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The Influence of Internal Control, Organizational Commitment, and Rule Compliance on Accounting Fraud Tendencies

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Abstract. This study examines the effect of internal control, organizational commitment, and rule compliance on accounting fraud tendencies. The sample used is the Local Government Organization (OPD) employees of Musi Rawas Regency using purposive sampling techniques. With respondent criteria, Commitment Officers, Financial Administration Officers, Expenditure/Revenue Treasurers (for OPDs where there is a revenue treasurer), Assistant Treasurers, and Finance Staff at Local Government Organizations. This study used primary data, namely in the form of responses from respondents obtained through the distribution of questionnaires. This research tested the relationship between variables quantitatively with Partial Least Squares-Structural Equation Modeling (PLS-SEM) using the SmartPLS v.4. The research results show that internal control does not affect accounting fraud tendencies. At the same time, organizational commitment and rule compliance have a negative effect on accounting fraud tendencies.

1 Introduction

Based on Occupational Fraud 2022: A Report to [1], losses due to fraud in Asia Pacific reached $723,000, with the most significant fraud cases being corruption at 57%, billing schemes at 20% and noncash schemes at 17%. Judging from the number of fraud cases in Asia Pacific, Indonesia ranks 4th with 23 out of 194 cases. In 2019, the Association of Certified Fraud Examiners (ACFE) conducted a fraud survey in Indonesia, resulting in the number of losses due to fraud reaching Rp874,430M, where the average loss per case reached Rp7.2 billion [2].

According to data from Indonesia Corruption Watch (ICW), there were 579 corruption cases throughout 2022, an increase of 8.63% from 2021. There are as many as 54 cases of corruption in the government sector. In 2023, one of the cases of government sector corruption can be seen in the case of Rafael Alun Trisambodo, an official of the Directorate General of Taxes (DJP) of the Ministry of Finance (Kemenkeu), who was revealed to have unnatural assets. Rafael's 2021 State Administrator Asset Report (LHKPN) reached IDR 56 billion [3].

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In recent years there have been several cases that have been widely reported, namely the corruption case of the construction of the Sriwijaya Mosque and the purchase of gas at the Regional Mining and Energy Company (PDPDE) carried out by the former Governor of South Sumatra [4], a bribe case of IDR 2.9 billion received by the Regent of Musi Banyuasin, Head of the Public Works and Spatial Planning Office (PUPR) Musi Banyuasin and Head of Natural Resources of the PUPR Office Musi Banyuasin to make it easier for PT Selaras Simpati Nusantara (SSN) to get projects at the PUPR Office in 2021 [5]. In addition, corruption was committed by the former Regent of Muara Enim, who received bribes of IDR 3 billion from businesspeople related to projects at the Muara Enim PUPR Office in 2019 [6].

In 2022, an audit by the South Sumatra Financial and Development Supervisory Agency (BPKP) found allegations of corruption in the collection of funds for strengthening school principals at the Musi Rawas Education Office in 2019 carried out by three officials of the Musi Rawas District Education Office which caused state losses of Rp428,015,325 [7].

These cases illustrate that accounting fraud can occur within the government, including the Regional Government of South Sumatra Province. Even Musi Rawas Regency itself was the sample in this study.

Fraud is an ethically wrong and illegal behaviour that is intentionally done to make a profit by manipulating or presenting misleading reports to others. Internal agencies, organizations, or external parties can do this to reap the maximum benefit [2]. Accounting fraud is a deliberate behavior that is committed with intent, frequently motivated on specific opportunities or emotions [8].

In the 2022 Corruption Perceptions Index (CPI), Indonesia experienced the worst decline compared to 2021. Indonesia's ranking and score decreased from 91 out of 180 countries with a score of 96 to 110 out of 180 countries with a score of 34. In the Southeast Asia alone, Indonesia is ranked 7th out of 11 countries. A low score shows the poor response or ineffectiveness of the program implemented for corrupt practices [9].

This study examines the effect of internal control, organizational commitment, and rule compliance on accounting fraud tendencies. This study combines independent variables from two previous studies conducted by [10] and research conducted by [11]. Researchers used internal control variables and organizational commitment from the research of [10] and added one other variable from the research of [11], namely rule compliance. The variables of organizational commitment and rule compliance were selected due to the fact that the results of some earlier studies on the prevalence of accounting fraud were inconsistent.

This research has the potential to make a direct or indirect contribution to relevant parties, including the government, the public, and academics. This research has the potential to offer a comprehension of the tendencies of accounting fraud, thereby enabling the public to take an active role in the prevention of fraudulent activities, particularly in government settings. Moreover, it is anticipated that this research will be able to help regional government organizations analyze the factors that are intended to prevent fraud at government organizations and reduce the possibility of fraudulent activities.

2 Research method

2.1 Theory

2.1.1 Fraud hexagon theory

In 2019, Vousinus developed the fraud hexagon theory, which incorporates the collusion element as a determinant of fraud. Collusion is an essential component in numerous unpleasant and complicated situations. Collusion refers to a deceptive agreement between more than one individual [12]. If there is collusion between employees or external parties, then fraud will be more challenging to stop. The following are the six factors of fraud hexagon theory :

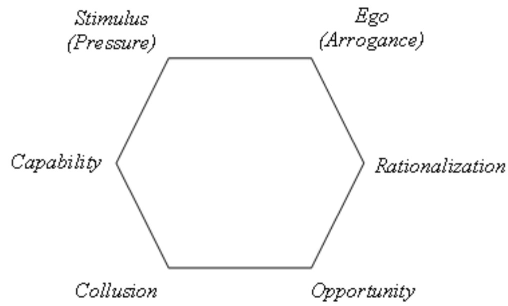

Fig. 1. Fraud hexagon theory

1) Pressure/Stimulus
   Pressure is an encouragement to commit fraudulent acts [13]. Pressure can be in the form of economic factors, emotional reasons (envy/jealousy, revenge, power, prestige), values, and because of greed.
2) Capability
   The individual's role or position within an organization may allow anyone to manipulate or take advantage of opportunities for fraudulent activities. An individual in a position of power wields greater influence over a specific circumstance or environment. Individuals possessing exceptional skills and immense potential can recognize these opportunities and successfully implement deceptive tactics [14].
3) Collusion
   Collusion refers to a deceptive agreement or insufficient cooperation between two or more individuals who come together to carry out actions that undermine another person's rights, with malicious intent. Collusion among employees, whether with internal or external parties, makes it more difficult to prevent fraud. Currently, this issue is steadily expanding [15].
4) Opportunity
   An opportunity is a circumstance or event that enables someone to engage in or conceal an act of dishonesty. This opportunity arises because of lax regulatory rules, inadequate oversight, indifference, ethical deficiencies, and exploitation of positions of power, which facilitate the perpetration of fraud for one's own benefit [11].
5) Rationalization
   Rationalization refers to the cognitive process by which an individual seeks to justify or provide a logical explanation for their engagement in criminal behavior. These beliefs rationalize their actions as conforming to typical behavior, which is ethically permissible in a conventional society. Scammers consistently seek justifications for their conduct. This thought stems from a desire to keep their behaviors hidden, leading them to rationalize their deceitful behavior [14].

6) Arrogance/Ego
Ego refers to a state in which an individual is very motivated to achieve success, regardless of the consequences. They are focused on themselves, possess a strong sense of self-assurance, and often have narcissistic tendencies. Ego can serve as a driving force behind fraud, as individuals may be unwilling to compromise their reputation or authority in the eyes of society or their family. This societal pressure provides a strong incentive to persist in fraudulent activities [13].

2.1.2 Accounting fraud

According to Jack Bologne's GONE theory, as outlined in his 1993 book "Handbook of Corporate Fraud," there are four characteristics that help elucidate the motivations behind an individual's engagement in fraudulent activities. The following four factors are :

1) Greed
Greed is a consequence of an individual's way of life that surpasses their capabilities or unexpected necessities [16]. Someone who harbors avarice will experience discontentment with their belongings or wealth and strive to constantly augment them [17]. Whether fraud is involved, greed refers to the fraudster's initial engagement in small-scale fraudulent activities. Nevertheless, in the absence of detection or any perceived disadvantage, the fraudster escalates the level of fraudulent activity on subsequent occasions. Until apprehended, the offender will persist in these actions. This avarice leads individuals to engage in unconventional behaviors that they perceive as acceptable.
2) Opportunity
The GONE theory defines opportunity as a loophole in a system that allows someone to bypass measures put in place to prevent cheating, despite the system being originally intended and tested to be cheat-proof [17]. Individuals assigned a duty within a system will have an understanding of its deficiencies. Therefore, individuals who have close proximity to the system, such as those in positions of authority within the agency or organization, are likely to commit fraudulent acts. Organizations, agencies, and society provide opportunities for fraud, allowing individuals to engage in fraudulent activities. A company's state of expecting fraud can incite individuals who commit fraud. This phenomenon is becoming more prevalent, leading many scammers to believe that their actions are common and expected [16].
3) Need
Insatiable desires and a psychological disposition plagued by perpetual unsatisfaction intricately link to needs [17]. Occasionally, these desires exceed their financial capabilities, leading them to engage in fraudulent activities through any available means [16].
4) Exposure
The disclosure pertains to the retribution imposed on those who commit acts of fraud [17]. Nevertheless, the punishment does not provide a foolproof assurance that individuals, whether they are previous offenders or new ones, will abstain from committing fraudulent conduct.

Fraud is caused by someone's desire manifested in the form of behaviour to carry out actions that violate the rules [18]. Fraud can occur in a variety of ways, including the manipulation or misappropriation of receipts for products or money, the theft or misuse of assets, or activities that result in an entity making payments for items or services that it did not actually obtain. Fraud perpetrators typically evade detection by employing counterfeit or deceptive records or papers, often including collaboration between internal or external parties.

2.2 Hypothesis

Internal control is related to unethical actions, and deviant actions can be influenced by the existence of internal control and monitoring of organizational activities by leadership. Three objectives of internal control are protecting assets, providing accurate information, and increasing compliance with the law [19].

According to the fraud hexagon hypothesis, inadequate internal control can lead to the emergence of pressure and opportunity variables. The imposition of unattainable objectives by management or owners upon staff can create undue stress and compel them to carry out acts instructed by the owner, even if they violate applicable legislation.

Employees will look for opportunities to commit this fraud. Ineffective monitoring from weak internal controls, indiscipline, and weaknesses in accessing information are opportunities for someone to commit fraud freely. Companies that have poor internal controls tend to have opportunities for someone to commit fraudulent acts. With reasonable internal control, an organization will be able to run well. Therefore, internal control plays a role in suppressing employee actions to commit fraud [20].

The extent of internal control in a corporation inversely correlates with the likelihood of an individual within that company or organization committing fraud. The results are in line with those of [21, 22, 23, 8, 10, 24, 20, 19, 25]. These studies show that internal control makes accounting fraud much more likely. Given this information, it is possible to develop a hypothesis:

H_1: Internal Control negatively affects the tendency of accounting fraud.

Commitment is the act of embracing and upholding essential ideals inside an organization. Variations in employee behavior might lead to conflict as a result of divergent perspectives and interests [10]. The presence of ego/arrogance and rationalization in the fraud hexagon theory might elucidate the correlation between organizational commitment and the tendency towards accounting fraud.

The existence of ego in a person can be a motivation to commit fraud when he does not want to lose his reputation or power over his position, and he does not feel satisfied with the property or assets he has, so he will justify all means to maintain his position and assets, including committing fraud. Perpetrators of fraud will try to find reasons for their actions, giving rise to rationalisation or thinking that justifies cheating as a normal thing that other people also do.

The rationale behind every action and behavior serves as a manifestation of one's preexisting dedication. Therefore, it may be asserted that there is an inverse relationship between an entity's level of commitment and the likelihood of accounting fraud. This demonstrates that a person's level of commitment to an organization has a negative impact on their tendency to engage in fraudulent activities. [10] conducted a study that demonstrates the detrimental impact of organizational dedication on the likelihood of engaging in accounting fraud. Nevertheless, the findings of [26] research indicate that there is no substantial correlation between organizational dedication and the likelihood of accounting fraud. Given the elucidation of the correlation between the theoretical foundation of this study, it is possible to construct a hypothesis:

H_2: Organizational Commitment negatively affects the tendency of accounting fraud.

The fraud hexagon theory suggests a connection between the capability and collusion aspects of rule compliance. This means that individuals within an organization who hold positions or functions may utilize their skills to exploit or create opportunities for engaging in fraudulent activities. Collusion or mutual agreement with other parties can intensify this fraudulent activity.

Complying with the regulations is essential for fostering responsible financial management and avoiding harmful deviant behaviors that could negatively impact the organization. This will produce efficient, reliable, and accurate financial reports and comply with all accounting rules and regulations. Strict adherence to accounting regulations minimizes the probability of errors and enhances the reliability of accounting information.

[11] conducted a study that demonstrates a detrimental impact of adhering to accounting regulations on the likelihood of accounting fraud. However, a study by [21] refutes this claim, showing that adherence to regulations significantly reduces the likelihood of committing accounting fraud. Given the elucidation of the correlation between the theoretical foundation of this study, it is possible to construct the following hypothesis:

H_3: Rule Compliance negatively affects the tendency of accounting fraud.

2.3 Object and subject of research

The objective of this study is to utilize the population of local government organizations (OPD) in the Musi Rawas District Government. The participants in this study consisted of 175 employees who held financial management positions within local government organizations.

2.4 Data type

This study employs a quantitative research approach and relies on primary data sources. This study used questionnaires containing 34 statements: 10 statements for Internal Control, seven statements for Organizational Commitment, seven statements for Rule Compliance, and ten statements for Accounting Fraud Tendencies to obtain primary data for the research. This research data comes from the opinions and perceptions of Officials and Financial Management Staff of Local Government Organizations within the Musi Rawas Regency Government.

2.5 Sampling techniques

The study employed the purposive sampling method as its sampling technique. The respondent's criteria are Commitment Officers, Financial Administration Officers, Expenditure/Revenue Treasurers (for OPDs with Revenue Treasurers), Assistant Treasurers, and Finance Staff at Local Government Organizations (OPD) in Musi Rawas Regency. The selection of these criteria is based on three reasons. First, there are many conditions in the public sector of government. Second, selecting 4 or 5 different levels of organizational structure is intended to produce a representative sample. Third, the Commitment Making Officer, Financial Administration Officer, Expenditure/Receipt Treasurer (for OPDs with a revenue treasurer), Assistant Treasurer, and Finance Staff know and understand internal events within the organization and have competent accounting knowledge.

2.6 Data collection techniques

The data in this study was collected by a questionnaire survey using the Likert scale and analyzed using the SmartPLS v. 4 software. The Likert scale is composed of five levels, specifically: 1) Strongly Disagree (STS), 2) Disagree (TS), 3) Neutral (N), 4) Agree (S), 5) Strongly Agree (SS).

2.7 Operational definition of variables and measurement of research variables

This study included a single dependent variable and three independent factors. The study's dependent variable is the tendency of accounting fraud, which was assessed using a questionnaire consisting of ten statements. Accounting fraud is the purposeful and intentional violation of legal rules, carried out for personal gain and the benefit of specific parties. Policies and intentional activities aimed at perpetrating fraud are indicators of accounting fraud tendencies, and each individual who engages in fraud possesses a distinct motive [23].

The variable of interest, Internal Control, was assessed using a questionnaire consisting of ten questions. The responsible party within a firm creates and executes internal control as a systematic procedure to achieve organizational objectives such as efficiency and effectiveness, accurate financial statements, and adherence to relevant rules.

The independent variable, Organizational Commitment, was measured using a questionnaire with seven statements. Organizational commitment is an essential value of individuals in behaving and being responsible because of attachment to an organization or agency.

The independent variable, Rule Obedience, was measured using a questionnaire with seven statements. Rule obedience is a person's attitude, and rule obedience is a person's submissive and obedient attitude to rules or instructions made with a specific purpose that must be carried out to prevent deviant actions that can harm the organization or agency.

3 Results and discussion

3.1 Outlier test

Table 1. Outlier test

No	Variable	Outlier
1	Internal Control	82, 83, 94, 101, 104, 123, 124, 139, 160, 162, & 164
2	Organizational Commitment	13, 32, 49, 72, 82, 83, 94, 101, 102, 104, 124, 139, 160, 162, & 164
3	Rule Compliance	14, 42, 45, 50, 62, 123, 124, & 164
4	Accounting Fraud Tendencies	24, 44, 45, 46, 49, 50, 57, 62, 70, 77, 78, 121, 135, 142, 143, 144, 146, 148, 155, 159, 160, 161, 163, 166, 169, 171, 174, & 175

Source: Output IBM SPSS Statistics v.22

Table 1 demonstrates 44 data that should be excluded from the analysis because they have extreme values. Furthermore, the study will be conducted with data from 131 respondents.

3.2 Descriptive statistical test

Table 2. Descriptive statistical test

	N	**Theoretical Range**			**Actual Range**			**Std. Deviasi**
		Min	**Max**	**Mean**	**Min**	**Max**	**Mean**	
IC	131	10	50	30	37	50	44,71	4,29

	N	Theoretical Range			Actual Range			Std. Deviasi
		Min	Max	Mean	Min	Max	Mean	
OC	131	7	35	21	22	35	30,88	3,33
RC	131	7	35	21	25	35	31,27	3,07
AFT	131	10	50	30	10	29	20,58	5,13
Valid N (listwise)	131							

Source: Output IBM SPSS Statistics v.22

Table 2 demonstrates that the variables Internal Control, Organizational Commitment, and Rule Compliance have an average value of the actual range > the average value of the theoretical range, so this indicates that the average influence of internal control, organizational commitment, and rule compliance in OPD Musi Rawas Regency is high. Meanwhile, the Accounting Fraud Tendency variable has an average value of the actual range < the average value of the theoretical range, indicating that the average effect of accounting fraud tendencies in OPD Musi Rawas Regency is low.

3.3 Outer loading and average variance extracted (AVE)

Table 3. Outer loading and average variance extracted (AVE)

Latent Variable	Code	Outer Loading	AVE
Accounting Fraud Tendencies	AFT3	0,854	0,697
	AFT4	0,850	
	AFT5	0,799	
Rule Compliance	RC1	0,780	0,645
	RC2	0,779	
	RC3	0,851	
	RC4	0,814	
	RC6	0,788	
Organizational Commitment	OC1	0,852	0,633
	OC2	0,804	
	OC3	0,749	
	OC4	0,791	
	OC5	0,747	
	OC6	0,755	
	OC7	0,864	
Internal Control	IC1	0,808	0,597
	IC2	0,785	
	IC3	0,743	
	IC4	0,732	
	IC5	0,731	
	IC6	0,806	
	IC7	0,817	
	IC8	0,754	

Source: Output SmartPLS v.4

Table 3 demonstrates the Outer Loading value of all indicators of each variable, which has reached a value of > 0.7, and the AVE value of all variables > 0.5. Thus, all indicators of research variables meet the rule of thumb, and all indicators have convergent validity.

3.4 Cross loading

Table 4. Cross loading

	AFT	RC	OC	IC
AFT3	**0,854**	-0,638	-0,589	-0,590
AFT4	**0,850**	-0,643	-0,522	-0,515
AFT5	**0,799**	-0,553	-0,519	-0,482
RC1	-0,502	**0,780**	0,645	0,686
RC2	-0,550	**0,779**	0,643	0,685
RC3	-0,616	**0,851**	0,468	0,505
RC4	-0,659	**0,814**	0,527	0,566
RC6	-0,600	**0,788**	0,588	0,546
OC1	-0,551	0,599	**0,852**	0,709
OC2	-0,508	0,569	**0,804**	0,645
OC3	-0,450	0,442	**0,749**	0,684
OC4	-0,530	0,488	**0,791**	0,640
OC5	-0,445	0,508	**0,747**	0,704
OC6	-0,497	0,571	**0,755**	0,734
OC7	-0,621	0,724	**0,864**	0,776
IC1	-0,490	0,575	0,717	**0,808**
IC2	-0,479	0,556	0,668	**0,785**
IC3	-0,398	0,503	0,642	**0,743**
IC4	-0,516	0,564	0,685	**0,732**
IC5	-0,456	0,422	0,655	**0,731**
IC6	-0,422	0,590	0,691	**0,806**
IC7	-0,598	0,680	0,713	**0,817**
IC8	-0,518	0,618	0,644	**0,754**

Source: Output SmartPLS v.4

Table 4 demonstrates that all indicators have the highest correlation in their construct compared to other constructs and have a value of > 0.7, which meets the rule of thumb. Therefore, it can be inferred that all constructs possess strong discriminant validity.

3.5 AVE root

Table 5. AVE root

	AFT	RC	OC	IC
Accounting Fraud Tendencies	**0,835**			
Rule Compliance	-0,734	**0,803**		
Organizational Commitment	-0,652	0,708	**0,796**	
Internal Control	-0,636	0,736	0,768	**0,773**

Source: Output SmartPLS v.4

Table 5 demonstrates that the average variance extracted (AVE) root value of all variables in this study is higher than the value of the link between variables. Therefore, it can be inferred that all variables are valid.

3.6 Cronbach's alpha and composite reliability

Table 6. Cronbach's alpha and composite reliability

	Cronbach's Alpha	*Composite Reliability*
Accounting Fraud Tendencies	0,782	0,873
Rule Compliance	0,862	0,901
Organizational Commitment	0,903	0,923
Internal Control	0,903	0,922

Source: Output SmartPLS v.4

Table 6 demonstrates Cronbach's alpha and composite reliability values for all constructs in the study > 0.7. Thus, the reliability requirements in this study are met, and the entire construct is reliable.

3.7 R-Square

Table 7. R-Square

	R-square	R-square Adjusted
Accounting Fraud Tendencies	0,574	0,564

Source: Output SmartPLS v.4

Table 7 displays the adjusted R-square (R2) value for the accounting fraud tendency variable, which is 0.564, or 56.4%. The independent variables, specifically internal control, organizational commitment, and rule compliance, account for 56.4% of the variance in the accounting fraud tendency. Conversely, unexamined variables impacted the remaining 43.6%.

3.8 Hypothesis test

Table 8. Hypothesis test

	Symbol	*Original Sample*	*t-statistics*	*p-values*	
IC → AFT	H_1	-0,006	0,035	0,486	**Rejected**
OC → AFT	H_2	-0,261	1,846	0,032	**Supported**
RC → AFT	H_3	-0,545	5,020	0,000	**Supported**

Source: Output SmartPLS v.4

Table 8 provides the necessary information to make the following conclusions:

1) The Effect of Internal Control on the Tendency of Accounting Fraud

   The data test findings presented in Table 8 have refuted the notion that internal control has a negative impact on the tendency toward accounting fraud. Based on the statistical test result, the original sample value of -0.006 suggests that the proposed hypothesis determines the direction of this test. The t-statistics value of 0.035 < 1.66, and probability values (p-values) of 0.486 > 0.05. Based on the data indicating an unmet criterion, it can be inferred that if H_1 is not supported or H_1 is rejected, Internal Control does not have impact on the Tendency of Accounting Fraud. Therefore, the quality of internal control measures used does not affect the occurrence of accounting fraud.

The results of this research are consistent with research by [26], which states that internal control does not affect trends in accounting conditions. This research shows that the trend in accounting conditions is not influenced by whether the internal control implemented is good or bad. This is because the internal control implemented by the agency by carrying out supervision, risk assessment and evaluation of operational activities does not guarantee that it can reduce the risk of accidents.

Even though the internal control system has been implemented well, the lack of human resources who understand risk management in the organization can result in limitations in analysis, problem-solving and decision-making in risk management; this can be a factor that makes it easier for accounting fraud to occur. Existing human resources departments need risk management training to manage agency finances.

Internal control is also not in line with the fraud hexagon theory, namely the pressure and opportunity factors, where weak internal control can cause pressure from management because poor internal control can influence someone to commit fraud, and weak internal control will allow someone to commit fraud. This research found that reasonable internal control does not influence the tendency for fraud to occur and vice versa.

2) The Effect of Organizational Commitment on the Tendency of Accounting Fraud

The findings from the data analysis in Table 8 provide evidence that there is a negative relationship between organizational commitment and the likelihood of accounting fraud. Table 8 indicates that the initial sample value is -0.261, indicating that the test aligns with the stated hypothesis. The t-statistics value of 1.846 > 1.66 and probability values (p-values) of 0.032 < 0.05, all three criteria are met, so it can be concluded that H_2 is supported or H_2 is accepted, it can be said that Organizational Commitment has a negative effect on the Tendency of Accounting Fraud.

Organizational commitment serves as a deterrent to the tendency towards engaging in accounting fraud. The results of this research are consistent with research by [10], which states that organizational commitment has a negative effect on the tendency for accounting fraud. This research shows that employees in Musi Rawas Regency believe that organizational commitment can completely prevent accounting fraud.

Acceptance of this hypothesis means that this hypothesis can explain the ego/arrogance and rationality factors of the fraud hexagon theory, where organizational commitment can control a person's ego and rationality. Individuals tend to commit fraud because they rationalize and seek justification for their fraudulent actions, giving rise to ego/arrogance because they feel they have done much for the organization.

Efforts to eliminate the tendency for accounting fraud can be made by improving morale, which is realized by developing an attitude of commitment to the organization. Individuals tend to commit fraud because they have low commitment and understanding of the values and achievement of organizational goals, thereby rationalizing or justifying fraudulent acts. Thus, the greater their commitment, the less individuals can rationalize actions that conflict with the values and achievement of organizational goals, especially when committing accounting fraud.

Ego motivates a person to commit fraud, and rationalization, which provides the idea that committing fraud is normal, can only be controlled by the organization's commitment. Hence, organizational dedication serves as a deterrent against accounting fraud in the OPD of Musi Rawas Regency.

3) The Effect of Rule Compliance on the Tendency of Accounting Fraud

The data analysis presented in Table 8 provides evidence that Rule Compliance has a negative effect on the Tendency of Accounting Fraud. According to Table 8, the original sample value is -0.545, indicating that the test aligns with the stated hypothesis. The t-statistics value of 5.020 > 1.66 and probability values (p-values) of 0.000 < 0.05, all three criteria are met, so it can be concluded that H_3 is supported or H_3 is accepted, it can be said that Rule Compliance has a negative effect on the Tendency of Accounting Fraud.

Adherence to regulations can mitigate the tendency for accounting fraud to transpire. This study aligns with the findings of [11], which indicate that adhering to rules has an adverse impact on the tendency towards committing accounting fraud. According to this study, personnel in Musi Rawas Regency believe that adhering to the regulations can effectively deter accounting fraud.

The Musi Rawas Regency Government is committed to improving adherence to accounting regulations by providing technical assistance for monitoring and preparing government reports. Furthermore, Musi Rawas Regency's government conducts training sessions to inform OPD leaders and employees about the fundamental principles and specific procedures adopted by a reporting entity in the preparation and presentation of financial reports. This is done to ensure accountability in the implementation of the Regional Revenue and Expenditure Budget (APBD).

Preparing financial reports must comply with accounting standards guided by the Statement of Government Accounting Standards (PSAP), which regulates the elements of financial reporting presentation—rules in accounting as a basis for preparing financial reports. Reliable financial reports will provide accurate information. Acceptance of this hypothesis can be explained by the fraud hexagon theory, where the capability and collusion factors explain that someone in a position can use their abilities to commit fraud.

This can be prevented by employees who have a good understanding of accounting rules and can minimize fraud within the agency because they can prevent fraud by preparing financial reports. Therefore, compliance with the rules is a factor that can prevent accounting fraud from happening in the OPD of Musi Rawas Regency.

4 Conclusion and recommendation

4.1 Conclusion

The purpose of this study was to gather empirical data on the impact of internal control, organizational commitment, and rule compliance on the likelihood of accounting fraud. Based on the conducted tests and analysis, the following conclusions can be drawn:

1) Internal control does not affect the tendency to commit accounting fraud. This implies that the effectiveness or ineffectiveness of internal controls does not influence the occurrence of accounting fraud.
2) Organizational commitment negatively affects the tendency of accounting fraud. This implies that a greater level of commitment from a business will decrease an individual's tendency to engage in accounting fraud.

3) Rule Compliance negatively affects the tendency of accounting fraud. Strict adherence to the rules will diminish an individual's tendency to engage in accounting fraud.

4.2 Recommendation

Given the limitations of this study, the researchers offer the following recommendations for further research:
1) Additional research is anticipated to enhance the study by incorporating additional relevant variables, such as participant demographics (gender, position in the business, work experience, age, and education), in order to examine the impact of these characteristics on the likelihood of accounting fraud. Additionally, it is recommended to conduct further study with a greater emphasis on developing more refined designs that accurately represent real-world conditions.
2) Broaden the research scope by extending the object of observation to other regions in South Sumatra Province to ensure the results are representative.
3) Incorporate diverse data gathering methodologies, such as employing interview techniques, to enhance the accuracy of respondents' answers regarding the propensity of accounting fraud in relation to the examined variables.

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