Fraud Awareness, Internal Control, and Corporate Governance on Fraud Prevention and Detection

Regina Dori Flowerastia[1] Estralita Trisnawati[1*] Herlina Budiono[1]

[1]*Faculty of Economics & Business, Universitas Tarumanagara, West Jakarta 11470, Indonesia*
[*]*Corresponding author. Email:* *estralitat@fe.untar.ac.id*

ABSTRACT

This research aims to determine the effect of fraud awareness, internal control, and corporate governance on fraud prevention and detection on startup companies in Jakarta. The research was conducted by distributing questionnaire to respondents who work on 15 startup companies in Jakarta. A total of 50 questionnaires were returned by the respondents. The sample was determined by convenience sampling method. In this research, validity and reliability test are tested using IBM SPSS Statistics 25, while the outer and inner model are tested using SmartPLS 3.0. The result shows that fraud awareness and corporate governance have no significant effects on fraud prevention and detection, while internal control has positive significant effect on fraud prevention and detection on startup company in Jakarta.

Keyword: Fraud Awareness, Internal Control, Corporate Governance, Fraud Prevention and Detection

1. INTRODUCTION

Fraud cannot be separated from doing business in any industry. All business activities in various industries must have inherent risk or what is commonly known as inherent risk [10]. One startup company, namely Tokopedia, is currently developing rapidly in the Indonesian economy 4.0. also experienced fraudulent behavior. Quoting news reported by Kompas Tekno, TechinAsia, and CNN on August 27, 2018, around 40 Tokopedia employees were terminated from their work relationship, due to the fraud scandal they committed when Tokopedia held a Big Flash Sale to commemorate its 9th birthday in the month last August. This scandal is one of the biggest fraud scandals in the startup industry in Indonesia. Due to the internal audit activities carried out by Tokopedia related to the scandal, some Tokopedia employees found transaction violations against 49 products sold during the flash sale campaign period (Source: www.tekno.kompas.com). The employees are suspected of having colluded to gain earlier access to purchase flash sale items, then resale them at normal prices, after the flash sale period ends. This fraudulent behavior is very detrimental to consumers, because buyers cannot fairly buy cheap goods sold in flash sale campaigns. In other cases, cases of fraud are not only limited to manipulation of data in financial statements and / or abuse of authority by company management, but can also be in the form of misuse of company assets by employees as well as activities of corruption, collusion and nepotism.

Fraud in companies can be mitigated by implementing a system of internal control and good corporate governance, such as the research results of [22] said that "An appropriate number of internal controls in the company have a significant impact on the prevention of fraudulent financial reporting." [9] also said that "corporate governance has a moderate role in preventing and detecting fraud in the UAE and that IT has the same role as traditional fraud prevention and detection techniques.", which means that corporate governance has a moderate role in preventing and detecting fraudulent behavior in the United Arab Emirates (UAE), and information technology also has the same role as traditional techniques for prevention techniques and fraud detection. Apart from implementing adequate internal controls and corporate governance within the company, sensitivity to fraud is also considered relevant as an element to prevent and detect fraudulent behavior in the company. This opinion was reinforced by [20], which stated that some research respondents had a sufficient level of sensitivity regarding fraudulent behavior in companies. However, weak internal control systems and low ethical values (which are one of the benchmarks in the dimension of corporate governance) are the main reasons an entity is at risk of the risk of fraudulent behavior.

Based on the above phenomena that occurred and supported by the results of previous research on the prevention and detection of fraudulent behavior, the researchers were motivated to conduct research on similar topics. However, this research was conducted on startup companies in Jakarta as the subject, which, there has never been any recent research on this subject.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

[4] described three basic elements that describe how someone can engage in fraudulent behavior. These three basic elements are known as The Fraud Triangle. The term Triangle Fraud was first introduced by a criminologist, Donald R. Cressey in the early 1940's. Cressey analyzed three main factors that consistently drive fraudulent behavior. Fraudulent behavior can occur because it is motivated by pressure, opportunity, and rationalization factors. Pressure is a fundamental factor that drives a person to engage in fraudulent behavior. Opportunities or loopholes open to the perpetrator to commit fraudulent behavior. Opportunities can be opened, among others, through low or absent or weak internal control within the company, an overly complex organizational structure, the complexity of company transactions, and ineffective management oversight functions due to impaired independence [8].

2.1. Fraud Awareness with Fraud Prevention and Detection

All business activities in various types of industry face the risk of fraud. Everyone should be aware that in most cases fraudulent behavior comes at a great cost. Many businesses are experiencing a transformation in their business model due to the evolution of digital technology. Although increasing the effectiveness and efficiency of company operations, technology makes fraud risk more complex to deal with [6].

Therefore, a comprehensive strategy that focuses on fraud risk management is essential to reduce the possibility of fraudulent behavior. This can be done by implementing effective internal controls, financial management and supervision of the board of directors and top management, clear policies and standards, effective fraud reporting, fraud awareness training and the application of a high ethical culture, and honesty.

In order for a company to implement effective risk management, an assessment of the risk of fraud is necessary first. Fraud risk assessment is the first step in preventing fraud before fraud takes root [17]. However, to be able to assess a risk of fraud, company management must first have a level of awareness of the existence of fraud itself (fraud awareness). Therefore, having a certain level of awareness regarding the existence of fraud becomes relevant in relation to being able to plan various policies related to the prevention and detection of fraudulent behavior that may arise in the future.

The hypothesis of the model built on is as follows:

Ha1: Fraud Awareness has a significant positive effect on Fraud Prevention and Detection.

2.2. Internal Control with Fraud Prevention and Detection

The implementation of a strong internal control system contributes to the successful achievement of a company [1]. The internal control system plays a crucial role in mitigating the risk of fraud in the company. Fraud can occur because it is motivated by open opportunities, such as weak or absent internal control systems that are implemented in the company [7].

Internal control according to [4] is a policy, practice and procedure designed by the entity's board of directors, management, and other personnel, to achieve four company objectives, namely to protect company assets, ensure fairness and reliability of information. accounting, improve operations, and measure the company's compliance with policies and procedures that have been established by management and or external parties to the company. The concept of internal control refers to the COSO Framework which consists of five components that must be implemented at every level of the company, namely control environment, risk assessment, control activities, information and communication, and monitoring.

The main advantage of implementing an internal control system is that it can provide a reasonable assurance mechanism for the organization to achieve its best performance while enabling the organization to optimally utilize its financial and non-financial resources, and simultaneously protect the organization from various unexpected risks. including the risk of losses from fraudulent behavior in organizations [16]. Having an effective internal control system can strengthen organizational processes, structure and values, increase supervision and supervision, thereby reducing the possibility of errors and fraud such as misappropriation of assets.

According to the [2] [3], the internal control system is one measure of fraud prevention which functions as a company's protective shield to prevent fraud from occurring. Fraud detection, in relation to internal control, will be implemented by companies, if internal control as a fraud prevention measure fails to mitigate the risk of fraud. Fraud detection can be implemented in a number of activities that are in accordance with company policy, such as a whistle blower hotlines system, and involving external auditors to check the compliance and fairness of transactions and company accounting records.

Based on the formulation of the problem in the framework of thought above, the following hypothesis can be formulated:

Ha2: Internal Control has a significant positive effect on Fraud Prevention and Detection.

2.3. Corporate Governance with Fraud Prevention and Detection

One of the most effective and efficient ways to avoid losses due to fraud within a company is through fraud

prevention activities. According to [18], corporate governance determines how a company is regulated through proper accountability for managerial and financial performance. [18] and [11] believe that ineffective corporate governance is associated with the bankruptcy of high-profile companies, such as Enron, WorldCom, and Global Crossing, and have consistently raised questions about integrity and top ethics. excecutives, the existence and effectiveness of the company's internal controls, the reliability of the financial statements, the quality of the work of the internal and external auditors, and the correctness of the company's stock value.

Fraud prevention through corporate governance can be pursued by cultivating a culture of honesty and high work ethics. [24], [14] and [15] revealed that the board of directors of an organization plays an important role in the supervisory function and the implementation of a control system to mitigate the occurrence of fraud, and is responsible for implementing the tone at the top and being a good example for ethical practice in the company. It is not enough just through a good organizational culture, the internal control system that has been implemented by the company must also be supervised through an appropriate and adequate supervisory function. Without an effective

supervisory function, the internal control system that has been built will not be implemented optimally [1]. Through this supervisory function, the company provides initial protection against the possibility of fraud. However, there are times when the control system, supervisory function, and organizational culture are unable to protect the company from fraudulent behavior. Thus, a measure of employee training programs on anti-fraud in corporate governance is needed. Previous studies have proven that, employee training programs on anti-fraud are one of the elements in detecting fraudulent behavior within the company. [21] argues that employee and management training programs related to anti-fraud aim to enable employees to be able to report suspicious activities that indicate fraud. This is one of the most important elements in fraud prevention and detection. Based on the formulation of the problem in the framework of thought above, the following hypothesis can be formulated: Ha3: Corporate Governance, which is described through the subvariable Employees Training Programs, Culture of Honesty, and Appropriate Oversight Function, has a significant positive effect on Fraud Prevention and Detection. The framework of thought in this study is as illustrated in Figure 1 below.
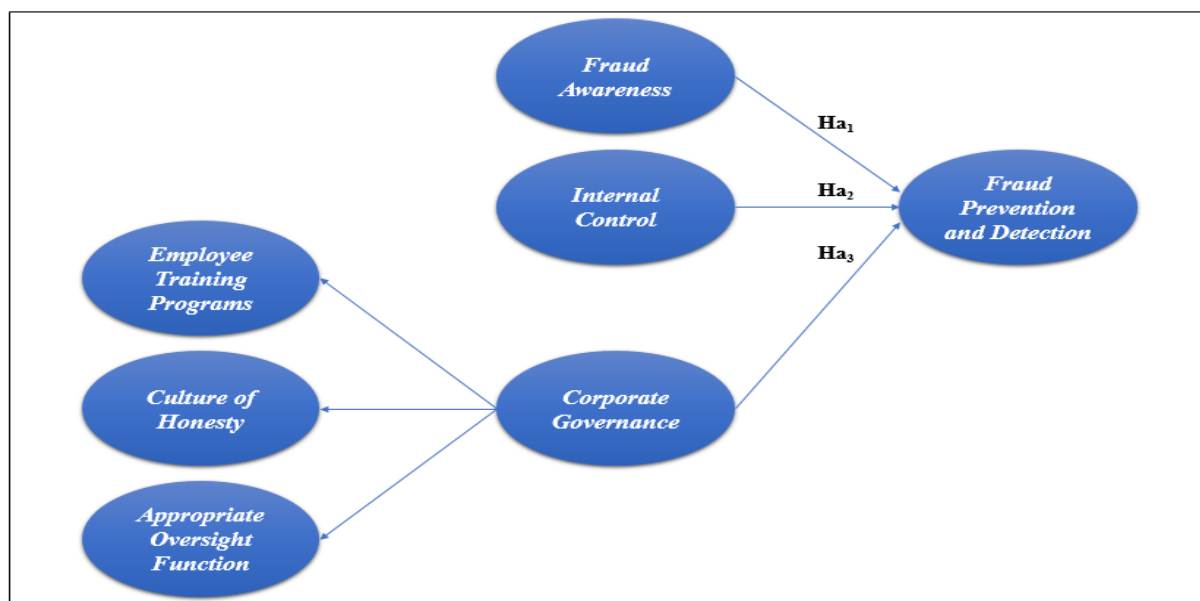

Figure 1 Research Framework

3. RESEARCH METHOD

The subjects of this research are fifteen startup companies in Jakarta, consisting of Tokopedia, Shopee, Lazada, JD.ID, Blibli, Bukalapak, Elevenia, Zilingo, Shipmall, Bizzy Commerce, BrideStory, Travelio, Traveloka, Go-Jek and Grab. The sample selection was done using convenience sampling method. Data collection was carried out by distributing questionnaires to 50 respondents from

various background positions who were able to represent the startup company.

Operational variables in this study consist of fraud prevention and detection as endogenous variables, fraud awareness, internal control and corporate governance as exogenous variables. The corporate governance variable in this study was re-explained by three other subvariables, namely Employee's Training Programs, Culture of Honesty, and Appropriate Oversight Function.

Every variable examined in this study cannot be measured directly. Therefore, the operationalization of the variables

in this study will be carried out using certain indicators. The level of preference for these indicators will be measured using the Five Point-Likert Scale.

Initial validity and reliability testing in this study was carried out using IBM SPSS Statistics 25 software, while testing for the outer model and inner model was carried out using the SmartPLS 3.0 software. Outer model data processing consists of validity and reliability tests, while the inner model consists of the coefficient of determination (R^2), cross-validated redundancy (Q^2), path coefficients, Goodness of Fit (GoF), and hypothesis (t-statistics). In addition, the classical multicollinearity assumption test was also carried out.

4. RESULTS

Descriptive statistical test that describes the summary of respondents' responses in the form of the mean. This study used fifty respondents. The results of the descriptive statistical test showed that 29 respondents were male and 21 were female. The majority of respondents in this study were in the age group under 25 years, had positions as staff with work experience between one and five years. Respondent departments / divisions are divided into 9 categories, namely accounting / internal audit, marketing / promotion / sales / commercial leads, IT systems / IT development, warehouse support, content analyst, supply chain management, people & culture / human capital / human resource, quality control, and all departments.

The results of the data analysis were preceded by conducting a reliability test and a validity test using the IBM SPSS Statistics 25 software. After the other questionnaire items passed the initial reliability and

validity tests, then the data quality measurement test (outer model) was carried out using the SmartPLS 3.0 software. This test proves that all statement items in the questionnaire meet the validity and reliability test because they have Factor Loadings, Cronbach's Alpha, and Composite Reliability values which are greater than 0.7. In testing the inner model, the R^2 value of the fraud prevention and detection variable is 0.418, which means that 41.8% of the fraud prevention and detection variable can be explained by the three exogenous variables. Meanwhile, the remaining 58.2% of endogenous variables can be explained by other variables outside this study.

The results of cross-validated redundancy (Q^2) through blindfolding show that all dimensions and variables used in this study have a Q^2 value above zero so that each indicator used can be declared relevant to measure the value of endogenous variables.

Based on the results of testing the path coefficient value for all independent variables in this study, the path coefficient values for fraud awareness, internal control, and corporate governance variables were respectively -0.012, 0.574, and 0.103. Thus, it can be concluded that the fraud awareness variable has a negative and weak relationship with the fraud prevention and detection variable, the internal control variable has a strong and positive relationship to the fraud prevention and detection variable, while the corporate governance variable has a positive and weak relationship with the variable. fraud prevention and detection.

The result of calculating the value of goodnes of fit is 0.75. This value is greater than the reference GoF value of 0.36, which indicates that the GoF of this research model is large [19]. Thus it can be concluded that the validity of a partial least square path model is declared globally valid.
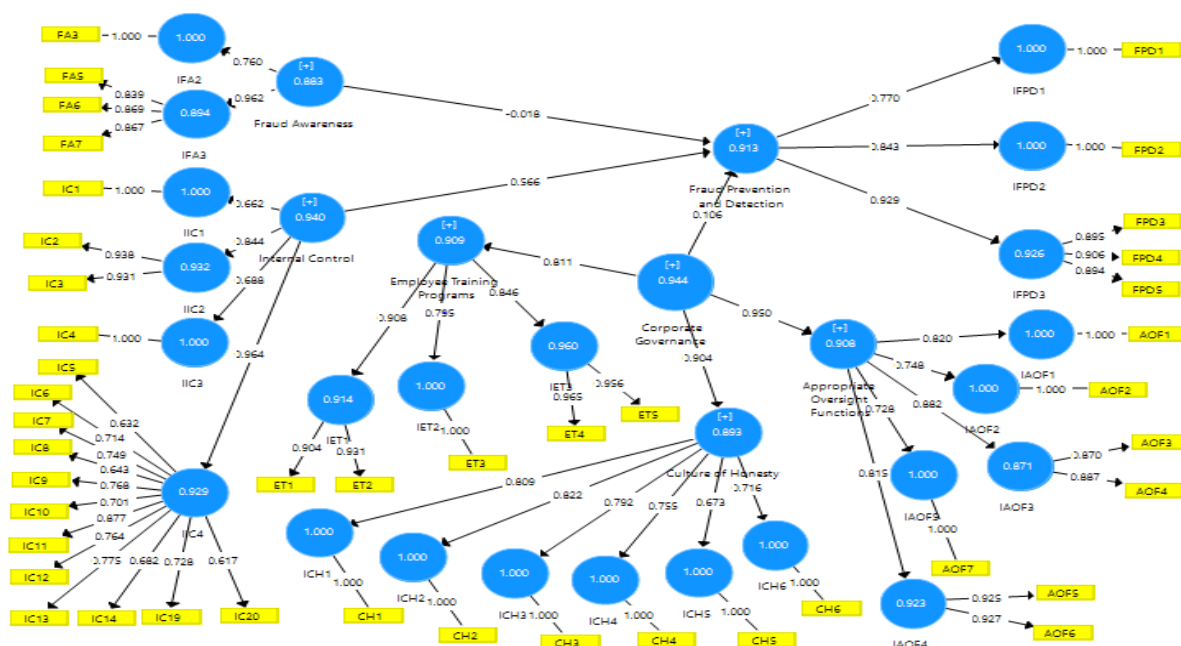

Figure 2 The Results of Data Analysis
Source: Processed with SmartPLS 3.0

Hypothesis testing can be done by observing the magnitude of the t-statistic value possessed by each variable. The level of confidence used in this study is 95%, so the hypothesis in this study can be accepted if the t-statistic value obtained has a value of more than 1.96. Acceptance of the hypothesis can also be seen from the p-values above 0.05 (5%).

Table 1 Bootstrapping Test Results

	Original Sample	T-Statistics	P-Values
Fraud Awareness on Fraud Prevention and Detection	-0,012	0,084	0,933
Internal Control on Fraud Prevention and Detection	0,574	3,607	0,000
Corporate Governance on Fraud Prevention and Detection	0,103	0,526	0,599

Source: Bootstrapping Processing Results with SmartPLS 3.0

The results of statistical hypothesis testing show that the fraud awareness variable does not have a significant effect on the fraud prevention and detection variable so that Ha1 is rejected (unacceptable). The internal control variable has a significant influence on the fraud prevention and detection variable so that Ha2 is accepted (not rejected), and the corporate governance variable described through the employee's training program sub-variables, culture of honesty, and appropriate oversight function does not have a significant effect on the fraud prevention variable. and detection so that Ha3 is rejected (not accepted).

5. DISCUSSION

The first hypothesis has an original sample value or path coefficient in table 1 indicating that the coefficient of the fraud awareness variable is -0.012, which means that fraud awareness has a negative effect on the fraud prevention and detection variable. The t-statistic value generated in the fraud awareness influence model on fraud prevention and detection is 0.084 <1.96, with a p-value of 0.933> 0.05. Thus it can be concluded that the fraud awareness variable does not have a significant effect on the fraud prevention and detection variable so that Ha1 is rejected (unacceptable).

The rejection of this hypothesis (Ha1) shows that there is no significant influence between fraud awareness and fraud prevention and detection in startup companies in Jakarta. This shows that having a certain level of awareness about the existence of fraud and all its risks is not necessarily able to motivate startup companies to increase their effectiveness in implementing fraud prevention and detection activities to mitigate fraudulent behavior that may occur within the company.

The results of this study do not support the results of previous research conducted by [20] regarding the Fraud Awareness Survey of Private Sector in Indonesia. The results of research conducted by [20] stated that the majority of respondents agreed that fraudulent behavior was one of the main problems faced by various businesses in Indonesia and that private companies generally had a sufficient level of understanding about fraud.

However, the results of this study according to the researcher are not completely contradictory to the results of previous research conducted by [20], because the results of the answers to the questionnaire from the respondents who participated in this study also have a similar view to respondents who participated in [20] research.

However, the development of questionnaires that the researchers processed themselves and the distribution of different respondents' answers may be factors that ultimately influence the results of research data processing, so the results of the study say the opposite, that fraud awareness does not have a significant effect on fraud prevention and detection at startup companies in Jakarta.

The second hypothesis has an original sample value or path coefficient in table 1 which shows that the coefficient of the internal control variable is 0.574 which means that there is a strong and positive influence between internal control on the fraud prevention and detection variable.

The t-statistic value generated in the internal control influence model on fraud prevention and detection is 3.607 (> 1.96), with a p-value of 0.000 (< 0.05). Thus it can be concluded that the internal control variable has a significant influence on the fraud prevention and detection variable so that Ha2 is accepted (not rejected).

The results of this study support the research results of [20] in Fraud Awareness Level in Private Companies in Indonesia, which states that the weakness of the internal control system implemented in the company can be one of the main reasons companies are exposed to the risk of fraud. [23] in Internal Controls and Fraud - Empirical Evidence from Oil and Gas Company states that weak internal controls, especially weak control activities in terms of supervision and good documentation processes, contribute to opening up opportunities for fraud in the company.

[1] in Fraud Prevention in Malaysian's SMEs also stated that internal controls have a positive and significant effect on fraud prevention mechanisms. A strong internal control system makes it difficult for fraudsters to commit fraud because it increases the likelihood that fraudsters can be caught. Thus, the results of this study also reinforce the results of previous studies that the stronger the internal control system applied to private companies in running their business, the greater the impact on fraud prevention and detection activities that may occur. This has a positive effect on the company, because the stronger the internal control system is, the lower the chances of fraud risk occurring.

The third hypothesis has the original sample value or path coefficient in table 1 indicating that the coefficient of corporate governance variables is 0.103, which means that

there is a weak and positive influence between corporate governance on the fraud prevention and detection variable. The t-statistic value generated in the corporate governance influence model on fraud prevention and detection is 0.526 (<1.96), with a p-value of 0.599 (> 0.05). Thus it can be concluded that the corporate governance variable described through the subvariable employee's training programs, culture of honesty, and appropriate oversight function does not have a significant effect on the fraud prevention and detection variable so that Ha3 is rejected (not accepted).

The third hypothesis has the original sample value or path coefficient in table 1 indicating that the coefficient of corporate governance variables is 0.103, which means that there is a weak and positive influence between corporate governance on the fraud prevention and detection variable. The t-statistic value generated in the corporate governance influence model on fraud prevention and detection is 0.526 (<1.96), with a p-value of 0.599 (> 0.05). Thus it can be concluded that the corporate governance variable described through the subvariable employee's training programs, culture of honesty, and appropriate oversight function does not have a significant effect on the fraud prevention and detection variable so that Ha3 is rejected (not accepted).

Rejection of this hypothesis (Ha3) shows that there is no significant influence between corporate governance on fraud prevention and detection in startup companies in Jakarta. The results of this study do not support the results of previous research conducted by [7] The results of research conducted by [7] stated that corporate governance has a moderate role in fraud prevention and detection in the UAE, where the supervisory function is an important indicator in achieving company goals, and culture of honesty has a positive influence on fraud prevention and detection, although the effect is weak, the employee training program variable is not further explained in the research results.

The results of this study also do not support the results of the research conducted by [20] regarding the Fraud Awareness Survey of Private Sector in Indonesia, which states that ethical policies and code of conduct are considered the most important risk management processes and fundamental.

The results showed that the three sub-variables used to measure the correlation between corporate governance and fraud prevention and detection did not necessarily mitigate the indication of the risk of fraud in the company. Likewise, implementing a culture of honesty and high work ethics in the company does not mean that it can discourage fraudsters from rationalizing wrong actions. Training employees through anti-fraud programs also does not automatically prevent them from having the desire to commit acts of fraud. As well as enforcing the adequacy of the supervisory function, it also does not mean that companies, especially startup companies, can avoid the risk of fraud. The perpetrator of fraud may still be able to rationalize wrong actions, even though he is already in a very positive work environment.

However, at least, by implementing training on anti-fraud, implementing a culture of honesty, and the adequacy of the supervisory function within the company, it should be able to provide a positive influence to mitigate the risk of fraud that may occur within the company.

Although there are results of previous research conducted by [5] in Determining the Tendency of Accounting Fraud at Government Offices in Grobogan Regency, it is stated that the more ethical organizational culture in agencies, it cannot reduce the level of incidence of accounting fraud. However, researchers still believe that the corporate governance variables described by the employee training program sub-variables, honesty culture, and the adequacy of the supervisory function can contribute, although weak, are influential enough to mitigate the risk of fraud in companies, especially startup companies.

The results of the questionnaire answers from the respondents who participated in this study also had a similar view to the respondents who participated in the research of [20]. However, it is believed that the development of questionnaires that were processed by researchers themselves and the distribution of responses from different respondents was a factor that ultimately influenced the results of research data processing, so the results of the study actually said the opposite, that corporate governance does not have a significant effect on fraud prevention and detection. at a startup company in Jakarta.

6. CONCLUSIONS

The results of testing the data of fifty respondents in this study on fifteen startup companies in Jakarta show that the company's fraud prevention and detection is not significantly influenced directly by fraud awareness and corporate governance but by internal control. The results of this study are in line with the results of previous studies conducted by [20], [1], [12], [23], [13], [22] who agree that a strong internal control system can mitigate the opportunities for fraudulent behavior within the company, both in the form of fraud that is occupational fraud, as well as external fraud originating from outside parties.

There are several advantages and limitations contained in this study. The advantages contained in this research process include (1) the questionnaire was not distributed to just any respondents who could not be accounted for by the researcher, (2) data collection was not limited to distributing questionnaires. The opportunity to interview one of the startup founders, Tommy Liputra, and also one of the supply chain management managers at BliBli, Michelle Gunawan, is an added value in developing minds in this research process. Limitations in this study include (1) the respondent in the research process has a relatively small number, because there is a limited time limit in collecting research data, and (2) there is a foreign language translation, from English to Indonesian, in the process. develop questionnaire questions. This allows there to be questions in the questionnaire that have different interpretations.

Based on the limitations described above, suggestions that can be given for further research include (1) expanding the number of research samples, so that respondents can represent the population in a more representative manner, (2) extending the research period, so that the data collected can be more a lot and research can be done in more depth, and (3) adding other research variables such as the role of internal and / or external auditors, the effectiveness of information technology, and so on, which also have the possibility to explain the dependent variable studied.

REFERENCES

[1] Abdoulaye N'Guilla Sow, Rohaida Basiruddin, Jihad Mohammad & Siti Zaleha Abdul Rasid, (2018). Fraud prevention in Malaysian small and medium enterprises (SMEs). *Journal of Financial Crime, 25 (2)*, 499-517.

[2] ACFE (2014), *Tone At The Top: How Management Can Prevent Fraud in the Workplace*, available at: www.acfe.com/uploadedFiles/ACFE_Website/Content/documents/tone-at-the-top-research.pdf (accessed12December).

[3] ACFE. (2019). *The Fraud Tree*, available at: https://www.acfe.com/fraud-tree.aspx (accessed12December)

[4] Albrecht, *et al*. & Mark F. Zimbelman. (2016). *Fraud Examination*. United States of America: Boston, Cengage Learning.

[5] Chandra, Devia Prapnalia & Sukardi Ikhsan, (2015). Determinan terjadinya kecenderungan kecurangan akuntansi (fraud) pada Dinas Pemerintah se-Kabupaten Grobogan. Jurnal Analisis Akuntansi, 4(3).

[6] EY. (2018). *Global Fraud Survey 2018*. Available at: https://fraudsurveys.ey.com/media/1627/global_fraud_survey_2018.pdf

[7] Girgenti, R. H., and Hedley, T. P., (2011) Managing the Risk of Fraud and Misconduct: Meeting the Challenges of a Global, Regulated and Digital Environment McGraw-Hill Education; 1st edition

[8] Gramling, Rittenberg, & Johnstone. (2016). *Auditing: A Business Risk Approach*. Canada: Cengage Learning.

[9] Halbouni, S.S., Obeid, N., and Garbou, A. (2016). Corporate governance and information technology in fraud prevention and detection: evidence from the UAE", *Managerial Auditing Journal*, 31 (6/7), 589-628.

[10] Hall, James A. (2015). *Information Technology Auditing*. United States of America: Boston, Cengage Learning.

[11] Hogan, C.E., Rezaee, Z., Riley, R.A. and Velury, U.K. (2008). Financial Statement Fraud: Insight from the Academic Literature. *Journal of Auditing Practice and Theory*, 27 (2), 231-252.

[12] Law, P. (2011). Corporate governance and no fraud occurrence in organizations: Hong Kong evidence. *Managerial Auditing Journal, 26 (6)*, 501-518.

[13] Nawawi, Anuar & Ahmad Saiful Azlin Puteh Salin, (2018). Internal control and employees' occupational fraud on expenditure claims, *Journal of Financial Crime, 25 (3)*, 891-906.

[14] Perri, F.S. and Brody, R.G. (2011). The sleeping watch dog: aka the securities and exchange commission. *Journal of Financial Regulation and Compliance, 19 (3)*, 208-221.

[15] Perri, F.S. and Brody, R.G. (2012). The optics of fraud: affiliations that enhance offender credibility. *Journal of Financial Crime, 19 (3)*, 305-320.

[16] Peltier-Rivest, D. and Lanoue, N. (2015), "Cutting fraud losses in Canadian organizations", Journal of Financial Crime, Vol. 22 No. 3, pp. 295-304

[17] PwC. (2018). Global Economic Crime and Fraud Survey. Available at: https://www.pwc.com/gx/en/forensics/global-economic-crime-and-fraud-survey-2018.pdf

[18] Rezaee, Z. (2005). Causes, consequences, and deterrence of financial statement fraud. *Critical Perspectives on Accounting, 16 (3),* 277-298.

[19] Sekaran, Uma & Roger Bougie. (2015). Research Methods for Business: A Skill-Building Approach—Sixth Edition. Italy: John Wiley & Sons Ltd.

[20] Siregar, Sylvia Veronica & Bayu Tenoyo (2015). Fraud awareness survey of private sector in Indonesia. *Journal of Financial Crime*, 22 (3), 329-346.

[21] Tušek, B. and Klikovac, A. (2012), Corporate governance practices in fraud prevention and detection-empirical evidence from Croatia. *International Journal of Management Cases, 14(3),* 59-71.

[22] Zager, Lajos, Sanja Sever Malisa & Ana Novaka (2016). The role and responsibility of auditors in prevention and detection of fraudulent financial