

Motivation to Do Fraud and Factors that Influence It at Pt.Bkk Central Java Sragen Branch

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Abstract: This study aims to analyze the factors that motivate someone to commit fraud at PT BKK Central Java Sragen Branch. The sample used in this study is the saturated sampling method, meaning that the entire population sampled is 70 people. The data analysis in this research is multiple linear regression analysis which is processed with IBM SPSS 23 program. The results of the analysis state that: (1) the variable of compliance with accounting rules has a significant effect on motivation to commit fraud; (2) the internal control system variable has no effect on the motivation to commit fraud; (3) the information asymmetry variable has no significant positive effect on the motivation to commit fraud; (4) individual morality variables have a significant effect on motivation to commit fraud; (5) the variable of unethical behavior has a significant positive effect on the motivation to commit fraud; (6) the compensation suitability variable has a significant effect on the motivation to commit fraud.

Keywords: Fraud

I. INTRODUCTION

Fraud or fraud is a deliberate mistake. In relation to the scope of accounting, fraud or fraud is conceptually a mismatch of accounting procedures that should be applied in the entity. This certainly affects the financial statements presented by the company. In addition, this is also something that is currently being discussed in Indonesia. Fraud involves the intentional misrepresentation of facts and or is intended to obtain illegal economic benefits or to obtain untrue information.

False and willful statements or certain conditions that are hidden from material facts that can influence other people to act or do something that can cause them harm, are generally wrong but in some cases (especially intentional) this can be a crime. A misrepresentation or misstatement that without calculation or carelessness and without belief will cause or influence another person to do or act something. The occurrence of a loss as a result of knowing a false statement or information (wrong statement), presentation without calculation/carelessness, or concealment of material facts that make other people affected by actions or actions that can cause harm.

Accounting fraud according to the explanation of the IAI (Indonesian Institute of Accountants) (2016), which among others arises from financial reporting that contains fraud in the form of intentional omission or misstatement of disclosures or amounts in financial statements for the presentation of the use of financial statements and the emergence of these misstatements from improper treatment should be on assets (often called misappropriation or embezzlement) related to the theft of company activities which resulted in the failure to present financial statements such as accounting regulations in Indonesia.

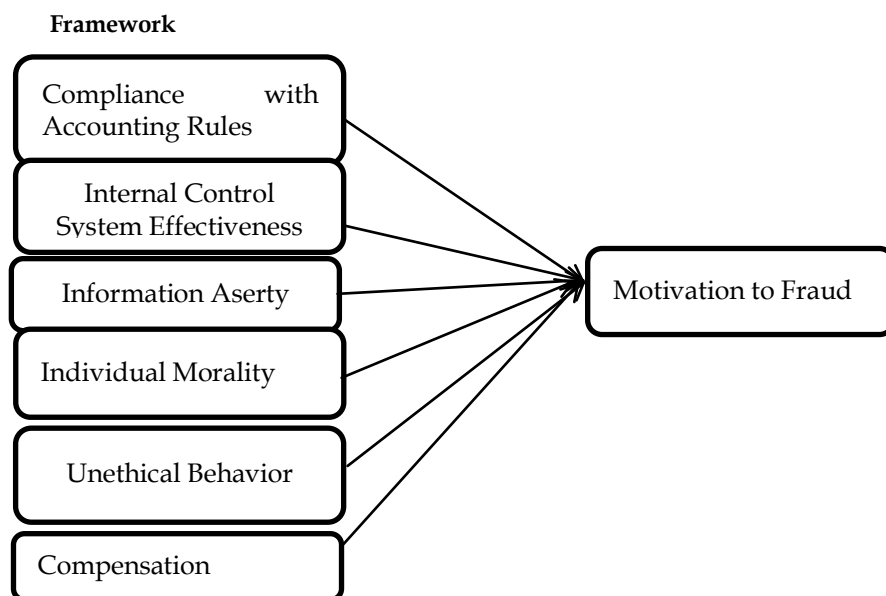
There are three branches of types of fraud classified by ACFE (Association of Certified Examiners), which include fraudulent statements (fraudulent financial statements), corruption (corruption), and asset misappropriation (misappropriation of assets). This asset misappropriation includes embezzlement of property or assets of the entity or other parties. This form of fraud is the easiest to detect because it is defined value (can be calculated/measured) or tangible. Fraudulent statement includes an action that executives or officials of government agencies or companies take with the aim of covering up facts related to financial conditions through financial engineering or financial engineering in the financial statements presented in order to make a profit or may also be termed window dressing. Lastly, namely corruption, this is classified as fraud whose type is not easy to find because it involves the cooperation of other parties such as corruption and bribery, where this is the most common type in developing countries where there is a lack of sense of good governance and weak law enforcement so that the integrity factor is still questionable. (Christopher, 2010).

The theory presented by Cressey (in Antarwiyati and Purnomo, 2017) regarding the motivation of individuals to carry out fraud obtained facts related to the fraud triangle theory, namely each fraud that occurs is influenced by the presence of opportunity/opportunity, justification/rationalization, and the presence of encouragement / pressure (motivation / pressure).

Agency theory from Jensen and Meckling (in Indriastuti, et al. 2016) can be used to explain the emergence of problems in agency relationships. One of them is the problem arises when the goals or what the agent wants with the principal are not the same, and when the principal has difficulty tracking down what the agent is actually doing. If these two seek to optimize their own utility, and have dissimilar motivations and desires, the agent will not continue to act as the principal wants. The unequal utility, motivation, and desire between subordinates and superiors can trigger accounting fraud.

In addition, agency problems can arise because the principal has difficulty tracing what the agent actually does. This condition is called information asymmetry. This accounting fraud can also be triggered by a substantial factor, namely the morale of the apparatus (individual). The morality of the apparatus in this case will determine the tendency for accounting fraud to occur in the company or organization. The theory of moral development that is commonly used in relation to ethical judgment is the Kohlberg model. Accounting fraud is influenced by factors such as: (1) compliance with accounting rules which can be interpreted as an act of complying with the rules, while the rules are actions or ways that have been determined where it must be obeyed or carried out. One of the few rules set by the company is the accounting rules. The contents in it include financial reporting with reference to PSAP based on the rules regarding SAP in Government Regulation Number 71 of 2010. The availability of information in financial reports is very necessary for the public, and managers so that the contents must be trusted.

(2) the effectiveness of the internal control system, internal control as explained by the Indonesian Accounting Association/IAI (2016), namely the procedures carried out by management, leadership, and other personnel of the organization designed with the aim of providing adequate provisions regarding the achievement of objectives, in the form of compliance compliance with existing laws and regulations, efficiency and effectiveness of operations, and reliability of financial reports. The effectiveness of this internal control consists of an organizational structure as well as tools and methods that are coordinated to be used within the company to assist in maintaining compliance with administrative priorities that have been previously established, promote efficiency in operations, and to maintain the security of company assets (Baridwan, 2011). 2009). (3) information asymmetry, namely a situation where the information obtained is not balanced between the information agent or facilitator, namely the trust holder (executive / local government) through the principal or information user, namely the trust party (legislature, people's representatives, and the community) (Scott, 2009). (4) Individual morality as stated by (Nurdin, in Ramadhan, et al. 2016) namely the desire to follow one's conscience who is aware that this is a neutral obligation. In relation to the situation in the form of information asymmetry that appears and elements of internal control in the organization that do not exist, then a person with low levels of moral reasoning will tend to take advantage of this situation in order to fulfill his personal interests (self-interest), for example behavior involving fraud. accountancy. (5) Unethical behavior is an action against social norms which are generally accepted, this also involves harmful or beneficial actions (Griffin and Ebert, in Mustika, et al. 2016). Unethical behavior includes behavior without doing anything, abuse of resources or abuse of resources, abuse of power or abuse of power, and abuse of position or abuse of position (Robinson, in Hasanudin and Pangayow, 2016). (6) Compensation Suitability can be interpreted as a fraudulent act by an individual because of his desire to increase his personal benefits. This activity is driven by a person's dissatisfaction with obtaining rewards from his work. The suitability of information will be expected to suppress the desire to act fraudulently. Because if there is employee dissatisfaction with the receipt of compensation, it will have an impact on the organization. This means that if this dissatisfaction is not carried out properly, then each employee expresses his desire to obtain appropriate compensation. Compensation given appropriately to employees can motivate and satisfy employees in carrying out their work, thereby spurring them to be maximal in working for their company (Gibson, et al., 1997)



Referring to the previous explanation, it is found that the study aims to analyze the effect of compliance with accounting rules, effectiveness of internal control systems, information asymmetry, individual morality, unethical behavior, suitability of compensation on motivation to commit fraud.

II. RESEARCH METHODS

Implementation of research at PT.BKK Central Java Sragen Branch. Quantitative research is defined as this type of research. All employees who work at PT.BKK Central Java Branch Sragen with a total of 70 people consisting of 5 cash offices namely Connectionmacan, Mondokan, Gesi, Sumberlawang and Ngrampal were used as the population of this study. Saturated sampling method is used as the research method. The sample of this research is all employees at PT.BKK Central Java Sragen Branch. The source of this research data is temporary primary data to obtain data from the answers to questionnaires distributed to all employees at PT.BKK Central Java Sragen Branch.

Motivation to commit fraud is the dependent variable of this study. While the independent variables include the effectiveness of the internal control system, compliance with accounting rules, individual morality, information asymmetry, unethical behavior and compensation suitability.

The research data were analyzed through descriptive analysis in order to provide a description of the data from the data instrument test which included validity tests, reliability tests. While the use of the classical assumption test of this study is the normality test, multicollinearity test and heteroscedasticity test. To test the hypothesis of this study using the coefficient of determination (R^2), multiple linear regression analysis, simultaneous test (F test) and partial hypothesis testing (T test).

III. RESEARCH RESULTS AND DISCUSSION

Respondents in this study were all employees of PT BKK Central Java Sragen Branch which consisted of 5 cash offices of Connectmacan, Mondokan, Gesi, Sumberlawang, Ngrampal with a total of 70 respondents. Collecting data using a questionnaire link distribution system to all employees at PT BKK Central Java Sragen Branch via googleform. The rate of return of the questionnaire was 70 questionnaires or all questionnaires were returned.

Based on the data obtained, the majority of employees at PT BKK Central Java Sragen Branch were dominated by women by 54.3% and men by 45.7%. 41.4%. Meanwhile, based on the level of length of work the most, namely >5 – 10 years with a percentage of 35.7% and based on the highest education dominated by Strata 1 (S1) graduates as many as 81.4%.

Based on the descriptive analysis test, it was obtained that the compliance with accounting rules had a mean of 3.8964 and a total of 0.6145 for the standard deviation, while the minimum value was 3.7571 with a total of 3.9714 for the maximum value. The internal control system has a mean of 3.9179 and a total of 0.6080 for the standard deviation, while the minimum value is 3.8143 with a total of 4.0857 for the maximum value. Information asymmetry has a mean of 3.9667 and a total of 0.781 for the standard deviation, while the minimum value is 3.7714 with a total of 4.029 for the maximum value. Individual morality has a mean of 3,800 and a number of 0.7820 for the standard deviation, while the minimum value is 3,700 with a number of 3,9914 for the maximum value. Unethical Behavior has a mean of 3.9914 and a number

of 0.8053 for the standard deviation, while the minimum value is 3,800 with a total of 4,200 for the maximum value. The compensation suitability has a mean of 4.3486 and a number of 0.6033 for the standard deviation, while the minimum value is 4.2857 with a total of 4.4143 for the maximum value. Motivation to commit fraud has a mean of 3.7972 and 0.7431 for the standard deviation, while the minimum value is 3.5286 with a total of 4.1143 for the maximum value.

In the data instrument test, namely the validity test, there are 40 statements that are declared valid, because the value of $r_{count} > r_{table}$ (0.235) and $p\text{-value} < 0.05$. Then the reliability test in calculating the Cronbach's Alpha value was obtained from the accounting rule compliance variable of 0.789, the effectiveness of the internal control system was 0.847, information asymmetry was 0.789, individual morality was 0.847, unethical behavior was 0.789, compensation suitability was 0.847 and motivation to commit fraud was 0.847. So it can be said to be reliable because Cronbach's Alpha is worth more than 0.60.

Through the Kolmogorov-Smirnov test (K-S) with SPSS 23, the normality test results obtained in the form of P-Value $0.200 > 0.05$, so from this, it can be concluded that the residual value is normally distributed. For the multicollinearity test, the tolerance value obtained from calculations using IBM SPSS 23, namely the KAA variable of 0.796, the SPI variable of 0.821, the AI variable of 0.703, the MI variable of 0.921, the PTE variable of 0.828 and the KK variable of 0.814. This means that the test results of the six variables have a value exceeding 0.10 so that multicollinearity does not arise.

The heteroscedasticity test was reviewed based on the glacier test by regressing the absolute residual value on the independent variables. The sig from the IBM SPSS 23 test is that the KAA variable is 0.072, the SPI variable is 0.171, the AI variable is 0.366, the MI variable is 0.279, the PTE variable is 0.514 and the KK variable is 0.992. Because the sig of the six variables exceeds 0.05 or it is said that the entire independent variable is heteroscedasticity.

Multiple linear regression analysis was used to test the hypothesis of this study and was calculated using SPSS version 23. This analysis was used to prove the hypothesis in this study that there is an influence between the independent variables on the dependent variable. The calculation of multiple linear regression analysis is obtained, namely:

$$Y = 20,982 + (-0.261)X_1 + (0.138)X_2 + (0.151)X_3 + (-0.462)X_4 + (0.5055)X_5 + (-0.301)X_6$$

Referring to the previous analysis, the regression equation can be seen, namely: The value of constant (a) is positive, which is 20,982 which means that if the other variables are considered constant then the KAA variable is -0.261, SPI 0.138, AI 0.151, MI -0.462, PTE 0.505 and KK -0.301. So it can be concluded that if the value of the variable is positive, it has a significant effect on motivation to commit fraud and the negative variable on motivation to commit fraud has no effect. The calculated R^2 test results obtained the value of Adjusted $R^2\text{Square} = 0.521$ or the influence of the independent variables namely KAA, SPI, AI, MI, PTE, and KK on the dependent variable, namely MME (Y) which is 52.10% while the other half ($100\% - 52.10\% = 47.9\%$) is influenced by variables that are not studied, while for the F test, because it is obtained that F is 13,523 and sig is 0.000, it can be concluded that this model is feasible to use.

Based on the results of the t-test using the IBM SPSS version 23 program, it shows that:

- a. The Effect of Compliance with Accounting Rules on Motivation to Fraud
The results obtained that the value of $t_{count} -3.618 > t_{table} 1.67$ (t_{table} can be worth - can also be worth +), and a significance value of $0.001 < 0.05$ then the acceptance of the first hypothesis (H1), which means that the variable Compliance with Accounting Rules on Motivation to Fraud have a significant influence.
- b. Effect of Internal Control System Effectiveness on Motivation to Fraud
The results obtained t_{count} with a value of $1.595 < t_{table} 1.67$ and a significance of $0.116 > 0.05$ or the rejection of the second hypothesis (H2), which means that the variable of Internal Control System Effectiveness on Motivation to Fraud has no effect.
- c. The Effect of Information Asymmetry on Motivation to Fraud
Referring to the data analysis, it was found that t_{count} with a value of $1.856 > t_{table} 1.67$ and a significance of $0.068 > 0.05$ or the acceptance of the third hypothesis (H3), or the variable Information Asymmetry on Motivation to Fraud has an effect but is not significant.
- d. The Influence of Individual Morality on Motivation to Fraud
The results obtained $t_{count} -3.253 > t_{table} 1.67$ ($t_{table} -1.67$) and a significance value of $0.002 < 0.05$, then the acceptance of the fourth hypothesis (H4), or the individual morality variable on the motivation to commit fraud has a significant effect.
- e. Influence of Unethical Behavior on Motivation to Fraud
The results obtained $t_{count} 5.090 > t_{table} 1.67$ and a significance value of $0.000 < 0.05$ then the acceptance of the fifth hypothesis (H5), or the variable Unethical Behavior on Motivation to Fraud has a significant effect.
- f. The Effect of Compensation Suitability on Motivation to Fraud

Based on the results of the analysis, it was found that $t_{count} -2.451 > t_{table} 1.67$ ($t_{table} - 1.67$) and a significance value of $0.017 < 0.05$, so the acceptance of the sixth hypothesis (H6), or the variable Suitability of Compensation Against Motivation to Fraud has a significant effect.

The analysis obtained results, namely: first, Compliance with Accounting Rules on Motivation to Fraud has a significant negative effect. The results of this study identify that in the variable of obedience to accounting rules with the existence of consistent guidelines in the presentation of financial statements according to the rules that exist in the company. If a company improves the guidelines for compliance with accounting rules so that a company will not commit fraud when presenting financial statements according to the guidelines, therefore the more obedient to accounting rules in a company, the chances of accounting fraud arising in the company will also be lower. These results are in line with the results of Arista, et al. (2015), Sulaiman and Zulkarnaini (2016), Aswad, et al. (2018), and Widiutami et al. (2017).

Second, the effectiveness of the internal control system on the motivation to commit fraud has no effect and is not significant, so the hypothesis in the form of the effectiveness of the internal control system has no effect on the motivation to commit fraud. These results explain that when there is no effective control owned by the company, then this internal control cannot be used to reduce fraud that will be carried out by the company's employees. The more ineffective implementation of internal control, the higher the chances of accounting fraud. This study obtained results that are in harmony with research from Indriastuti (2016), Widiutami (2017), Mustika et al (2016), The implication of this research is that the leadership should provide appropriate sanctions to every employee who violates the laws and regulations of PT.BKK Central Java Sragen Branch.

Third, Information Asymmetry on Motivation to Fraud has a positive but not significant effect. The emergence of information asymmetry between leaders and employees can be identified through supervisory activities and monitoring from internal auditors can be used to suppress information asymmetry for leaders and employees. Referring to the respondent's answers, the result is that the majority of respondents are more likely to be neutral and understand all information regarding the process or steps to prepare financial statements, or it means that there is no information asymmetry because there is no information gap between leaders and employees. The results of this study are in line with the results of Korompis et al. (2017), Husnawati, et al. (2017), Antarwiyati and Purnomo (2017), and Indriastuti, et al. (2016). The implication of this research is that parties outside the company in relation to work in the accounting field, it is also necessary to know all information regarding company transactions and their impacts, either directly or indirectly.

Fourth, individual morality on motivation to commit fraud has a significant negative effect, so it is hypothesized that individual morality has a significant effect on motivation to commit fraud. These results explain that the higher the individual organization's morality in an entity, the lower the chances of accounting fraud arising in that entity. If employees in making decisions to prepare financial statements against the regulations in the company will be subject to sanctions, the chances of committing fraud tend to be low. These results are in line with research from Bestari, et al. (2016), Indriastuti, et al. (2016), and Korompis, et al. (2017).

The fifth unethical behavior on motivation to commit fraud has a positive and significant effect, therefore it is hypothesized that unethical behavior has a positive and significant effect on motivation to commit fraud. This result explains that if there is no direct warning in a company for violators of the rules, the rate of committing fraud is relatively high. The ethics of a management in principle is represented by the behavior of management in managing a company. If the behavior that management shows is unethical, then this can trigger the opportunity for accounting fraud to occur. The morality of management in the organization represented by its management is something that is crucial in nature that can affect the actions of every employee in the entity. The results of this study are in line with the results of Ahriati, et al. (2015), Permatasari, et al. (2017) and Bestari, et al. (2016), namely unethical behavior towards accounting fraud has an influence. The implication of this research is that the leadership should pay attention to employees who work in the recruitment process so as not to be tempted by bribes given by prospective applicants.

Sixth Compensation Suitability Against Motivation to Fraud has a significant influence. then from this it is hypothesized that Compensation Suitability has a significant effect on motivation to commit fraud. Injustice that occurs in relation to salaries and other compensation provided to employees can trigger pressure on employees to act in violation of a kind of fraud. However, if the employee perceives that the salary given to the employee by the agency is fair, then the employee will be satisfied and will not act fraud or fraud. Compensation suitability is something that is crucial for employee performance and organizational success (Luthans, 2011: 90). This means that the more fair the compensation, the lower the tendency for employees to commit fraud or fraud. These results are in line with the results of (Irwansyah and BambangSyufriyadi, 2018), (Arista, 2015), namely the effect of compensation suitability on motivation to commit fraud.

IV. CONCLUSION

Finally, from the description above, it can be concluded that the factors that influence the existence of fraudulent acts or conclusions are that the first variable of accounting rule compliance has an influence on motivation to commit fraud so that the first hypothesis (H1) is accepted. The variable effectiveness of the internal control system has no effect on the motivation to commit fraud, so the second hypothesis (H2) is rejected. For the information asymmetry variable that influences the motivation to commit fraud, it means that the third hypothesis (H3) is accepted. Individual morality variables affect the motivation to commit fraud, meaning that the fourth hypothesis (H4) is accepted. Variable unethical behavior has an effect on motivation to commit fraud, it means that the fifth hypothesis (H5) is accepted. Then for the variable suitability of compensation affects the motivation to commit fraud, it means that the sixth hypothesis (H6) is accepted. In conducting this research, the researcher had limitations in the form of using too few samples compared to the number of variables used and the distribution of the questionnaire was very limited due to the covid-19 pandemic that occurred. So the researchers suggest for the next research to be able to adjust the number of samples with the large number of research variables and can use the means of distributing questionnaires with more varied methods such as google form or other applications.

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