



Fraud Diamond Analysis and Its Effect on Committing Sobis in the Sidrap District

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Abstract. The demographic bonus in Indonesia has entered its peak in 2020 which is dominated by the composition of Generation Z (Gen Z) with a percentage of 27.94% or around 74.93 million people. This figure is expected to be able to contribute in welcoming the growth of economic development through quality young resources in the era of digitalization. However, the existence of the demographic bonus in Sidrap Regency has become a 'pandora' box or unwanted source of problems. The high activity of online fraud, or the Sidrap community calling it *sobis*, has become a job and livelihood for most young people in Sidrap Regency, especially Gen Z Sidrap. This study focuses on the *Fraud Diamond Theory factors*, namely pressure, opportunity, rationalization, and ability that influence Gen Z in Sidrap Regency to do *sobis* as a job. This study uses descriptive quantitative research methods. Data was collected through a survey of 100 Gen Z in Sidrap Regency with criteria for Gen Z who are 12–27 years old, domiciled in Sidrap Regency, and know the phenomenon being studied. The results showed that the four factors from the *Fraud Diamond Theory* (pressure, opportunity, rationalization, ability) also influenced Gen Z Sidrap to do *sobis*.

Keywords: Fraud Diamond Theory · Gen Z · *Sobis*

1 Introduction

The Central Statistics Agency released that Indonesia's productive age population reached 70.72%, this figure showed that Indonesia has entered the peak of the demographic bonus flow [1]. Demographic bonus is defined as a condition when the number of productive population or labor force, aged 15–64 years, is greater than the unproductive population, under 5 years and above 64 years [2]. Gen Z is the dominant generation in the composition of the productive age population with a total of 74.93 million people (27.94%). Meanwhile, Generation Z, also known as iGeneration, the Net Generation or Internet Generation, was born between 1995–2010 [3]. Generation Z was born at a time when the development of IT (Information Technology) is growing rapidly so that it has the potential to become a quality workforce in supporting economic growth in the current era of digitalization and industry 4.0 [4]. In addition, Gen z is also faced with various conveniences so that their fighting power is different from the previous generation which

causes this generation to take everything too easy, get bored easily and don't appreciate the process [5].

Sidenreng Rappang Regency as known as Sidrap is one of the regions in Indonesia that has a fairly high potential for a demographic bonus with a population of 72% productive age [6]. This potential might be an opportunity to create a quality workforce to encourage economic growth, this is actually the opposite because the younger generation, especially Gen z in Sidrap Regency, actually choose sobis or online fraud as a job or livelihood. In previous research mentioned that teenagers in Kalosi Village, Sidrap did sobis, they got 20 teenagers in the Tandru Tedong area, Sidrap [7]. Due to the high activity of sobis in Sidrap district, the Sidrap community rationalizes and considers sobis as a job. The same thing was also revealed in a direct interview with Mr. Fatahullah, one of the community leaders in Sidrap Regency who said that most *sobis perpetrators* were aged 16 to 25 years, besides that the Sidrap community had considered it the work of the Sidrap youths. A survey through a questionnaire was also conducted on 100 gen Z Sidrap aged 15–27 years showing that 58% agree that sobis is a job because many has done it, 80% agree that *sobis* is a job because of the income. 74% have also agreed that the perpetrator of sobis are ranged from teens to people in their 20s.

In Indonesian criminal law, the term sobis is not known, but based on interviews with investigators at the Sidrap Police, it is said that all online fraudulent acts are categorized as sobis. The rules regarding Online Fraud are contained in Article 28 Paragraph (1) of Law Number 19 of 2016 concerning amendments to Law Number 11 of 2008 concerning Information and Electronic Transactions, which reads "Everyone intentionally and without rights spreads false and misleading news and result in consumer losses in Electronic Transactions". Fraud is defined by Bologna, Lindquist and Wells as a criminal fraud that intends to provide financial benefits to the fraudster where a behavior is called fraud if it meets three elements: (1) intentional action, (2) fraud / fraud, and (3) personal gain // group or loss on the other side [8]. Fraud in this case can be detected using the fraud diamond theory which states that a person can commit fraud because it is influenced by four factors, namely pressure, opportunity, capacity, and rationalization [9].

Based on the above phenomena, this study will further examine the analysis of the *diamond fraud theory in the sobis* phenomenon as a Gen Z occupation in Sidrap Regency. Hence, the purpose of this study is to find out what factors from the *Fraud Diamond Theory* that influence Gen Z in Sidrap Regency to do *sobis* as a job. With Benefits, it can be used as a reference for policy making by government agencies and related *stakeholders* to support management programs to improve the quality of young workers. This research can also support the development of science in the form of the latest literature sources for academics, both students, students, and teachers/lecturers covering multidisciplinary sciences, namely socio-economics, law and linguistics. In addition, this research can enrich public discourse regarding the problematics of the *sobis phenomenon* as Gen Z's job in Sidrap Regency, how to prevent oneself from becoming a victim or perpetrator of *sobis*, can be a reference and motivation to be more aware and concerned about the problems in society.

2 Method

This research uses quantitative research with survey method. The population in this study is Gen Zs who lives in Sidrap Regency with a sample of 100 Gen Z as respondents in this study. Determination of the sample is done by using a non-probability sampling technique using purposive sampling or setting criteria, namely: 1) Gen Z aged 12–27 years, 2) domiciled in Sidrap Regency, 3) Knows the sobis phenomenon. In addition, to support the research, data was collected through literature reviews through previous research journals, mass media, and various other supporting literature. The data analysis technique used is descriptive statistics. According to Sugiyono, descriptive statistics are statistics used to analyze data by describing or describing the data that has been collected. This technique is used to manage data, classify data, and present data using descriptive calculations, the classified data is then presented in the form of a frequency distribution table [10]. The data obtained from the field survey was then analyzed using statistical methods with the help of the Statistical Package for Social Science (SPSS) software to speed up calculations. In this study using IBM SPSS 21. The assessment carried out by respondents is using a nominal scale where the answers to be given by respondents will vary greatly, which has gradations from agree, disagree, and do not know.

3 Results and Discussion

3.1 *Sobis* ia a Fraud

An action is called fraud if it fulfills three elements: (1) deliberate action, (2) cheating or fraud, and (3) profit private, group or losses on the other [9]. There is some elements of fraud are as follows:

- There is someone who is persuade or moved to surrender an item. The goods or money are handed over by those who have it by way of deception
- The fraudster intends to benefit himself or others without rights. From that purpose it turns out that the aim is to harm the person who surrenders the item.
- Those who are victims of fraud must be mobilized to hand over the goods by: Submission of goods must be result of deception and fraudster must deceive the victim with a regulate mind.

From the result shown that majority agreed *sobis* is deliberate action (80%), cheating or fraud (96%), have profit private or losses on the others (68%). *Sobis* fraud pattern is carried out by utilizing the psychological condition of the victims through rhetoric that makes the victims easy to believe, giving time pressure, and isolating communication so that the victim can be influenced in short time with various methods such as online buying and selling fraud, online loans, fake job vacancies, using means such a through sweepstakes, SMS, Facebook, telephone, etc [7].

As a Fraud, the cause of someone committing *sobis* can be identified using the Fraud Diamond Theory. Fraud Diamond Theory said there are four-factor that affects someone to commit fraud, namely pressure, opportunity, capability, and rationalization (Caroline, 2022) (Fig. 1).

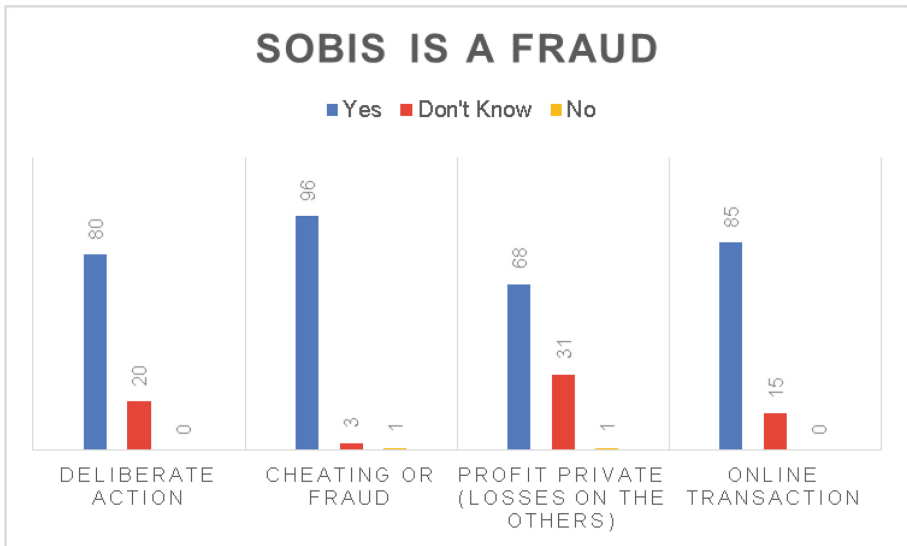


Fig. 1. Perception of Sobis is a fraud

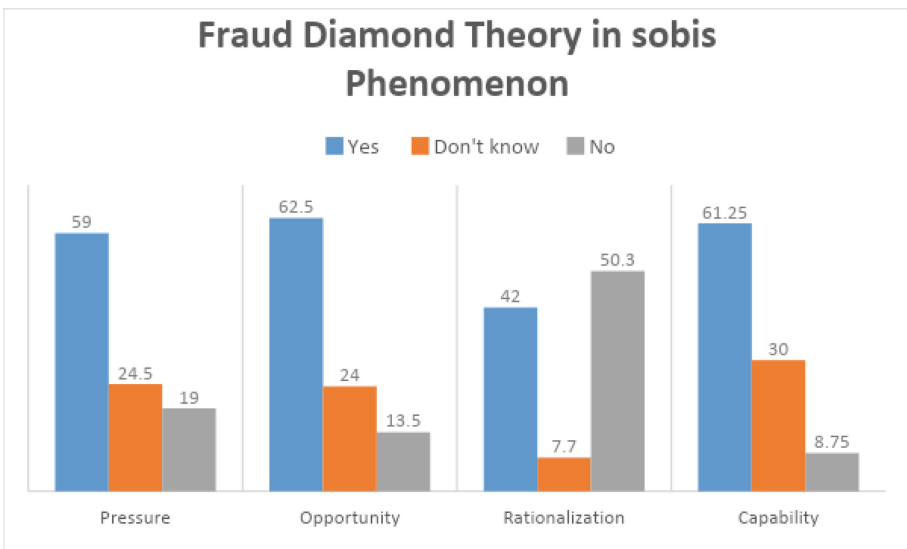


Fig. 2. Perception of Fraud Diamond Theory in Sobis Phenomenon

Through the survey, the result obtained that respondents agreed that the four Fraud Diamond theory factors influenced the Gen Z Sidrap doing sobis as a job with a tendency to answer much influenced by opportunity factor (62,5%), then capability factor (61,25%), pressure (59%), and rationalization factors (42%) (Fig. 2).

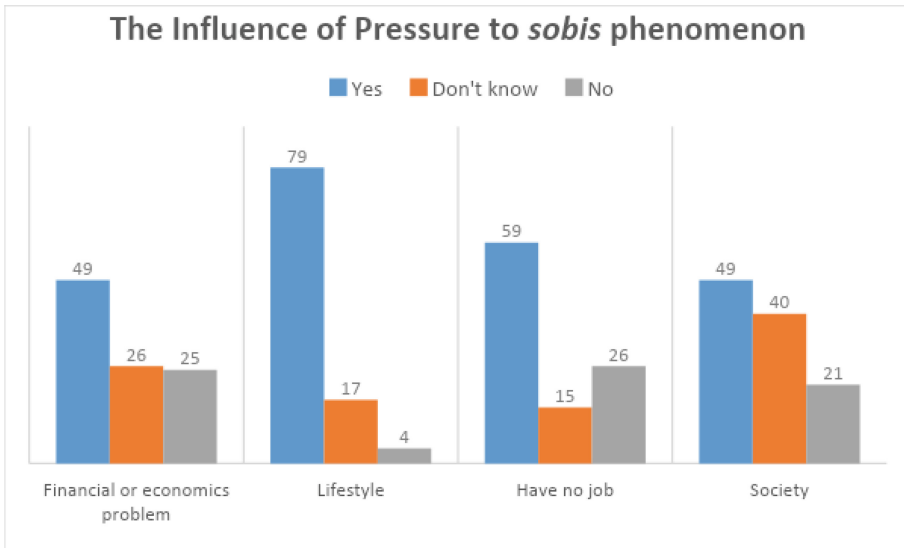


Fig. 3. Perception of the Influence of Pressure to *Sobis* Phenomenon

3.2 The Influence of Pressure Factor to Phenomenon *Sobis* as Gen Z SIDrap’s Job

Pressure affects fraud [11]. Based on the statement on Auditing Standards (SAS) No. 99, four kinds of pressure condition that cause someone to commit fraud are financial stability, external pressure, personal financial need, and financial target [12]. Personal financial need shows from the desire of Gen Z Sidrap to be looks trendy throug the need for exclusive goods to meet their lifestyle. Gen Z behavior is justified by the Shelf, are who finds that they will justify various methods for upgrading their income so that they could buy the desired product without the consideration of high prices; he also explains that clothing has become the number one thing in the list for Gen Z shopping [13]. This research result also shown that the biggest pressure that influenced Gen z doing *sobis* as a job is because their lifestyle (79%).

Another pressure appears from external pressure in the form of difficulty of getting an occupation (49%) (Fig. 3). Besides that, the weak economy and problems with finances that are not stable (49%), and financial stability and external pressure affected fraud [8].

3.3 The Influence of Opportunity Factor to Phenomenon *Sobis* as Gen Z Sidrap’s Job

Research results also showed that opportunity factor affects gen z sidrap to do *sobis*. Disclose that opportunity plays a big role in fraudulent behaviour. Opportunity by partial takes a positive and significant effect on fraud (Fig. 4). Based on the statement on auditing standards (sas) no. 99, opportunity factor in influenced by three conditions there are nature of industry, effective monitoring, and organizational structure [14]. Some of opportunity factor like ineffective monitoring (83%) and sidrap people who

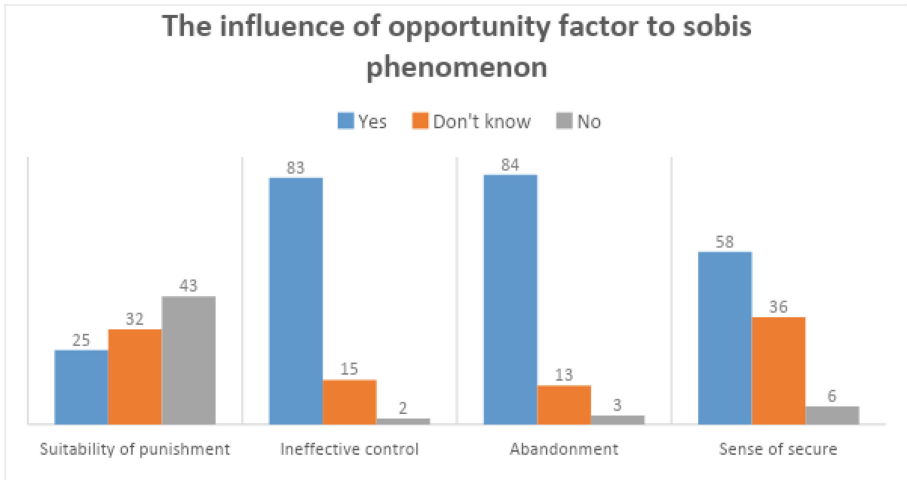


Fig. 4. Perception of the Influence of Opportunity Factor to Sobis Phenomenon

seem abandonment sobis as a fraud act (84%) that lead sense of security gen z sidrap to doing sobis as a job. The increase in fraud cases is attributable to ineffective control in organizations and societies, which creates opportunities for individuals to commit fraud. [15].

3.4 The Influence of Rationalization Factor to Phenomenon Sobis as Gen Z Sidrap’s Job

The result shown that gen z sidrap in doing sobis as a job also influenced by rationalization factors. Rationalization becomes important in fraud where the perpetrator defends they behaviour is right [12]. The survey show that respondents admit that people of sidrap recognize sobis as a job because it generates income (80%) and because many sidrap’s people doing sobis. Crime can take place when an individual is bound into a culture, subculture, or group that actively encourages or tolerates criminal behavior [16].

Survey also show that respondent rationalize *sobis* as a job, but they also admitted that *sobis* is lawlessness (99%), ethically *sobis* is a bad or wrong act (97%), and sobis is very harmful (80%) (Fig. 5).

3.5 The Influence of Capability Factor to Phenomenon Sobis as Gen Z Sidrap’s Job

Capability has a positive and significant effect on fraud. This research result identified that capability factor also one of the four fraud diamond theory that influenced gen z sidrap to do sobis as a job [17]. Gen z sidrap admitted that they have some basic skills such as language and ommunication skill (75%), using technology (73%), dan mastering many accents (60%) that can support their success in doing sobis. Purwanto et al (2019) revealed that employees who have intelligence and creativity have a high chance of committing fraud.

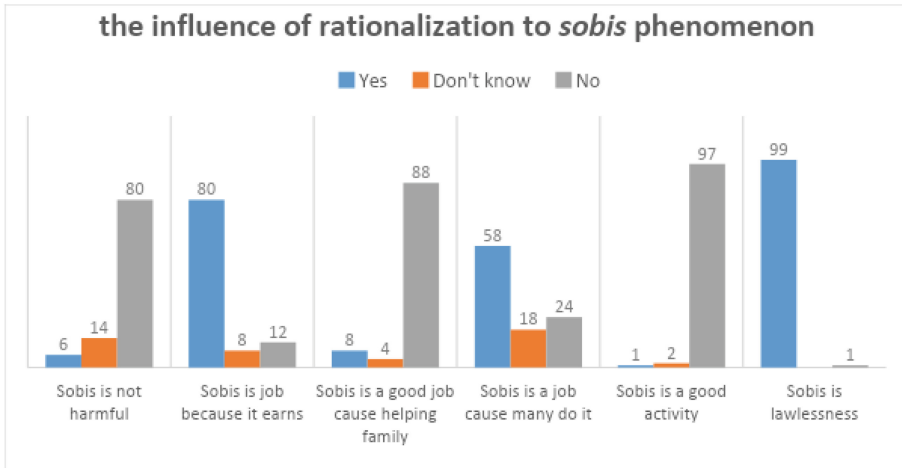


Fig. 5. Perception of the Influence of Rationalization to Sobis Phenomenon

4 Conclusion

Based on the results of data analysis, it can be concluded that four *Fraud Diamond Theory* factors consisting of pressure, opportunity, rationalization, and *capability* affect Gen Z Sidrap in committing *online fraud* or *sobis* as a job. The results of the analysis showed that the cause of Gen Z Sidrap to do *sobis* is dominated by the opportunity factor from the *Fraud Diamond Theory*. In addition, the results also showed that Gen Z Sidrap rationalizes *sobis* as a job, but they also recognize that *sobis* is ethically and morally bad.

The results of the study can be used as a reference for policy making by several parties such as youth organizations, the Education Office, Youth Sports and Tourism Office, as well as the UKM and Manpower Cooperatives Office in Sidrap Regency to carry out preventive efforts to improve the quality of human resources through several forms of policy recommendations such as improving the character of youths of Sidrap from an early age through the interactive introduction of various professions that become the compulsory curriculum for independent learning in schools from the elementary school level, providing training based on *focus skill improvement* to Sidrap youth, as well as *skill development* through apprenticeship programs or street vendors for Sidrap youth in collaboration with MSMEs in the Sidrap District.

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