

FRAUD PREVENTION AND DETECTION THROUGH INFORMATION TECHNOLOGY: FROM THE PERSPECTIVE OF INTERNAL AUDITOR'S

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Abstract This study aims to explore internal auditors' perceptions regarding the prevention and detection of fraud through the use of the technology information. A literature review was conducted to understand the views of internal auditors on the use of information technology (IT) to prevent and detect fraudulent acts within the organization. The research method used is a qualitative approach by conducting in-depth questionnaires on several practitioners who are experienced in the field of auditing and internal control. Data was obtained through questionnaires distributed to internal auditors working in Indonesia. Data analysis was performed using descriptive analysis. The results of this study with the existence of good monitoring instruments, such as standardized policies and procedures, transparent reporting systems, and the use of appropriate information technology, organizations can be more effective in monitoring and controlling activities that have the potential to give rise to fraud. In conclusion, internal auditors view IT as an essential tool in fraud prevention and detection. However, a deeper understanding of IT capabilities is needed to deal with increasingly complex and sophisticated fraud. Therefore, companies need to strengthen their internal control systems by considering the advantages and disadvantages of IT in fraud prevention and detection.

Keywords : *Fraud Prevention, Fraud Detection, Information Technology, Internal Auditors*

INTRODUCTION

Fraud or cheating is one of the serious threats faced by companies and organizations in various sectors and various levels of organization, be it private

companies, public institutions, or non-profit organizations. Based on the survey results of the Association of Certified Fraud Examiners (ACFE) in 2019, corruption is the most common form of fraud in Indonesia with a percentage of 64.4%, followed by misuse of state and company assets/wealth of 28.9%, and financial statement fraud of 6.7%. The impact of incidents of fraud is not only financially detrimental, but can also damage the company's reputation, disrupt operational sustainability, and generate public distrust. The problem of fraud in organizations, whether in government agencies, the private sector, or State-owned enterprises (BUMN) or Regional owned enterprises (BUMD), has a serious impact on the

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sustainability and reputation of the organization. Therefore, companies or organizations must improve quality in various aspects to have a *competitive advantage*, and one of them is by conducting audits of financial statements by internal auditors and external auditors. Based on the results of a survey conducted by Association of Certified Fraud Examiners (2019) there are a significant number of fraud cases in the financial statements. Therefore, companies or organizations must strive to increase stakeholder confidence by presenting reliable financial reports. For this reason, an audit process is needed that aims to ensure that there are no intentional material errors, especially in the form of fraud, which can harm the company. The government has made various efforts to prevent and detect fraud, starting with establishing an anti-fraud agency, then increasing supervision and auditing, as well as implementing strict policies and regulations. However, even though various efforts have been made by the government in overcoming or preventing and detecting fraud, it turns out that there are still weaknesses and obstacles that hinder its effectiveness. Several factors contributed to the government's efforts not being optimal, including the lack of trained and competent human resources in the field of fraud prevention and detection, low public awareness of the importance of fraud prevention, and the existence of gaps and weaknesses in the monitoring and control system.

In this case, it is important for organizations, be it government agencies, the private sector, or BUMN/BUMD, to take effective prevention steps and

strengthen the internal control system to reduce the risk of fraud. One effort that can be done is to optimize the role of existing technology. In the current era of digitalization and technology 4.0, information technology has become an inseparable part of people's lives, especially in Indonesia. The country is undergoing a significant digital orientation. Furthermore, the development of information technology has an important role in government organizations, the industrial sector, the private sector, and the non-profit sector.

The existence of existing forensic accounting is expected to be able to answer problems in the world of accounting that are increasingly complicated and can assist in disclosing frauds that occur (Coal & Si, 2020). According to Yulistianingsih et al., (2020) said that forensic accounting is a process of applying investigative and analytical science to solve problems through rules that comply with standards applied by legal entities.

The use of information system is a key factor in improving company performance and financial performance. Information system is expected to help companies run their operations more efficiently. With the existence of a structured and integrated information technology system, fraud within the company can be minimized. Information technology is the use of computers to store, analyze, and distribute information in various forms. The utilization of information technology is highly useful for users of information systems in carrying out their work because it makes it easier, consistent, reliable, accurate, and precise.

The use of information technology in preventing and detecting fraud according to Widianingsih et al., (2018) in previous research regarding the effect showed of the issue that information technology and accounting reporting had a significant effect on fraud detection. However, different results were shown from research conducted by Choirunnisa & Rufaedah (2022) regarding auditor competence and the use of technology for fraud detection, showing results that the use of information did not have affect effect on fraud detection, while auditor competence affected fraud detection. This is in line with Kurniawan (2012) indicated the ability of internal auditors to carry out their duties plays an important role in minimizing fraud in the companies. However it does relates to the perception, professionalism, and competence of the internal auditors themselves.

From the various issue discovered, researchers see a research gap that exist from the internal auditors' perceptions on fraud prevention and detection through information technology. Hence, this research is to obtain the internal auditors' perceptions on fraud awareness, perceptions of fraud prevention, and their perceptions on the benefits on technology usage in fraud detection.

LITERATURE REVIEWS

Definition of Fraud

In the accounting and *auditing literature*, fraud is translated as fraudulent practice as well as often interpreted as *irregularity* or irregularity and deviation. There are many definitions and definitions of fraud. One definition of fraud according to the Black Law Dictionary (8th^{Ed}) in Priantara (2013) can be translated and interpreted as follows: An intentional act to deceive or deceive, deception or the dishonest way to take or lose money, property, legal rights belonging to other people either because of an action or the fatal impact of the action itself. Meanwhile, fraud according to the standards of the Institute of Internal Auditors Priantara (2013) is interpreted as any act characterized by deception or breach of trust to obtain money, assets, services or prevent payment or loss, or guarantee personal and business gain/benefit. This act was not dependent on the perpetrator's threat of violence against another person.

It can be concluded that fraud is an act that is carried out intentionally and dishonestly to deceive, obtain personal gain, take money, property, or other people's legal rights, or prevent payments or cause losses. Fraud involves deception or a breach of trust and is not dependent on threats of violence against another person. This definition describes the manipulative and unethical nature of acts of fraud that can seriously impact individuals, organizations, and society as a whole. It is important to prevent and detect fraud by exercising strict oversight, adopting good governance practices, and using state-of-the-art information technology to identify fraudulent acts and take appropriate action.

Types of Fraud

According to *The Association of Certified Fraud Examiners*, the following are the types of fraud (Binus University, 2020).

- a. Corruption: this type of fraud occurs when someone gives or receives bribes to illegally influence decisions or actions that benefit themselves or other parties. An example is bribing a government official to secure a project or

contract.

- b. Asset theft: this type of fraud occurs when someone takes or manipulates company assets intending to illegally enrich oneself or others. An example is the theft of money, goods, or company confidential data.
- c. Counterfeiting: this type of fraud occurs when someone falsifies documents or information to gain illegal benefits. An example is falsifying signatures, financial documents, or financial reports.
- d. Fraud: this type of fraud occurs when someone commits fraud by providing false or misleading information to gain illegal profits. Examples are selling counterfeit products or providing false information in the hiring process.
- e. Embezzlement of identity: this type of fraud occurs when someone uses another person's identity to gain illegal profits. An example is taking over someone else's bank account or credit card to buy goods or services.

Prevention of Fraud

Fraud Prevention is a proactive effort made to identify, prevent, and reduce the risk of fraudulent acts occurring within an organization. By implementing strong internal controls, increasing employee awareness of the signs of fraud, carrying out regular audits, and creating an ethical work environment, it can minimize opportunities for fraud to occur. Fraud prevention is not only the responsibility of one individual but is a shared commitment to create integrity, transparency, and fairness in every aspect of the organization.

Detection of Fraud

Fraud Detection is a process carried out to identify fraudulent acts that have occurred within an organization. By using effective investigative techniques, careful data analysis, and implementing a strict monitoring system, it can uncover that points to fraud. Fraud detection requires sensitivity and thoroughness in observing suspicious patterns, as well as the ability to collect and analyze relevant information. Through effective detection, fraud can be uncovered and the appropriate action could be taken to uphold fairness and honesty within the organization.

RESEARCH METHODS

This study used a survey method by distributing questionnaires during the ACFE Basic *Investigation Workshop on fraud prevention*. Researchers distributed questionnaires directly to practitioners in the audit field who were

present. In the respondent who filled out the questionnaire came from 30 practitioners, including BUMN/BUMD, government agencies, private companies, and others. Descriptive analysis is the table 1 provides the demographic detail of 60 respondent who participated in the employed for the study.

RESULT AND DISCUSSION

Table 1. Description of The Respondent's Demographics

No.	Information	Percentages
1	Institution	Public Institutions
2		Private Institutions
3		State Owned Enterprises
4	Gender	Male
5		Female
6	Education	High School
7		Undergraduate
8		Post Graduate
9	Age	<= 30 years old
10		> 30 years old
11		<= 10 years

No.	Information	Percentages
12	<u>Work Experience</u>	>10 years 70%

Based on Table 1, information regarding institution, gender, education, age, and work experience can be obtained from the respondent. In terms of institutions, 40% of respondents came from public institutions (12 respondents), 40% from state-owned enterprises (12 respondents), and 20% from private institutions (6 respondents). 53% of respondents were male (16 respondents) and 47% were female (14 respondents). In terms of education, 7% of respondents had a high school background (2 respondents), 63% had undergraduate degrees (19 respondents), and 30% had postgraduate degrees (9 respondents). 20% of respondents were less than or equal to 30 years old (6 respondents) and 80% were over 30 years old (24 respondents). 30% of respondents have less than or equal to 10 years (9 respondents) of work experience and 70% have work experience of more than 10 years (21 respondents). This data provides a comprehensive picture of the characteristics of the respondents in a variety of ways aspect related. The results of the descriptive analysis of the above data acquisition are described in the following table:

Table 2Awareness of Fraud

No.	Question	Max	Min	Average
1	I hope fraud increases in my organization in the future.	5	1	1.4
2	My organization has been a victim of fraud	5	1	2.6
3	In the event of fraud, I will report it to the responsible party.	5	1	4
4	All employees including top management are responsible for fraud detection	5	3	4.6
5	Internal auditors play an important role in detecting fraud	5	3	4.4
6	Fraud is usually detected during the audit process. Employees are constantly under pressure to fulfill certain demands that are beyond their authority	5	1	3.5
7	In the last three years, fraud detection techniques in my organization has improved.	5	3	4
8	In the past three years, I have regularly attended training to improve my skills in fraud prevention.	5	2	3.4
9	Audit committee meetings are held twice a year.	5	1	3.5

Based on table 4.2, the awareness towards fraud can be seen from the

average respondent 1.4 indicating that the internal auditor stated Strongly Disagree. This shows that internal auditors have a strong awareness of the importance of preventing and reducing the risk of fraud within the organization. Internal auditors are aware of the negative impact caused by fraud and are committed to fighting fraud with all the efforts they have. Awareness of fraud is an effort to increase awareness of the importance of fraud prevention by all parties involved in the organization. An internal auditor must be able to realize when there is a signal of fraud in an organization (Utami, 2021). This awareness forms the basis for building a culture of integrity and honesty within the organization so that the risk of fraud can be minimized and the organization can operate more efficiently and transparently.

From the second question, the average of respondent 2.6 from the derived indicating that the internal auditor stated Neutral. This indicates that the internal auditor's perception of fraud incidents within the organization is not inclined towards agreeing or disagreeing explicitly. In this context, there may be factors that influence their perception, such as the level of clarity or concrete events that occurred in the organization. The organization needs to conduct a thorough evaluation of the fraud cases that have occurred and take appropriate preventive measures to increase awareness and vigilance of future fraud risks. The third question, it can be seen from the average respondent 4 indicating the internal auditor agreed. This shows that the internal auditor has a high awareness of the importance of reporting incidents of fraud to the authorities and responsible parties. This attitude reflects the internal auditor's commitment to integrity and transparency in maintaining organizational security from fraud risk. The results of this study are in line with research conducted by Utami (2021) showing that the anti-fraud awareness variable has a significant value, which means that the internal auditor's anti-fraud awareness has a significant effect on fraud prevention. With awareness and readiness to report, internal auditors can play a role as guardians of the reliability of the organization's internal control system in the face of fraud threats.

The fourth question, where by the average response is 4.6 indicating the internal auditor stated Strongly Agree. This shows that they believe that the responsibility for detecting fraud is not only the task of the internal auditor but

also the shared responsibility of all employees, including top management. To hence, it is hoped that each individual in the organization will be actively involved in noticing signs of fraud and report them if found. This collective awareness can increase the effectiveness of fraud prevention and detection efforts and strengthen the integrity of the organization as a whole.

From the response recorded on question fifth, it can be seen from the average responded was 4.4 indicating that the internal auditor agreed. Towards roles to detect fraud in organizations. As professionals who have specific knowledge and expertise, internal auditors have the responsibility to carry out thorough examinations and detect indications of fraud. With this awareness, it is expected that internal auditors role carry out their duties more effectively and able to make a significant contribution to preventing and overcoming fraud in the organization.

The sixth question, it can be seen from the average respondent 3.5 indicating the internal auditor stated Neutral. This indicates that there is doubt or uncertainty in the internal auditor's perception regarding fraud detection through the audit process and the pressure experienced by employees in carrying out their duties. Even so, awareness of the risk of fraud and the importance of monitoring through the audit process is still needed to prevent and detect fraud in organizations. Anti-fraud awareness influences fraud prevention. In a study examining the internal auditors' perception of fraud detection through the audit process, found that the average respondents' score of 3.5 indicates that internal auditors expressed a neutral stance. This result suggests the presence of doubt or uncertainty in the internal auditors' perception regarding fraud detection through the audit process and the pressures experienced by employees in carrying out their duties. Nevertheless, awareness of fraud risks and the importance of oversight through the audit process remains crucial for preventing and detecting fraud within the organization (Syahputra & Afnan, 2020). Further efforts are needed to increase the understanding and awareness of internal auditors regarding the role of internal auditors in identifying and overcoming potential fraud.

The seventh question, it can be seen from the average respondent 4 indicating that the internal auditor agreed. This shows awareness and acknowledgment that the organization has made improvements in the use of

fraud detection techniques. Efforts to improve fraud detection capabilities are an important step in preventing and reducing the risk of fraud within the organization. This research demonstrates that internal audit can play a crucial role in preventing and detecting fraud within an organization. Internal audit can assist the organization in identifying areas vulnerable to fraud and developing strategies to mitigate fraud risks. In this study, it was found that internal auditors can help the organization enhance its fraud detection capabilities by conducting regular risk assessments, developing effective audit procedures, and improving communication with management and other staff members. With the improvement in fraud detection techniques, it is expected that the organization can be more effective in identifying and addressing potential fraud cases (Petraşcu & Tieanu, 2014). With the improvement of fraud detection techniques, it is expected that organizations can be more effective in identifying and handling fraud cases that may occur.

The eighth question, it can be seen from the average respondent 3.4 indicating the internal auditor stated Neutral. This shows that there are variations in perceptions among respondents regarding the benefits and effectiveness of training in increasing skills in fraud prevention. Nonetheless, training remains an important effort to increase awareness and understanding of preventing and detecting fraud. This is consistent with other research that suggests that training can enhance the skills of internal auditors in addressing evolving fraud challenges (Suryani, 2013). By attending training regularly, it is hoped that internal auditors are able to acquire current relevant knowledge and skills in dealing with the ever-evolving fraud challenges.

The ninth question seen from the average respondent, 3.5 indicates the internal auditor stated Neutral. This shows that there are variations in perceptions regarding the effectiveness of the frequency of audit committee meetings in dealing with fraud issues. Nonetheless, the audit committee meeting remains one of the important mechanisms in raising awareness of fraud and strengthening internal control in the organization. In audit committee meetings, internal auditors can present findings and recommendations regarding fraud, as well as discuss more effective prevention and detection strategies. In an audit committee meeting, internal auditors can present their findings and recommendations regarding fraud, as well as engage in

discussions about more effective prevention and detection strategies (Utami et al., 2019). Thus, regular audit committee meetings remain an important part of the organization's efforts to deal with fraud risk.

Table 3
Ways to Prevent Fraud

No.	Question	Max	Min	Average
1	There is a code of ethics/company ethics policy	5	3	4.6
2	Internal control review and improvement	5	4	4.6
3	Reference check employees	5	3	4.2
4	The signing of the employment contract	5	3	4.2
5	Performed fraud audits	5	3	4.1
6	Whistleblowing policy	5	3	4.3
7	Conducted operational audits	5	3	4.2
8	Organizations use forensic accountants	5	2	3.8

No.	Question	Max	Min	Average
9	Conducted fraud prevention and detection training	5	3	4.3
10	Ethics training	5	4	4.4
11	There are instruments for supervision	5	4	4.5
12	Increase the attention of senior management	5	3	4.3
13	Sanctions policy against suppliers/contractors.	5	3	4.2
14	Increase the role of the audit committee	5	3	4.2
15	Monitoring of electronic correspondence (e-mail)	5	1	3.8
16	Employee rotation policy	5	3	4.3
17	Monitoring equipment installed	5	3	3.8
18	The Security Department was formed	5	1	3.6
19	Employee counseling program	5	3	4.1
20	Cash control	5	3	4.3
21	Observation of inventory	5	3	4.2
22	Bank reconciliation	5	3	4.2

The above table 4.3 provided the respondents, to prevent fraud the average is 4.6 indicating that the internal auditor stated Strongly Agree response forwards how. This shows that the code of ethics or company ethics is considered an important step in preventing fraud. With this policy, the organization provides clear guidelines and expectations regarding the behavior expected of all employees, including in terms of integrity, transparency, and fraud prevention. A strong code of ethics policy helps create an organizational culture that is oriented towards integrity and emphasizes the importance of acting honestly and by company values. In addition, this policy also provides a basis for taking action against ethical violations and involves strict monitoring of practices that have the potential to give rise to fraud. According to Rini & Suwardi, (2021) Independence, integrity and professionalism have a positive effect on fraud prevention. Supported by the results of the interviews, it provides an overview of BPK institutions having implemented the code of ethics well, the implementation of the code of ethics has included fraud prevention programs, namely prevention, disruption, identification, and prosecution actions.

The second question, the average respondent 4.6 indicating that the internal auditor stated Strongly Agree. Towards the importance of reviewing and improving the internal control system as an effective fraud prevention measure. Through regular reviews and evaluations of existing internal controls,

organizations can identify weaknesses or gaps that can be exploited by perpetrators of fraud. By regularly reviewing and improving internal controls, organizations can improve the efficiency, accountability, and reliability of their business processes. In addition, improvements to internal controls also assist in detecting and preventing practices that violate established policies and procedures. With a focus on reviewing and improving internal controls, organizations can minimize the risk of fraud and maintain the integrity and financial health of the company.

The third question, it can be seen from the average respondent 4.2 indicating that the internal auditor on fraud prevention agrees. The importance of conducting reference checks on prospective employees as a fraud prevention measure. In the during process, Fraught checking a candidate's references can provide important information about their track record and integrity. By verifying a candidate's work history, education, and personal records, organizations can identify potential risks associated with their honesty and reliability. Reference checks are also helpful in reducing the likelihood of recruiting individuals who have a record of fraud or unethical behavior. By implementing good reference-checking practices, organizations can minimize the risk of fraud that can arise from internal factors, such as fraudulent acts by employees who do not have a good trackrecord.

The fourth question, it can be seen from the average respondent 4.2 indicatiea that the internal auditor recognizes the importance of signing a work contract as a fraud prevention measure. By requiring employees to sign employment contracts, organizations able to establish and communicate clear expectations, responsibilities, and rules regarding the behavior and integrity expected of employees. Employment contracts may also include clauses prohibiting unethical practices, abuse of power, and fraudulent acts. By having clear and firm work contracts, organizations can provide a legal basis for taking firm action against violations and reducing the potential for fraud. In addition, employment contracts can also be an effective tool in enforcing discipline and communicating the consequences of actions that violate company policies.

The fifth question, it can be seen from the average respondent 4.1 indicating that the internal auditor agreed. This shows that the internal auditor recognizes the importance of conducting an audit that is specifically focused on

preventing and detecting fraud. By conducting a fraud audit, organizations can proactively identify potential loopholes or fraud risks in their systems and operational processes. This audit involves a more in-depth and specific examination of transactions, policies, internal controls, and employee behavior that could potentially be indicative of fraud. During the audit process, internal auditors use specific methods and techniques to gather evidence and analyze data relating to potential fraud. By conducting these audits regularly, the organization can increase the fraud detection rate, identify weaknesses in the control system, and implement necessary corrective and strengthening actions. Thus, a fraud audit is an important step in preventing and overcoming fraud within an organization.

The sixth question, it provided the average respondent of 4.3 indicating that the internal auditor agreed. This shows that internal auditors recognize the importance of having a whistleblowing policy as an effective way of preventing and detecting fraud within the organization. The whistleblowing policy allows employees to report anonymously or via secure channels when they become aware of suspicious activity or potential fraud occurring in the workplace. With this policy in place, employees feel more benefited and protected when reporting unethical or unlawful actions, thereby encouraging transparency and accountability within the organization. According to Marciano et al., (2021) The effect of the whistleblowing system is a collaborative system for fraud prevention in companies or organizations. Through whistleblowing, information received can be immediately followed up and investigated quickly by the authorities, including the internal audit team. Thus, a whistleblowing policy can be an effective mechanism for preventing and disclosing potential fraud, thereby helping organizations maintain integrity and reduce the risk of fraud that may occur.

The seventh question, it can be seen from the average respondent 4.2 indicating that the internal auditor agreed. This shows that the internal auditors are aware of the importance of conducting operational audits as an effective fraud prevention measure. An operational audit involves evaluating and testing the effectiveness and effectiveness of operational systems, processes, and policies within the organization. By conducting regular operational audits, internal auditors can identify weaknesses and gaps that fraud perpetrators can exploit. Internal auditors can examine compliance with established policies and

procedures, identify potential fraud risks, and recommend necessary corrective actions. Operational audits also help improve understanding of business processes, optimize the use of resources, and improve the efficiency and effectiveness of the organization's overall operations. Thus, through systematic and comprehensive operational audits, organizations can mitigate the risk of fraud and maintain the integrity and sustainability of their business.

The eighth question, it can be seen from the average respondent 3.8 indicating that the internal auditor agreed. This shows that the internal auditor realizes the importance of using the services of a forensic accountant to prevent and detect fraud. Forensic accountants have special expertise in collecting, analyzing, and investigating evidence related to fraud that occurs within the organization. By involving forensic accountants, organizations can identify patterns and indications of fraud, collect sufficient evidence to follow up on fraud cases and build strong reports for legal or internal organizational purposes. In addition, forensic accountants can also provide recommendations to strengthen the internal control system and prevent future fraud. By using the services of a forensic accountant, organizations can improve their ability to detect and handle fraud more effectively, thus minimizing the negative impact that fraud can have on the organization's finances and reputation.

The ninth question, it can be seen from the average respondent 4.3 indicating that the internal auditor agreed. This shows that internal auditors recognize the importance of training that focuses on fraud prevention and detection within the organization. Through this training, employees and internal auditors will be provided with the necessary knowledge and skills to recognize signs of fraud, understand fraud detection methods, and apply effective prevention practices. By increasing understanding and awareness of fraud, organizations can strengthen their internal control systems, identify loopholes that fraudsters can exploit, and take appropriate steps to prevent fraud from occurring. This training can also help create a culture that upholds integrity, ethics, and compliance within the organization, thereby providing a strong layer of defense against fraud risk.

The tenth question, it can be seen from the average respondent 4.4 indicating that the internal auditor agreed. This shows that internal auditors recognize the importance of training that focuses on strengthening ethical values

within the organization. Through this training, employees and internal auditors will be provided with a deeper understanding of ethical principles, expected standards of behavior, and the consequences of ethical violations, including fraud. Ethics training helps create awareness and individual responsibility in carrying out business duties and decisions with integrity, honesty, and fairness. By strengthening ethics in the organization, opportunities for fraud can be reduced, because employees will have a strong moral foundation to avoid unethical actions. In addition, ethics training can also help build a corporate culture with integrity, where employees remind and support each other to behave by organizational values.

The eleventh question, it can be seen from the average respondent 4.5 indicating that the internal auditor agreed. This shows that internal auditors are aware of the importance of using effective monitoring instruments or tools in efforts to prevent fraud. With good monitoring instruments, such as standardized policies and procedures, transparent reporting systems, and the use of appropriate information technology, organizations can be more effective in monitoring and controlling activities that have the potential to give rise to fraud. Monitoring instruments that are properly implemented can help detect indications of fraud, minimize opportunities for fraud to occur, and provide strict sanctions for perpetrators of fraud. Thus, the use of good monitoring instruments is an effective way to prevent fraud within the organization.

The twelfth question, it can be seen from the average respondent 4.3 indicating that the internal auditor agreed. This shows that the internal auditors believe that the attention given by senior management is very important in efforts to prevent fraud. By increasing senior management's attention to fraud issues, including prioritizing fraud prevention policies, providing adequate resources, and overseeing the implementation of internal controls, organizations can create a more transparent and accountable work environment. Senior management who is committed to fraud prevention sets a good example for the entire organization and promotes a culture of honesty and integrity. In addition, senior management who pays attention to fraud issues will also be more responsive in dealing with indications of fraud that arise, thereby reducing the potential losses caused by fraud. Thus, increasing the attention of senior management is an effective way to prevent fraud within the organization.

The thirteenth question, it can be seen from the average respondent 4.2 indicating that the internal auditor agreed. This shows that the internal auditor views the sanction policy against suppliers/contractors as an important step in preventing fraud. By implementing a clear and strict sanction policy against suppliers/contractors who are involved in fraudulent practices, the organization can provide a strong signal that unethical and fraudulent actions will not be tolerated. This sanction policy can cover a variety of actions, ranging from terminating contracts, and freezing payments, to lawsuits against parties involved in fraud. In addition, sanctions policies can also have a deterrent effect and influence other suppliers/contractors to comply with applicable rules and norms. With a strict sanction policy, organizations can create a more integrity business environment and reduce the risk of fraud involving suppliers/contractors.

The fourteenth question, it can be seen from the average respondent 4.2 indicating that the internal auditor agreed. This shows that the internal auditors are aware of the important role of the audit committee in preventing fraud. By enhancing the role of the audit committee, organizations can strengthen internal controls and controls that are effective in identifying and preventing potential fraud. The audit committee has the responsibility to review the policies, procedures, and business practices of the organization to ensure compliance with applicable standards and regulations and to evaluate the effectiveness of the internal control system. According to Dimuk et al., (2022) the role of the audit committee in detecting fraud factors in financial reports is very important and also shows that audit committees can moderate the relationship between fraud factors and financial reports. By strengthening the role of the audit committee, organizations can strengthen the independence, objectivity, and sustainability of the internal control function in dealing with fraud risk. The audit committee can involve itself actively in risk evaluation, internal audit, monitoring financial reporting, and implementing best practices in fraud prevention. By increasing the role of the audit committee, organizations can improve transparency, accountability, and integrity in managing fraud risk, thereby reducing the potential losses caused by fraud.

The fifteenth question, it can be seen the average respondent 3.8 indicating that the internal auditor agreed. This shows that the internal auditor

recognizes the importance of monitoring electronic correspondence, especially via email, to prevent fraud. By carrying out strict supervision of electronic correspondence, organizations can monitor and identify potential fraudulent acts committed through electronic communications. Monitoring of electronic correspondence involves measures such as monitoring e-mail activity, use of strong authentication systems, data encryption, and clear e-mail usage policies. By carrying out effective controls, organizations can prevent the use of e-mail for illegitimate purposes, such as embezzlement of information, manipulation of data, or collusion between internal and external parties that have the potential to cause fraud.

The sixteenth question, it can be seen from the average respondent is 4.3 indicating that the internal auditor agreed. This shows that the internal auditors recognize the importance of employee rotation policies as an effective fraud prevention measure. By implementing employee rotation policies, organizations can reduce the potential for internal crime and minimize the risk of collusion or manipulation that can facilitate fraud. Through the employee rotation policy, individuals who have access to and responsibility for organizational assets and processes will be transferred to different positions or departments regularly.

The seventeenth question, it can be seen from the average respondent 3.8 indicating that the internal auditor agreed. By installing the right surveillance tools, such as surveillance cameras, electronic monitoring systems, or data analytics software, organizations can monitor activities that occur in the work environment in greater detail. This can help detect suspicious actions or violations that could lead to fraud. In addition, the existence of monitoring tools can also have a deterrent effect on potential perpetrators of fraud, as they realize that strict control measures are implemented within the organization.

The eighteenth question, it can be seen from the average respondent 3.6 indicating that the internal auditor agreed. By having a Security Department that focuses on securing and protecting organizational assets, including preventing and handling fraud cases, organizations can increase their overall security level. The Security Department can be responsible for developing and implementing strict security policies, monitoring physical access and information systems, and providing training to employees regarding ethics and awareness of fraud risks. With a professional Security Department, organizations can improve their ability

to overcome and prevent fraud.

The nineteenth question, it can be seen from the average respondent 4.1 indicating that the internal auditor agreed. By providing a good counseling program, organizations can create a healthy work environment and support the mental and emotional well-being of employees. Through the counseling program, employees have the means to express the problems or pressures they face, including factors that can trigger fraudulent behavior. Counselors can provide guidance, support, and advice to help employees work through their problems in positive and constructive ways. In addition, counseling programs can also help increase employee awareness of the importance of ethics and integrity in carrying out their duties. According to (Maurer, 2013) Employee counseling can help to identify potential fraudsters: By providing confidential counseling services to employees, organizations can identify employees who may be struggling with financial or personal problems that could lead to fraud. With an employee counseling program, organizations can help prevent fraud by paying attention to and dealing with factors that can trigger dishonest behavior.

The twentieth question, it can be seen from the average respondent 4.3 indicating that the internal auditor agreed. By maintaining strict control over cash, organizations can reduce the risk of misuse or unauthorized loss of money. Measures for monitoring cash that can be taken include using an accurate and well-documented transaction recording system, implementing internal control policies that regulate cash management, as well as carrying out periodic reconciliation and monitoring of cash balances and transactions. In addition, the use of technology such as cash registers or electronic payment systems can also help strengthen control over cash. With effective monitoring of cash, organizations can identify and address potential fraud risks associated with the use of cash, thereby preventing loss or unauthorized misuse of money.

The twenty-first question, it can be seen from the average respondent 4.2 indicating that the internal auditor agreed. By making careful observations of inventory, both physically and through recording transactions, organizations can reduce the risk of misuse or unauthorized loss of inventory. Through observation, the auditor can ensure the correspondence between the amount of inventory recorded in the system and the actual amount of inventory in storage. In addition, observation can also help identify indications of fraud, such as

discrepancies between physical inventories and supporting documents or irregularities in patterns of taking or using inventories. The results of this study are in line with research conducted by (Mufidah, 2017)) one of the efforts to prevent fraud is by observing inventory management. By observing inventories on a regular and planned basis, organizations can minimize the risk of fraud associated with inventories and immediately take the necessary actions to prevent or address potential fraud that is detected.

The twenty-second question, it can be seen from the average respondent 4.2 indicating that the internal auditor agreed. By carrying out regular bank reconciliations, organizations can ensure compatibility between bank account balances recorded in the books and balances recorded in the financial statements. This reconciliation process involves comparing and harmonizing transactions recorded in the bank's books with transactions recorded in the organization's internal books. By carrying out careful and regular bank reconciliations, organizations can detect suspicious discrepancies or discrepancies, such as unauthorized transactions, balance manipulation, or record keeping. The results of this study are in line with research conducted on inaccurate transactions. Bank reconciliation is the process of matching balances in the entity's accounting records for cash accounts with the appropriate information on bank reports (Mohamadi, 2022). Thus, bank reconciliation is an important step in preventing fraud related to financial transactions, as well as helping organizations identify and deal with potential fraud effectively.

Table 4 Benefits of Technology to Detect Fraud

No.	Question	Max	Min	Average
1	Help Determine Sampling	5	3	4,2
2	Assist data mining	5	3	4,3
3	Perform digital analysis	5	3	4,3
4	Continuous auditing	5	2	4,2
5	Help calculate financial ratios	5	3	4,1
6	Protects against viruses	5	1	3,9
7	Protect passwords	5	1	4,1

Based on the respondent data table in the first, it can be seen that the benefits of technology for detecting fraud can be seen from the average respondent 4.2 indicating that the internal auditor agrees. This shows that the internal auditor recognizes the benefits of technology in supporting the fraud

detection process, especially in determining effective sampling. By using technology, internal auditors can optimize the use of resources and time by conducting representative and significant sampling. Technology can assist in identifying suspicious patterns or anomalies in data, thereby enabling internal auditors to focus on areas that have the potential to experience fraud. With the help of technology in determining sampling, internal auditors can improve effectiveness and efficiency in detecting fraud, so that potential losses caused by fraud can be minimized.

The second question, it can be seen from the average respondent 4.3 indicating that the internal auditor agreed. This shows that internal auditors recognize the benefits of technology in supporting the fraud detection process, particularly in extracting more efficient and comprehensive data. By using technology, internal auditors can collect, process and analyze data more quickly and accurately. Technologies such as data analysis tools and specialized software can help internal auditors identify patterns, anomalies, and indications of fraud that may be difficult to find manually. According to (Deloitte, 2012) Data analytics can help organizations to identify patterns and anomalies that may indicate fraud. This can be done by analyzing large amounts of data, such as transaction records, employee records, and customer records. With the help of technology in data mining, internal auditors can optimize their efforts to detect fraud, improve their ability to identify risks and potential fraud and speed up their response to detected fraud.

The third question, it can be seen from the average respondent 4.3 indicating that the internal auditor agreed. This shows that internal auditors recognize the benefits of technology in supporting the fraud detection process, especially through digital analysis. By using the latest technology, such as digital forensic analysis tools and sophisticated software, internal auditors can perform more in-depth analysis of digital data relevant to organizational activities. Through digital analysis, internal auditors can identify patterns, transaction traces and signs of fraud that may be difficult to detect manually. According to (Syahputra & Afnan, 2020) Big data has proven to have a positive effect on forensic audits for fraud detection. Thus, technology assists internal auditors in optimizing their efforts to detect fraud by exploiting the potential hidden in digital data.

The fourth question, it can be seen from the average respondent 4.2 indicating that the internal auditor agreed. This shows that internal auditors recognize the benefits of technology in supporting the application of continuous auditing in an effort to detect fraud. Continuous auditing is an auditing approach that uses information technology to automatically and continuously collect, analyze, and monitor an organization's transaction data in real time. By implementing continuous auditing, internal auditors can proactively identify suspicious anomalies or patterns that may be indications of fraud. With the help of technology, data can be processed quickly and efficiently, enabling internal auditors to gain a deeper understanding of organizational activities on an ongoing basis. According to (Hiererra & Sarayar, 2014) Continuous audit is a monitoring system that is carried out continuously using information technology to detect fraud. Thus, technology plays an important role in supporting internal auditors' efforts to detect fraud by implementing continuous auditing.

The fifth question, it can be seen from the average respondent 4.1 indicating that the internal auditor agreed. This shows that the internal auditor recognizes the benefits of technology in supporting the process of calculating financial ratios as a method for detecting potential fraud. With the help of technology, financial data can be processed quickly and accurately, enabling internal auditors to perform financial ratio analysis more efficiently. Through the calculation of appropriate financial ratios, internal auditors can identify discrepancies or abnormalities in an organization's financial performance which may be an indication of fraud. Thus, technology plays an important role in supporting the internal auditor's efforts to detect fraud through more effective and accurate analysis of financial ratios.

The sixth question, it can be seen from average respondent of 3.9 indicating that the internal auditor agreed. This shows that internal auditors are aware of the importance of using technology to protect the organization from virus attacks that can potentially lead to fraud. In an increasingly complex digital era, organizations are vulnerable to virus threats that can damage systems, steal important information, or manipulate data for fraudulent purposes. By utilizing the right technology, internal auditors can implement effective security measures, such as the use of antivirus software and network protection systems, to protect the organization from virus attacks that can have an impact

on fraud. According to (Hiererra & Sarayar, 2014) Continuous audit is a monitoring system that is carried out continuously using information technology to detect fraud. Thus, technology plays an important role in preventing and detecting potential fraudulent actions that maybe caused by virus attacks.

The seventh question, it can be seen from the average respondent 4.1 indicating that the internal auditor agreed. This shows that internal auditors are aware of the importance of using technology to protect passwords used in organizational systems to prevent unauthorized access and the potential for fraud. In this sophisticated digital era, the use of strong passwords and good security policies are important steps in protecting sensitive information and data. By leveraging technologies such as strong password security, data encryption, and the use of multiple authentication techniques, internal auditors can help organizations prevent unauthorized access and potential cases of fraud related to identity theft, misuse of access, or manipulation of data by unauthorized parties. According to (Annisa & Harris, 2011) audit technology can help auditors to detect indications of fraud more quickly and accurately. This is because audit technology can process large amounts of data quickly and accurately, making it easier for auditors to find suspicious patterns and anomalies. Thus, technology plays an important role in detecting and preventing potential fraud that may occur through vulnerabilities in password security.

CONCLUSION

By leveraging technologies such as strong password security, data encryption, and the use of multiple authentication techniques, internal auditors can help organizations prevent unauthorized access and potential cases of fraud related to identity theft, misuse of access, or manipulation of data by unauthorized parties. And it can be concluded that internal auditors have a strong awareness of the importance of preventing and reducing the risk of fraud within the organization. The results of this study indicate that internal auditors are aware of the importance of fraud prevention measures in organizations caused by fraud and are committed to fighting fraud with all the efforts they have. This awareness forms the basis for building a culture of integrity and honesty within the organization so that the risk of fraud can be minimized and the organization can operate more efficiently and transparently.

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