

Corruption Prevention: Government Internal Control System and Organizational Culture as Moderation

Pencegahan Korupsi: Sistem Pengendalian Internal Pemerintah dan Moderasi Budaya Organisasi

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ABSTRACT

This study examines and analyzes the effect of government internal control systems and organizational culture interaction on corruption prevention. This research was conducted in village governments in Marawola, Dolo, and Sigi Biromaru sub-districts, Central Sulawesi, involving 150 village government officials as respondents. This research uses quantitative methods with primary data in the form of questionnaires. SmartPLS 4.0 was used as an analysis tool. The results found that a strong internal control system, as indicated by a healthy control environment and regular monitoring activities, is effective in preventing corruption. An organizational culture that emphasizes open communication and information is proven to strengthen corruption prevention efforts. However, the results of this study also show that an organizational culture that does not support the separation of duties and authorities will weaken corruption prevention efforts. These findings suggest that building a strong system is not enough, it is important to build a culture that supports transparency and accountability.

Keywords: Accountability, Organizational Culture, Government Internal Control System, Village Financial Management, Corruption Prevention

ABSTRAK

Penelitian ini mengkaji dan menganalisis pengaruh sistem pengendalian internal pemerintah dan interaksi budaya organisasi terhadap pencegahan korupsi. Penelitian ini dilakukan di pemerintah desa se kecamatan Marawola, Dolo, dan Sigi Biromaru, Sulawesi Tengah dengan melibatkan 150 aparatur pemerintah desa sebagai responden. Penelitian ini menggunakan metode kuantitatif dengan data primer berupa kuesioner. SmartPLS 4.0 digunakan sebagai alat analisis. Hasil penelitian menemukan bahwa sistem pengendalian internal yang kuat, yang ditunjukkan dari lingkungan pengendalian yang sehat dan aktivitas pemantauan yang dilakukan secara berkala, efektif dalam mencegah korupsi. Budaya organisasi yang menekankan pada komunikasi dan informasi yang dilakukan secara terbuka, terbukti akan memperkuat upaya pencegahan korupsi. Namun hasil penelitian ini juga menunjukkan bahwa budaya organisasi yang tidak mendukung pemisahan tugas dan wewenang akan memperlemah upaya pencegahan korupsi. Temuan ini menunjukkan bahwa membangun sistem yang kuat saja tidak cukup, penting untuk membangun budaya yang mendukung transparan dan akuntabilitas.

Kata Kunci: Akuntabilitas, Budaya Organisasi, Sistem Pengendalian Internal Pemerintah, Pengelolaan Keuangan Desa, Pencegahan Korupsi

1. INTRODUCTION

Corruption in organizations is common and can negatively impact the performance and reputation of village governments. One form of fraud that is common in the government sector is corruption. This shows that corrupt practices do not only occur in the central government, but also penetrate into local governments, including village governments, fraud cases at the village level also occur in significant numbers (Rato et. al, 2023) Villages are a small part that is an important part of the nation's life, so negative perceptions of villages need to be changed immediately. Based on the Law of the Republic of Indonesia Number 6 of 2014 concerning

Villages, villages have been given the authority to manage their own governance, including in the management of village funds which have the aim of regulating procedures for implementing village autonomy, strengthening democratic and participatory village governance, and encouraging sustainable and equitable village development (Anggara & et.al, 2020).

The performance of the village government has recently been in the public spotlight, especially the management of public funds Binawati and Badriyah, (2022). As reported in the *TribunPalu* media (2024), there are findings of irregularities, on August 21, 2024, the Sigi Inspectorate recorded a loss of IDR 16 billion from village funds, the inappropriate management of village funds in Sigi Regency is a serious concern of the local government, especially the report from the Sigi Regency inspectorate revealed a state loss of IDR 16 billion. The report covers losses from 2016 to 2023, indicating that irregularities in the management of village funds have occurred regularly and involved several villages in the region (*TribunPalu*, 2024). A 2018 case of village fund irregularities cost the state approximately IDR 333 million (JDIH MA RI, 2023). This incident reflects the importance of more effective internal monitoring and control systems to prevent potential corruption in the management of public funds. To reduce corruption, it is important to understand and address the factors that trigger it.

Corruption can be reduced by recognizing and addressing the factors that cause it. Corruption prevention efforts involve various steps and actions aimed at avoiding the emergence of situations that can trigger fraud (Hayati & Amalia, 2021). In addition, increasing transparency can also narrow the opportunities for corruption. One of the government's efforts to prevent corruption is through the creation of a structured and clear internal control system (Ulum and Suryatimur, 2022). The government internal control system (SPIP) is designed to provide reasonable assurance of the achievement of operational effectiveness and efficiency, reliability of financial reporting, safeguarding state assets, and compliance with laws and regulations (Darwis & Meliana, 2020). That means, SPIP is an important part of good governance, where the goal is to create effective and efficient controls in all lines of government (PP no. 60 of 2008).

The implementation of SPIP in the village government is very important in maintaining integrity and public trust in the village apparatus. With SPIP in place, villages can identify risks that may arise and violations of regulations, so that they can take preventive measures early on. This is important considering that villages are now managing large budgets, especially with the existence of village funds that must be managed transparently and responsibly. The implementation of good governance has a significant role in the internal control system (Pane, 2018). However, if SPIP is not sufficient in identifying corruption, a good organizational culture can maximize the form of corruption prevention (Rastasari 2024). An organizational culture based on high honesty and ethical values is an important step in preventing fraud. By building a strong good organizational culture, effective internal controls, and implementing good governance consistently and continuously, organizations can achieve their goals while increasing efforts to prevent corruption (Usmar, 2021).

This phenomenon is something interesting to study in order to improve the effectiveness of regional financial management. This research is in line with research conducted by Erika & Indrasaraswati (2022) regarding the effect of the internal control system, unethical behavior and organizational culture on the tendency of fraud in village credit institutions (LPD) in Susut District, proving that the government's internal control system and organizational culture have an influence on corruption prevention. However, there are differences between the current research and the research of Erika and Indrasaraswati (2022) which only explains the internal control system.

2. LITERATURE REVIEW

Klitgaard Theory

Klitgaard theory is a term used to understand the causes and dynamics of corruption in government or organizations. This theory is widely used in anti-corruption policy analysis and government system improvement. This theory is used to understand the factors that influence the risk of abuse of authority in village budget management. By mapping the elements of monopoly, discretion, and accountability in the village governance system. Klitgaard proposes that to reduce corruption, there needs to be a reduction in monopolies, restrictions on discretion, and increased accountability in the governance system (Muliana, 2024).

Corruption is generally defined as the abuse of position in the government sector for personal gain (Tuanakotta, 2018). Meanwhile, according to Law Number 31 of 1999 which has been amended into Law Number 20 of 2001 concerning the Eradication of Corruption, Corruption is defined as a person who enriches himself, others, or a certain corporation with the aim of causing losses to the state or its economy. In Klitgaard's view, corruption is deviant behavior from duties and responsibilities in government that is carried out to obtain personal gain, either in the form of status or a sum of money, by violating the rules that apply in the organization. (Klitgaard) The causes of corruption can be summarized in the term CDMA, namely Corruption, Discretionary, Monopoly, and Accountability. Thus, it can be concluded that corruption arises due to power and monopoly factors that are not balanced with accountability. Klitgaard formulated a formula containing the factors that cause corruption. The formula is $C = D + M - A$ (CDMA Theory), with the explanation Corruption = Discretion + Monopoly - Accountability.

The Internal Control System as stipulated in PP 60 of 2008 (BPK RI, 2008) is an integrated process in every action and activity carried out on an ongoing basis by leaders and all employees to ensure the achievement of organizational goals. This includes effective and efficient implementation of activities, reliability of financial statements, protection of state assets, and compliance with laws and regulations. The Government Internal Control System (SPIP) is an internal control system that is implemented as a whole in the government environment, both at the central and regional levels. Government Regulation No. 60/2008 is the foundation for several aspects of the government internal control system. The main components of the internal control system include: Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities.

Tony (2008) explains that if the control environment is not good, the organization is not healthy. The control environment is reflected in the enforcement of integrity and ethical values, commitment to competence, conducive leadership, the establishment of an appropriate organizational structure, appropriate delegation of authority and responsibility, the preparation and implementation of sound policies on human resource development, the embodiment of the role of effective government internal supervisory apparatus and good working relationships with related government agencies (PP No. 60 of 2008). In other words, the better environmental control will have a positive impact on the organization. And vice versa. As shown from the results of Kundoyo's research (2019) that the Control Environment has a negative effect on Accounting Fraud, Adam et al. (2015) concluded that the control environment has a significant negative effect on the tendency of accounting fraud. Based on the research conducted previously, the hypothesis is formulated, namely:

H1: The control environment has a significant positive effect on corruption prevention.

Risk assessment, according to Tony (2008:6), relates to the actions taken by the institution to manage and identify risks in order to reduce the likelihood of the institution's failure to achieve its objectives. Low risk assessment can be seen from poor risk identification and risk analysis. Vice versa, if the organization can identify risks and analyze risks well, it will also provide a good risk assessment (PP No. 60 of 2008). Every institution can estimate any

event that might hinder the achievement of organizational goals by using this risk assessment approach. Kundoyo's research (2019) Risk Assessment has a significant negative effect on Accounting Fraud, research by Adam et al. (2015) concluded that Risk Assessment has a significant negative effect on the tendency of accounting fraud. Based on the research conducted previously, the hypothesis is formulated, namely:

H2: Risk assessment has a significant positive effect on corruption prevention.

Control activities are activities needed to address risks, including formulating and implementing policies and procedures to ensure that risk reduction actions have been successfully carried out (Dadang and Dailibas, 2013: 7). Control activities are indicated by the existence of control over all assets owned by the organization, separation of functions, and the existence of an authorization mechanism for each transaction providing a mechanism as part of efforts to prevent corruption (PP No. 60 of 2008). Research conducted by Sandra (2021) concluded that Control Activities have a significant effect on the Effectiveness of Financial Management, Kundoyo's research (2019) control activities have a negative effect on Accounting Fraud. Based on previous research, a hypothesis is formulated, namely:

H3: Control activities have a significant positive effect on corruption prevention.

Information and communication means everything. Tony (2008) agencies are required to identify all necessary information and provide it to the right people according to their jurisdiction. Therefore, the agency needs an information system that can provide data about its finances, operations and internal communications. The information system should be able to support executives in managing and overseeing their business. Information and communication on every effective financial management activity will prevent corruption (PP No. 60 of 2008). Research conducted by Sandra (2021) concluded that information and communication have a significant effect on fraud, Kundoyo (2019) information and communication have a negative effect on accounting fraud. Based on previous research, a hypothesis is formulated, namely:

H4: Information and communication has a significant positive effect on corruption prevention.

Tony (2008:6) monitoring is a procedure that evaluates the effectiveness of control system performance (Tony 2008:6). This can be done in the form of continuous monitoring, stand-alone assessments, or a combination of both. Monitoring activities are carried out in the form of monitoring and evaluation carried out on an ongoing basis. The results of the evaluation must of course be followed up as a continuous improvement effort and become an effort to prevent corruption (PP No. 60 of 2008). Sandra's research (2021) monitoring activities have a significant effect on fraud, Kundoyo's research (2019) monitoring activities have a negative effect on accounting fraud. Based on previous research, a hypothesis is formulated, namely:

H5: Monitoring activities have a significant positive effect on corruption prevention.

According to Sutrisno (2019), organizational culture is a set of values and systems that include values, beliefs, assumptions, or norms that have long been agreed upon, followed, and accepted by organizational members, which serve as guidelines for behavior and problem solving. Organizational culture can be defined as "an inherent normative system that provides the basis for the behavior of its members and determines how to respond to its environment". Robbins and Judge (2011) also state that organizational culture can affect individual behavior, which in turn can affect overall performance. To overcome corruption, a good organizational culture is needed. One of the things that can prevent fraud is to cultivate a high honest and ethical attitude (Witari and Putra, 2023). Research conducted by Mersa and Malini (2021) states that organizational culture has a significant positive effect on preventing corruption,

Monica et. al (2023) organizational culture has a positive effect on fraud prevention through internal control. So the researcher can conclude and obtain the hypothesis, namely

H6: Organizational culture moderates the control environment on corruption prevention

Organizational culture includes a collection of values, beliefs, norms, attitudes, and habits accepted by organizational members, which influence their behavior patterns (Sutrisno, 2019). They define organizational culture as a system of norms inherent to the organization, which provides the basis for the actions of its members and influences the way they interact with the environment. They also revealed that organizational culture can influence individual behavior, which in turn contributes to the overall performance of the organization. Therefore, they emphasize the importance of understanding and identifying the organizational culture to effectively manage the organization (Robbins and Judge 2011). The application of a good organizational culture causes rationalization to be reduced and fraud can be prevented because employees consider fraud to be unnatural (Mersa and Malini, 2021). Monica et. al.'s research, (2023) organizational culture has a positive effect on fraud prevention through the internal control system, Mersa and Malini (2021) and Witari and Putra (2023) state that organizational culture has a significant positive effect on corruption prevention. Based on the research conducted previously, the hypothesis is formulated, namely:

H7: Organizational culture moderates risk assessment on corruption prevention

In the view of Robbins and Judge (2011), recognizing and understanding organizational culture well is crucial to creating an effective organizational management, where each member of the organization can work optimally, contribute maximally, and support the achievement of predetermined organizational goals in a coordinated and harmonious manner. good organizational culture has a significant influence on individual behavior within the organization, where individual behavior plays a very important role in influencing corruption, both in terms of achieving short-term goals and in long-term sustainability. Mersa and Malini (2021) state that organizational culture has a significant positive effect on corruption prevention, Monica et. al (2023) organizational culture has a positive effect on fraud prevention through internal control. Based on the research conducted previously, the hypothesis is formulated, namely:

H8: Organizational culture moderates the effect of control activities on corruption prevention

Based on research from Robbins and Judge in 2011 which suggests that organizational culture is a set of values, beliefs, norms, attitudes and habits accepted by members who are directed at their behavior. They explained that organizational culture can be interpreted as “an inherent normative system that provides the basis for the behavior of its members and determines how to respond to its environment”. Robbins and Judge also state that organizational culture can influence individual behavior, which in turn can affect overall performance. Therefore, it is important to identify and understand in managing an effective organization so as to prevent acts of corruption. Mersa and Malini (2021) state that organizational culture has a significant positive effect on corruption prevention, Monica et. al (2023) organizational culture has a positive effect on fraud prevention through internal control. Based on the research conducted previously, the hypothesis is formulated, namely:

H9: Organizational culture moderates information and communication on corruption prevention

Robbins and Judge (2011) suggest that organizational culture consists of values, beliefs, norms, attitudes, and habits accepted by organizational members, which then influence their behavior. They state that organizational culture can be understood as a system of internalized norms in the organization, which provides a foundation for the behavior of its members and influences the way they adapt to the surrounding environment. In addition, they also asserted

that organizational culture plays a role in shaping individual behavior, which ultimately affects the overall performance of the organization. Therefore, they emphasize the importance of identifying and understanding organizational culture to achieve effective management so as to prevent acts of corruption. Mersa and Malini (2021) state that organizational culture has a significant positive effect on corruption prevention, Monica et. al (2023) organizational culture has a positive effect on fraud prevention through internal control. Based on the research conducted previously, the hypothesis is formulated, namely:

H10: Organizational Culture Moderates Control Activities on Corruption Prevention

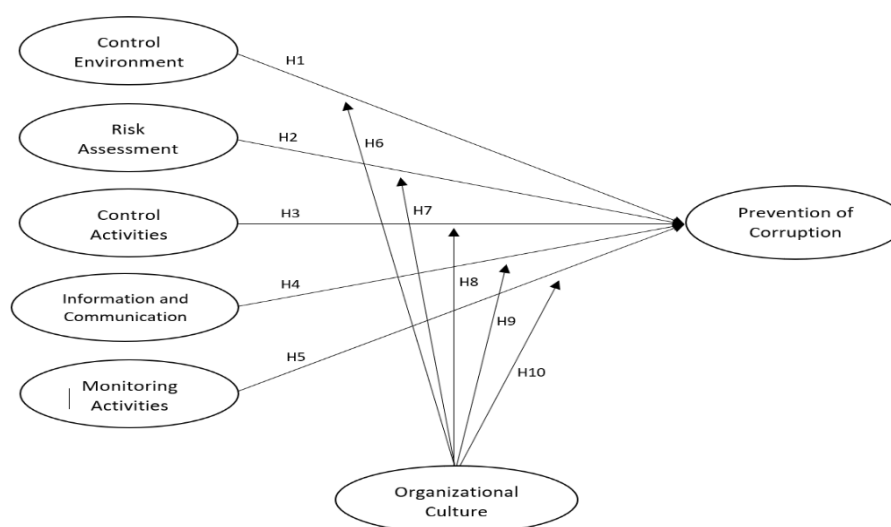


Figure 1. Conceptual Framework

2. METHOD

The target population in this study is the Village Government in the Districts of Marawola, Dolo and Sigi Biromaru. The sample in this study used a saturated sample technique, with respondents totaling 150 village government officials. This questionnaire was made in the form of a google form but in distributing questionnaires the researcher directly visited all village offices in Marawola, Sigi Biromaru and Dolo sub-districts. This was done to ensure that respondents filled out the questionnaire. Respondents in this study were the Village Head, Village Secretary, Chief of Finance, Head of Affairs and Head of Section, totaling 5 village officials in each village. Respondents in the study were village government officials who were directly involved in village financial management as outlined in Domestic Government Regulation Number 20/2018 which states that the Village Head is PKPKD and represents the Village Government in the ownership of separated village assets, the Village Head has the authority to authorize some of his powers to the Village apparatus as PPKD. The Village Secretary has the authority to carry out Village Financial Management as the PPKD coordinator. The head of finance has the authority to carry out the treasury function. Meanwhile, the Kaur and Kasi are in charge of implementing budget activities.

The data analysis used in this study is to use multiple regression analysis which aims to determine whether or not there is an influence of more than 2 independent variables on the dependent variable (hair et. al., 2011). Multiple regression calculations in this study use the PLS-SEM method, where the PLS-SEM method for multiple regression calculates the PLS algorithm and bootstrapping. PLS algorithm will produce information in the form of validity and reliability instrument testing, discriminant validity, R-square and F-square (hair et. al., 2011). Validity test in SmartPLS aims to measure whether research instruments (such as questionnaires) really measure what they are supposed to measure. In SmartPLS, validity is

tested through convergent validity (seen from Average Variance Extracted / AVE > 0.5) and discriminant validity (see whether the correlation between constructs is low, and the square root AVE value is higher than the correlation between constructs). While the reliability test Reliability test is a process used to assess the consistency as well as the stability of the results of a measurement instrument when used under the same or different conditions. The reliability test is used to ensure the consistency of the instrument in measuring the same variable in a stable manner. In SmartPLS, reliability is tested by looking at Composite Reliability (CR) and Cronbach's Alpha, where values greater than 0.7 indicate good reliability. R-Square measures the extent to which independent (exogenous) variables can explain the variability of dependent (endogenous) variables in the model. R² values range from 0 to 1, where higher values indicate that the model has better predictive ability. F-Square is used to assess how much influence or effect size of an independent variable on the dependent variable. The SEM-PLS structural regression model can be seen in the figure. 2

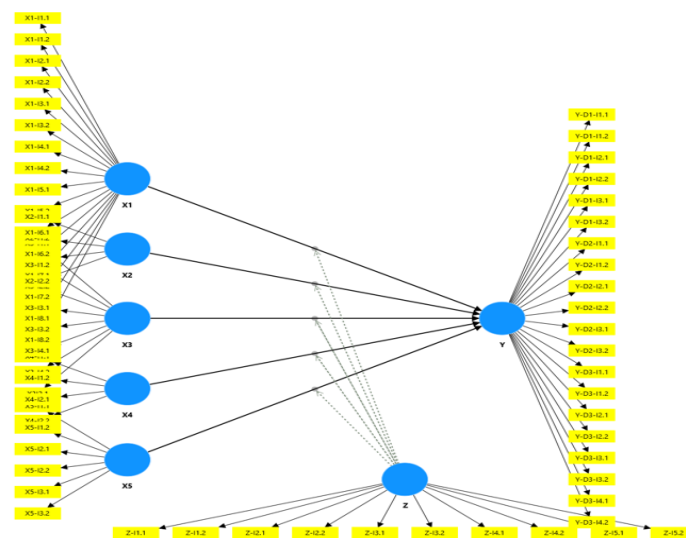


Figure. 2 SEM-PLS Structural Model

Table 1. Measurement of Variables

Variable	Dimension	Indicator	Scale
(control environment PP NO 60 Of 2008)		1. Enforcement of Integrity and Ethical Values	Ordinal
		2. Commitment to competence	
		3. Conducive Leadership	
		4. Formation of Organizational Structure According to Needs	
		5. Delegation of Appropriate Authority and Responsibility	
		6. Preparation and Implementation of Healthy Policies on Human Resource Development	
		7. Realization of the role of effective internal government supervisory apparatus	

		8. Good working relationship with related Government Agencies	
Risk Assessment (PP NO 60 Of 2008)		1. Risk identification 2. Risk analysis	Ordinal
Control Aktivits (Pengendalian PP NO 60 Tahun 2008)		1. Physical control over assets 2. Separation of functions. 3. Authorization of transactions and significant events. 4. Accurate and timely recording of transactions and events	Ordinal
Information and Communication (PP NO 60 Of 2008)		1. Forms and means of communication 2. Information system management	Ordinal
	Monopoly	1. Decision-Making Power 2. Limited Access for Others 3. Market Dominance or Policy	
	Discretion	1. Freedom to Make Decisions 2. Opportunity to Abuse Power 3. Subjective Assessment	Ordinal
	Accountability	1. Transparency 2. Supervision 3. Legal and Moral Responsibility 4. Community Participation	
organizational culture (Luthans dalam Zuki, 2016)		1. Observed behavioral regularities 2. Norm 3. Dominant values 4. Performance-Oriented 5. Organizational Climate	Ordinal

3. RESULTS AND DISCUSSIONS

Descriptive Statistic

All 150 questionnaires that were distributed were returned fully completed, making all of them suitable for further analysis. This indicates a very high level of respondent participation in this study. The characteristics of the respondents obtained from the 150 questionnaires include aspects such as their position in the village office, gender, age, and length of service. The most dominant gender among the village apparatus in this study was male, with 106 respondents, while the age group of 40 to 50 years old had the highest number of respondents, totaling 67. The largest number of respondents holding positions with a length of service of 5 to 10 years was 58 respondents, as shown in Table 2.

Table. 2 Respondent Characteristics

No	Characteristic	Total	Percentage (%)
Position			
1	Head of Village	30	20
2	Secretary	30	20
3	Head of Affairs	30	20
4	Head of Section	30	20
5	Finance clerk	30	20
Total		150	100
Gender			
1	Man	106	71
2	Woman	44	29
Total		150	100
Age			
1	<25	7	5
2	25-40	34	23
3	40-50	67	44
4	>50	42	28
Total		150	100
Length of Work			
1	<1 Th	3	2
2	1-5 Th	45	30
3	5-10 Th	58	39
4	>10 Th	44	29
Total		150	100

RESULT

Convergent validity testing is tested from each construct indicator. According to Chin (2015), an indicator is said to be valid if the outer loadings value of each indicator is greater than 0.70. All indicators of this research variable are declared valid, because the Outer Loadings value of each indicator is greater than 0.7. Thus the questionnaire items can be used in subsequent analyses.

The next check is to compare the correlation between variables with the root AVE ($\sqrt{\text{AVE}}$). The measurement model has good discriminant validity if the $\sqrt{\text{AVE}}$ of each variable is greater than the correlation between variables. The $\sqrt{\text{AVE}}$ value can be seen from the Fornell Larcker Criterion Smart-PLS 4.0 output presented in table 3.

Table. 3 Discriminant Validity

	X1	X2	X3	X4	X5	Y	Z
X1	0,838						
X2	0,146	0,908					
X3	0,312	0,239	0,902				
X4	0,350	0,319	0,596	0,851			
X5	0,301	0,321	0,482	0,479	0,812		
Y	0,517	0,510	0,630	0,653	0,579	0,802	
Z	0,165	0,136	0,133	0,100	0,153	0,176	0,867

From table 3 above, it can be concluded that the square root of the AVE for each construct is greater than the correlation between one construct and another construct in the model. The AVE root value of variable X1 0.838 is greater than the value of other construct variables. The AVE root value of variable X2 0.908 is greater than the value of other construct variables. The root AVE value of variable X3 0.902 is greater than the value of other construct variables. The root AVE value of variable X4 0.851 is greater than the value of other construct variables. The AVE root value of variable X5 0.812 is greater than the value of other construct variables. The AVE root value of variable Y 0.802 is greater than the value of the other construct variables. The AVE root value of variable Z 0.867 is greater than the value of other construct variables. Based on the above statement, the constructs in the estimated model meet the criteria for discriminant validity.

Reliability test using Composite Reliability and Cronbach's Alpha indicators. The purpose of testing Composite Reliability and Cronbach's Alpha is to test the reliability of instruments in a research model. If all latent variable values have Composite Reliability and Cronbach's Alpha ≥ 0.70 , this indicates that the construct has good reliability or the questionnaire used as a tool in this study is consistent.

Table. 4 Reliability Testing

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)
X1	0,972	0,975	0,974
X2	0,928	0,930	0,949
X3	0,967	0,968	0,972
X4	0,873	0,873	0,913
X5	0,896	0,900	0,920
Y	0,971	0,971	0,973
Z	0,964	0,972	0,968

Based on Table 4 above, it can be seen that the results of Composite Reliability and Cronbach's Alpha testing show satisfactory values, namely all latent variables are reliable because all latent variable values have Composite Reliability and Cronbach's Alpha ≥ 0.70 . Thus, it can be concluded that the questionnaire used as a research tool is reliable or consistent.

Table. 5 R-Square Testing

	R-square	R-square adjusted
Y	0,720	0,698

R-Square Test Results for Variable Y: Based on the table presented, the R-Square value for variable Y is 0.720. This indicates that the model used can explain about 72% of the variation in variable Y. In other words, 72% of changes in Y can be predicted by the independent variables in the model.

Adjusted R-Square Value: In addition to the R-Square value, the adjusted R-Square value of 0.698 is also presented. This value provides an adjustment for the number of variables in the model. The adjusted R-Square is lower than the R-Square, which is common, as this value takes into account the complexity of the model. The value of 0.698 indicates that after considering the number of variables, the model can still explain about 69.8% of the variation in Y.

Z The f-square value (f^2) shows the magnitude of the partial influence of each predictor variable on endogenous variables. Ghazali (2014) if the f-Square value is ≥ 0.35 , it can be interpreted that the latent variable predictor has a strong influence, if the f-Square value is $0.15 \leq f \leq 0.35$, it has a medium influence and if the f-Square value is $0.02 \leq f \leq 0.15$, it has a weak influence. The following results of the f^2 value of each variable can be seen in the table. 6

Table. 6 F-Square Testing

Variable	F-square
X1 > Y	0,164
X2 > Y	0,198
X3 > Y	0,117
X4 > Y	0,129
X5 > Y	0,074
Z x X1 > Y	0,005
Z x X3 > Y	0,045
Z x X5 > Y	0,0
Z x X2 > Y	0,0
Z x X4 > Y	0,076

From the table. 6 shows that for variable X1 on Y, the f^2 value is 0.164, this indicates that the effect of X1 on Y is classified as medium. The X2 variable on Y, the f^2 value is 0.198, this also shows that the effect of X2 on Y is classified as medium. The variable X3 on Y, the f^2 value is 0.117, this indicates that the effect of X3 on Y is weak. Variable X4 on Y f^2 value is 0.129. this also shows that the effect of X4 on Y is weak. The variable X5 on Y f^2 value is 0.074, this shows that the effect of X5 on Y is weak. The interaction of Z x X1 on Y f^2 value is 0.005, this indicates that this interaction has no significant effect on Y. The interaction of Z x X3 on Y f^2 value is 0.045, this indicates that this interaction has a very weak effect on Y. The interaction of Z x X5 on Y f^2 value is 0.000, this indicates that this interaction has no significant effect on Y. The interaction of Z x X2 on Y f^2 value is 0.000, this indicates that this interaction also has no significant effect on Y. The interaction of Z x X4 on Y f^2 value is 0.076, this indicates that this interaction has a very weak effect on Y.

Table. 7 Hypothesis Test Result

	Original sample	Sample mean	Standard deviation	T statistics	P values
X1 > Y	0,241	0,248	0,067	3,622	0,000
X2 > Y	0,260	0,264	0,056	4,605	0,000
X3 > Y	0,242	0,243	0,066	3,674	0,000
X4 > Y	0,255	0,244	0,070	3,635	0,000
X5 > Y	0,177	0,181	0,068	2,623	0,009
Z x X1 > Y	-0,050	-0,049	0,076	0,657	0,511
Z x X3 > Y	-0,173	-0,156	0,079	2,175	0,030
Z x X5 > Y	0,014	0,017	0,073	0,193	0,847
Z x X2 > Y	-0,004	-0,006	0,055	0,075	0,940
Z x X4 > Y	0,202	0,184	0,073	2,775	0,006

The path of X1, X2, X3 and X4 to Y obtained P-values of $0.000 < 0.050$. thus, it can be concluded that X1, X2, X3 and X4 have a significant positive effect on Y. The path of X5 to Y obtained P-values of $0.009 < 0.050$. thus, it can be concluded that X5 has a significant positive

effect on Y. The path for Z x X1 to Y obtained a p-value of $0.511 < 0.050$. This indicates that this interaction is not significant. Thus, Z x X1 does not have a significant influence on Y. The path for Z x X3 interaction on Y obtained a p-value of $0.030 < 0.050$. This result indicates that this interaction is significant. Thus Z x X3 has a significant negative influence on Y. The path for the interaction of Z x X5 on Y obtained a p-value of $0.847 < 0.050$. Indicating that this interaction is not significant. Thus, the interaction of Z x X5 does not have a significant effect on Y. The path for the interaction of Z x X2 on Y obtained a p-value of $0.940 < 0.050$. This result indicates that this interaction is not significant. Therefore, the interaction of Z x X2 has no significant effect on Y. The path of Z x X4 on Y obtained a p-value of $0.006 < 0.050$. This indicates that this interaction is significant. Thus, the Z x X4 interaction has a significant positive influence on Y.

DISCUSSION

Government Internal Control System

The results of hypothesis testing show that the control environment, risk assessment, control activities, information and communication and monitoring activities have a significant positive effect on corruption prevention, where if all village offices implement and implement the control environment, risk assessment, control activities, information and communication, and monitoring activities in accordance with applicable regulations, this will have a positive impact on corruption prevention. The implementation of a comprehensive control system aims to prevent potential problems in the future and ensure the achievement of predetermined goals. The more optimal the implementation of the control environment, risk assessment, control activities, information and communication, and monitoring activities, the more effective corruption prevention efforts in the management of village funds will be. The effectiveness of internal control in village government can be an obstacle for village officials who have a tendency to commit fraud. Internal control that is implemented effectively includes strict supervision of all operational activities, thus narrowing the opportunities for fraudulent acts. The internal control system acts as a preventive mechanism in supervision, a tool for evaluating the performance of village officials, as well as a monitoring instrument and early detection of potential fraud in village government. (Tarissa and Dwi, 2024). The implementation of an effective internal control system can reduce the possibility of errors in the preparation of financial statements. Thus, the resulting financial statements will be of higher quality, in accordance with applicable regulations, and can be accounted for (Laksmi & Sujana, 2019).

The results obtained in hypothesis testing are in line with research conducted by Resi Sandra (2021), which states that the control environment, risk assessment, control activities, information and communication, monitoring activities have a significant positive effect on corruption prevention. This is also proven by research conducted by Wijaya (2017) that the control environment, risk assessment, control activities, information and communication, monitoring activities have a significant positive effect on corruption prevention.

Organizational Culture

The results of hypothesis testing show that organizational culture does not moderate the influence of the control environment, risk assessment and monitoring activities on corruption prevention, organizational culture strengthens the influence of information and communication on corruption prevention. However, organizational culture weakens the effect of control activities on corruption prevention, where a positive organizational culture tends to shape good attitudes and behavior in its members, and create a work environment that encourages integrity and high quality work. Conversely, that the dysfunction of authority and separation of functions in village financial management can weaken corruption prevention and a poor organizational culture can trigger negative behavior including the tendency to commit

acts of corruption. This suggests that the quality of organizational culture has a significant influence on corruption prevention (Rato 2023).

The results obtained in hypothesis testing are in line with research conducted by Sumendap et. al (2021) and Mersa et. al (2021) which show the results of organizational culture having a significant positive effect on fraud prevention. This is also evidenced by research conducted by Rato (2023) and Pratiwi (2023) that organizational culture has a negative effect on the tendency to fraud the village fund budget.

5. CONCLUSION

The government internal control system (SPIP) has a significant and positive influence on corruption prevention at the village government level. The five main components of SPIP, namely the control environment, risk assessment, control activities, information and communication, and monitoring activities, effectively contribute to reducing the potential for corruption. Optimal SPIP implementation can minimize the risk of misuse of village funds and improve the accountability of village financial management. Organizational culture has a diverse moderating role on the relationship between SPIP components and corruption prevention. Organizational culture strengthens the effect of information and communication on corruption prevention, but weakens the effect of control activities. In addition, organizational culture does not moderate the influence of the control environment, risk assessment, and monitoring activities on corruption prevention. This shows that a strong and positive organizational culture can support corruption prevention efforts, but the dysfunction of authority and separation of functions in village financial management can reduce its effectiveness. Human behavioral factors play a crucial role in corruption prevention efforts. The difference in research results related to the effect of organizational culture on corruption prevention shows that individual behavior in the organization greatly affects the effectiveness of the internal control system. This research was conducted in 30 villages in Marawola, Sigi Biromaru, and Dolo sub-districts. The sample in this study used a saturated sample technique so that the total sample was 150 people, the respondents consisted of three officials from each village, namely the Village Head, Village Secretary, Head of Finance, Head of Kaur and Kasi. The data analysis technique used is SmartPLS 4.0.

Based on the results of the research that has been carried out, it is hoped that further research needs to be carried out to examine other factors that influence corruption prevention, such as the Regional Supervisory Agency, the role of information technology in increasing transparency and accountability in village fund management which are not included in this study.

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