Prevention Program carried out by the Corruption Eradication Commission as per the duties and authority of the Corruption Eradication Commission by article 6 of Law 19 of 2019 which includes preventative, coordinating, monitoring and supervising measures. Corruption prevention efforts from the Monitoring Center for Prevention (MCP) focus on improving Regional Government Governance which includes eight Intervention Areas, namely APBD Planning and Budgeting, Procurement of Goods and Services, Licensing, APIP Capability, ASN Management, Regional Tax Optimization, Regional Asset Management, and Village Fund Management (specifically for Regional Governments in Districts).

Conceptual Framework and Hypothesis Development

The conceptual framework that will be used as a flowchart in the research can be seen in Figure 1.

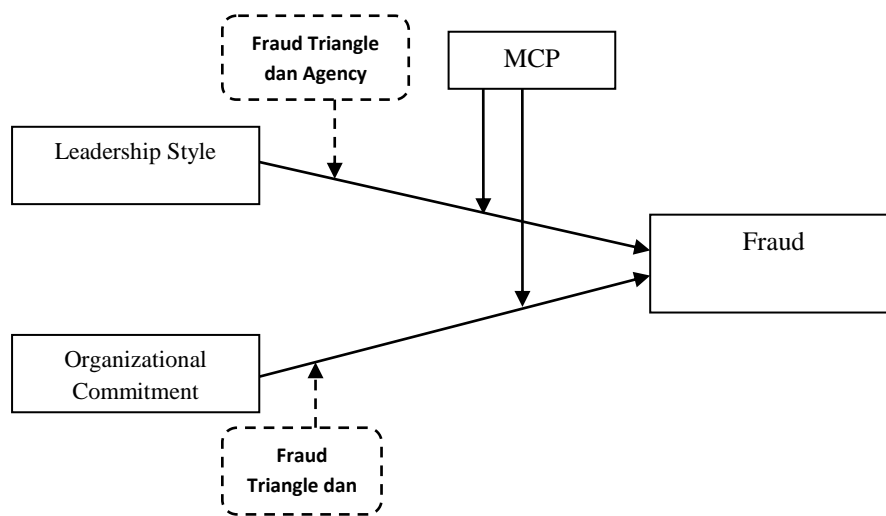


Figure 1. Conceptual Framework for Research

Agency theory assumes that there is information asymmetry, namely unbalanced information caused by unequal distribution of information between the agent and the principal, so that this information asymmetry allows for fraud or fraud by the agent, in this case, the leader. Whereas Cressey (1973) states that there are three causes or triggers for fraud, namely pressure, opportunity or opportunity, and rationalization (Skousen, Smith, and Wright 2009). With these three things, there is a possibility that a leader will commit fraud for his interests. Based on the theoretical basis above, the following hypothesis is formulated:

H1: Leadership style has a significant positive effect on fraud prevention efforts

According to Putra (2020), organizational commitment has a negative and significant effect on fraud. This is by research conducted by Leonard (2020) that organizational commitment hurts fraud tendencies. Cressey (1973) states that three factors can cause fraud, namely pressure, opportunity, and rationalization. Based on this, if organizational commitment is low then it can be said that the motivation of individuals or organizational leaders to be able to provide the best for their organization is also low. So, based on agency theory, there is a tendency for agents to act in their interests so this can be an opportunity for fraud to occur. Based on the theoretical basis above, the following hypothesis can be formulated:

H2: Organizational commitment has a significant positive effect on fraud prevention efforts

Previous research on Corruption Eradication was conducted by Soemitra (2022) who stated that the Surveillance and Prevention Center (MCP) was formed by the Corruption Eradication Committee (KPK) in collaboration with the Ministry of Home Affairs and BPKP to optimize coordination for eradicating corruption in Medan. Furthermore, research by Lutfi (2022) stated that the National Corruption Prevention Strategy (Stranas PK) was very significant in the KPK's collaborative movement as coordinator of the National Corruption Prevention Team with other ministries and institutions to encourage faster, more effective and efficient corruption prevention efforts. (Chairul 2022). Researchers have not found research directly regarding MCP, so researchers are interested in making MCP new in this research.

Based on agency theory (Agency Theory) views that the government as an agent for society (principal) has its interests. This can lead to opportunities for fraud to occur by agents. By what was stated by Cressey (1973) states that there are three causes of fraud, namely pressure, opportunity or opportunity, and rationalization. To minimize the occurrence of fraud, the MCP application is used as a control over the policies and authority of leaders so that they can carry out their duties as they should (Skousen, Smith, and Wright 2009). Based on this theoretical foundation, the following hypothesis is formulated:

H3: The Monitoring Center for Prevention (MCP) significantly strengthens the influence of Leadership Style on fraud prevention efforts.

Previous research on Corruption Eradication was conducted by Soemitra (2022) who stated that the Surveillance and Prevention Center (MCP) was formed by the Corruption Eradication Committee (KPK) in collaboration with the Ministry of Home Affairs and BPKP to optimize coordination for eradicating corruption in Medan. Furthermore, research by Lutfi (2022) stated that the National Corruption Prevention Strategy (Stranas PK) was very significant in the KPK's collaborative movement as coordinator of the National Corruption Prevention Team with other ministries and institutions to encourage faster, more effective and efficient corruption prevention efforts. Researchers have not found research directly regarding MCP, so researchers are interested in making MCP new in this research (Chairul 2022).

H4: The Monitoring Center for Prevention (MCP) significantly strengthens the influence of Organizational Commitment on fraud prevention efforts.

Research Methods

This research is included in quantitative research. Quantitative research is research whose data is quantitative data which is analyzed using quantitative analysis (inference), systematic, planned, and structured from the start until the creation of the research design (Ibrahim et al. 2018). Based on the level of depth in terms of analysis, this research is included in explanatory research. The definition of explanatory research according to Umar is research that aims to analyze the relationships between one variable and another variable or how one variable influences other variables (Ibrahim et al. 2018).

This research was carried out at the NTB Provincial Government with research subjects namely Civil Servants who are in the Regional Apparatus who are responsible for the seven MCP Intervention Areas (MCP Guidelines, 2022), namely at the Regional Development Planning Agency (Bappeda), Regional Financial Management Agency (BPKAD), One Stop Integrated Licensing Investment Service (DPMPSTP), UKPBJ (Goods and Services Procurement Work Unit), Inspectorate, Regional Personnel Agency, Regional Revenue Agency (Bappenda). The research sample was 95 people. This is associated with critical points in Regional Apparatus which have a high chance of fraud occurring according to the Corruption Eradication Committee (KPK) by the Intervention Areas set out in the MCP.

The data collection technique used in this research is a questionnaire. This data collection technique is carried out by giving respondents a set of questions or written statements to answer (Sugiyono 2017). Data was obtained by sending questionnaires directly to employees/functional officials at the regional apparatus responsible for the Monitoring Center for Prevention (MCP) at the NTB Provincial Government. The research instrument is a questionnaire related to research variables, namely leadership style, organizational commitment, fraud prevention, and the Monitoring Center for Prevention (MCP).

Research Result

The method used to analyze data in this research is the SEM-PLS method with the Smart PLS version 4.0 program. The test to test reliability is by looking at Cronbach's alpha value of more than 0.70, composite reliability, and Average Variance Extracts (AVE) which has a value of more than 0.50. From the results of the PLS-SEM Algorithm, it is known that the AVE value for each variable is as follows:

Table 1. Reliability Test Results

Variable	Cronbach's Alpha	Composite Reability	AVE
NO	0.929	0.933	0.637
KO	0.913	0.919	0.701
MCP	0.958	0.960	0.687
P.F	0.824	0.838	0.655

The value of Cronbach alpha for each indicator is more than 0.70. If the Cronbach's alpha is more than 0.90 then reliability is perfect, and if alpha is around 0.70 – 0.90 then the reliability is high, if alpha is between the values 0.50 – 0.70 then the reliability is medium, and if it is less than 0.50 then the reliability is low (Murifah Mardiani Sanakyet. al, 2021). Therefore, it can be seen that the reliability for the GK, KO, and MCP variables is perfect because they have values of Cronbach's alpha more than 0.90, while the PF variable has high reliability.

Next is a test by looking at the value-composite reliability. The general standard for judging-composite reliability in research is <0.70 (Pamungkas, et al., 2019). From Table 1 it is known that each variable has a value of more than 0.70, so the indicators for each variable can be said to be reliable.

The next test is discriminant validity. The discriminant validity test was carried out by looking at the Fornell Lacker table. Fornell Lacker explained that latent variables should have a variance that is more related to the indicator variable than to other variables at the construct level. Meanwhile, cross-loading assesses the level of each indicator (Ghozali, 2016). Below are presented the results of the values from the Fornell Larcker criterion and cross-loadings test using the PLS Algorithm:

Table 2. Fornell Larcker Criterion Values

	NO	KO	MCP	P.F
NO	0.798			
KO	0.789	0.838		
MCP	0.707	0.714	0.829	
P.F	0.779	0.826	0.747	0.809

The first thing that was done on discriminant validity was Fornell Larcker. The correlation between variables must be greater than the others. From the results of statistical tests using Smart PLS 4.0, it was found that all variables had a good correlation.

F-Square

F-testsquare carried out to see the influence of variables at levelstructural. The f-square value is divided into three, the first is the f-square value is 0.02 which means low, the value 0.15 which means moderate, and the value 0.35 which means high (Hair et.al, 2021). Below the researcher describes the f-square value for each variable:

Table 3. F-square value

Variable	F-square
Leadership Style	0.13
Organizational Commitment	0.135
MCP	0.188

leadership style and organizational commitment have an f-value square approaching moderate but still relatively low, namely at values of 0.13 and 0.135. As explained previously, the f-value square includes moderate if more than 0.15. Then MCP has an f-value square 0.188, included in moderate. So it can be concluded that leadership style and organizational commitment have a low influence on the structural model, and MCP has a moderate influence.

R-Square

This research was carried out using smart pls to find out how well exogenous variables can explain endogenous variables. R Value-Squareit can be said to be good if it has a value of more than 0.67, then a value of 0.33 means moderate, and a value of 0.19 is concluded as weak (Ghazali, and Latan, 2015, 78).

Table 4. R-Square Value

R-Square Value	0.78
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The R-value Square from models to leadership styles, organizational commitment to prevention fraud, and MCP as a moderating variable is 0.78. R-Square with a value of 0.78 included in the good category. So it can be concluded that leadership style, organizational commitment, and MCP as moderating variables can explain prevention wellfraud by 78%. Then as much as 22% of prevention was explained by other variables outside the model used in this research.

Q-Square

Q-Square also called predictive relevance because this test is carried out to find out how good the results are from observing the model used in this research and parameter estimates or predictions of the ability to exploit it well, which is carried out using a procedure blindfolding (Ghozali and Latan 2015). Q-valueSquareknown by the following formula:

$$Q\text{-Square} = 1 - (1 - R^2)$$

Therefore, the calculation results for Q-Square as follows:

$$\begin{aligned} Q\text{-Square} &= 1 - (1 - 0.78) \\ &= 1 - 0.22 \\ &= 0.78 \end{aligned}$$

From the results of the calculations above, the value of Q-Square is namely 0.78. So it is known that the value of Q-Square is more than 0, so it is known that the model from this research has predictive relevance.

Hypothesis Testing

The significance value for the two-way hypothesis (two-tailed) with a confidence level of 95% (alpha 5 percent) is 1.96, if the t-statistic value is greater than 1.66 then the hypothesis is accepted. Can also be done by looking at the value p-values namely with alpha 5% (0.05). Therefore, if p-values < 0.05 then the hypothesis is accepted, but if p-values > 0.05 then the hypothesis is rejected. Apart from that, to see the direction and magnitude of the research influence, you can look at the original sample panel. Below the researcher presents the results of the analysis of latent variables in Table 5.

Table 5. Hypothesis Test Analysis Results

	<i>Original Sample</i>	<i>T-Statistics</i>	<i>P-Value</i>	<i>Conclusion</i>
LS→F	0.324	3,155	0.002	Accepted
OC→F	0.336	3,384	0.001	Accepted
LS*MCP→F	-0.373	3,247	0.001	Rejected
OC*MCP→F	0.423	2,541	0.011	Accepted

Hypothesis one explains that leadership style influences the prevention of fraud. After testing, the t-statistics results were $3.155 > 1.96$ in a positive direction, which means that leadership style has a positive influence or strengthens leadership style on prevention of fraud. This positive or strengthening influence can be seen from the values original sample of 0.324, which has a positive value, indicating strengthening. Hypothesis two states that organizational commitment influences prevention of fraud. After testing, it was discovered that organizational commitment influenced the prevention of fraud. This influence strengthens the deterrence of fraud within the OPD scope of West Nusa Tenggara Province. Hypothesis three states that monitoring Center For Prevention (MCP) moderates by strengthening the leadership style towards prevention. The conclusion is rejected because the direction of the influence of MCP on leadership style is negative or weakens the influence of leadership style on the prevention of fraud. Hypothesis four states that the Monitoring Center For Prevention (MCP) moderates by strengthening the organization's commitment to preventing fraud. It was found that MCP influences by strengthening the organization's commitment to the prevention of fraud.

Moderation Effect Test

According to Kenny (Hair et.al, 2021), the interpretation of the moderation effect is divided into low, medium, and high. The moderation effect is said to be low if it is in the 0.005 range, medium if it is in the 0.01 range, and high if it is in the 0.025 range. This value can be seen in the f-square value resulting from moderation. From this explanation, the results of the moderating effect of the influence of leadership

style on fraud and the influence of organizational commitment on fraud are presented, with the Monitoring Center for Prevention (MCP) as the moderating variable.

Table 6. Moderation Effect

	P-Values	F-Sqaure	Information	Conclusion
LS→ F	0.002		Significant	Quasi
LS*MCP→F	0.011	0.116 (High)	Significant	Moderation
OC→F	0.001		Significant	Quasi
OC*MCP→F	0.001	0.102 (High)	Significant	Moderation

The p-value of leadership style on fraud prevention with leadership style after being moderated by MCP on fraud prevention, are both smaller than 0.05, which means they have a significant effect. So MCP moderates the leadership style in preventing fraud, including quasi-moderation. This is because the leadership style before and after being moderated by MCP has a significant influence. With a high moderating effect, namely 0.116 above 0.025.

Likewise, the organization's commitment to fraud prevention, after and before being moderated by MCP, has a significant influence, where a p-value of $0.001 < 0.05$ is obtained. So it can be concluded that MCP moderates the leadership style in preventing fraud, including quasi-moderation. Meanwhile, it is known that the f-square value of MCP moderating organizational commitment is 0.102, so it is classified as a high moderating effect.

Discussion

The Influence of Leadership Style on Fraud Prevention

The test results explain that leadership style has a significant effect on fraud prevention in a positive direction, which means strengthening. Thus, the better the leadership style, the greater the prevention of fraud within the West Nusa Tenggara Province OPD.

Coso in Zulkarnain (2013) explains that the organizational environment at the individual level tends to follow existing regulations in the organization. Meanwhile, leadership style can shape behavior in the individual environment below through every policy and regulation made in the NTB Province OPD. So a good leadership style can create good policies to shape behavior within the NTB Province OPD environment to minimize the occurrence of fraud. Examples include a leadership style that motivates subordinates, whether in the form of giving bonuses, praise, or being firm (Sudibyo, 2020).

Aditya's (2013) research results explain that leadership style can reduce the risk of fraud. Research conducted by Panggabean (2016) and Kurrohman (2017) also explains that leadership style can reduce the possibility of fraud so that efforts to prevent fraud are better.

The more appropriate the leadership style used, the more influence it can have on the apparatus so that they can work more optimally to achieve the goals of the organization and minimize the occurrence of accidents. fraud Judging from the fraud triangle theory proposed by Cressey (1973), there are three triggers for fraud, namely pressure, opportunity, and rationalization. Therefore, in this case, leaders can create policies and use a leadership style that can reduce the three triggers for fraud within the West Nusa Tenggara Province OPD environment. In this way, this is in line with the results of this research, where leadership style is considered to influence fraud prevention.

The Influence of Organizational Commitment on Fraud

The test results show that organizational commitment has an influence on fraud prevention within the OPD of West Nusa Tenggara Province. The higher the organizational commitment, the higher the prevention of fraud.

Employees who have high organizational commitment can influence performance results and can increase their capacity to be able to take action to prevent fraud. This has an impact on increasing the value of preventing fraud within the West Nusa Tenggara Province OPD. The research results obtained are the results of research conducted by Made Ayu Ditha et al. (2020) which states that organizational commitment influences preventing fraud in the procurement of goods at the Badung Mangusada District Hospital. From research, it is known that organizational commitment has a positive influence in preventing goods procurement fraud.

These results show that organizational commitment can help instill honesty, openness, and participation in organizational activities to increase efforts to prevent fraud. Employees who have organizational commitment can also provide loyalty to the organization. This attitude of loyalty makes employees carry out their duties by behaving well towards their place of work, thus helping to reduce the occurrence of fraud in the workplace environment. Anggit (2013) also explained that organizational commitment can provide employees with a loyal attitude toward the place where they work, where this loyal attitude can minimize irregularities that occur and help prevent fraud.

MCP Moderating Influence of Leadership Style on Fraud Prevention

The results show that when MCP moderates leadership style on fraud it has an influence, but the direction of the influence is negative. This shows that MCP weakens the influence of leadership style on fraud prevention.

These results show that when MCP moderates the leadership style, it gives the leaderless authority and room for movement in making policies and decisions. Apart from that, a leader's workload also increases due to several new regulations given by the central government so a leader is more limited in providing policies. This is because the influence of leadership style is decreasing in efforts to prevent fraud, this can even cause the leader's actions in choosing a leadership style to be less appropriate in preventing fraud.

In MCP, leaders are required to carry out new activities and make reports on the results of their inspections. Some activities do not have guidelines because they have not been carried out in previous years. For example, reviewing the adequacy of the Itbansus budget (KPK; BPKP and KEMENHAGRI 2023). This can cause the leader's focus to be divided into carrying out activities that were planned in the previous year (activities in the DPA) so that the implementation of activities carried out to fulfill MCP obligations is not optimal.

MCP Moderates the Effect of Organizational Commitment on Fraud Prevention

The results show that MCP has a significant influence on organizational commitment to the prevention of fraud in a positive direction. The positive direction means that MCP strengthens the influence of organizational commitment in preventing fraud.

In the medium-term strategy promoted by the KPK, there is an achievement plan to be able to create an organizational culture so that integrity and high performance can occur (PPT KPK, 2019). This shows that the Corruption Eradication Commission as the founder of the MCP is trying to further improve performance and integration within the government environment. It will support the creation of higher organizational commitment. Because regulations help shape employees' personalities at work. The MCP

created by the Corruption Eradication Committee can be a way to minimize the occurrence of fraud by the three factors of the fraud triangle theory, namely pressure, opportunity, and rationalization.

With the existing rules in the MCP, it can become a reference to further increase commitment in the organization. Because compliance with the rules is an effort to avoid penalties that might be imposed on individuals who commit fraud (Sumarauw et al. 2023)

Conclusion

This research aims to empirically test the influence of leadership style and organizational commitment on fraud prevention and the Monitoring Center For Prevention (MCP) to moderate it. So, based on the results of the research carried out, the following conclusions can be drawn:

- 1) Leadership style positively and significantly affects fraud prevention in the West Nusa Tenggara Provincial Government.
- 2) Organizational Commitment has a positive and significant effect on fraud prevention.
- 3) The Monitoring Center For Prevention (MCP) moderates leadership style toward fraud prevention in a negative direction. This indicates that MCP weakens the influence of leadership style on fraud prevention.
- 4) Monitoring Center For Prevention (MCP) moderates organizational commitment to fraud prevention positively. This shows that with the MCP, organizational commitment is further strengthened in preventing fraud.

Suggestions

Researchers provide suggestions, including:

- 1) In future research, it is hoped that other variables will be added that can improve fraud prevention, such as law enforcement, effectiveness of internal control, ethical management culture, and so on.
- 2) It is hoped that future research will also test the influence of MCP directly on fraud prevention so that it can be used as material for evaluating the application.
- 3) It is hoped that in future research the research area will be expanded to include all regional governments throughout Lombok Island or all district/city governments in West Nusa Tenggara Province.

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