

INFLUENCE THE SUITABILITY OF COMPENSATION, INTERNAL CONTROL SYSTEMS, LEADERSHIP AND ORGANIZATIONAL CULTURE TO THE TENDENCY OF THE ACCOUNTING FRAUD AT WORK UNIT (SKPD) BIMA LOCAL GOVERNMENT

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Abstract

The financial report is a communication tool and also a form of accountability to the public. Given the importance of the financial statements, the financial statements must be prepared in accordance with the best possible accurate data in accordance with applicable accounting rules. In fact they happen actions irregularities in the financial statements so that the information contained in the financial statements are irrelevant and unreliable. Measures irregularities in the financial statements is one of the actions of the accounting fraud. This study aimed to determine the effect of the suitability of compensation, internal control systems, leadership, and organizational culture to the tendency of accounting fraud at Work Unit (SKPD) Bima local government. Research was conducted at work unit (SKPD) Bima local government which is one element in the form of local government executive Offices and the Agency. Sampling technique used is purposive sampling. Sample this study amounted to 61 employees in offices and government agencies Bima. The data collection was done by distributing questionnaires to give a set of written questions to the respondent to be answered using a Likert scale. Data analysis techniques used are validity and reliability, normality test, Multicollinearity Test, Test Heteroskidadity, and hypothesis testing using multiple linear regression analysis (Multiple Regression Analysis) using SPSS 16.0 for Windows. The results showed that: (1) there is no influence of the suitability of compensation to the tendency of the accounting fraud at Work Unit (SKPD) Bima, (2) there is no influence of the internal control system of the tendency of the accounting fraud at Work Unit (SKPD) Bima, (3) there is a negative influence of leadership style Against the tendency of accounting fraud at Work Unit (SKPD) Bima. (4) there is no influence of organizational culture on the tendency of the accounting fraud at Work Unit (SKPD) Bima. Based on the research put forward some suggestions for further research is expected to develop research instruments to reproduce reference, literature, adding another independent variable that has not been studied, as well as expanding the research object.

Keywords: Compliance compensation, internal control systems, leadership, organizational culture, accounting fraud.

INTRODUCTION

Within the scope of government entities, financial statements are a means of communication as well as a form of accountability to the public. Therefore, the financial statements in government entities are closely related to the public interest so that the figures listed in the financial statements should show actual figures. Given the importance of these financial statements, the financial statements should be prepared as appropriate in accordance with accurate data in accordance with applicable accounting rules. The information presented in the financial statements should be reliable, not misleading and contains no element of manipulation (Mahmudi, 2009). But in fact there are still irregularities in the financial statements so that the information contained in the financial statements become irrelevant and unreliable. The act of irregularities in these financial statements is one of the acts of accounting fraud.

Based on the findings of the alleged fraud case, the background of the fraud is a fraud triangle first coined by Cressey (1953), including pressure, opportunity and rationalization. In subsequent developments, Wolfe and Hermanson (2004) find an additional factor that encourages a person to act fraud ie capability factor (ability). These four factors are known as fraud diamonds. Fraud diamond is a fraud phenomenon as a form of refinement of the fraud triangle. In addition to fraud triangle and fraud diamond, Bologna (1993) in Suroso (2011) reveals four factors that drive a person to act fraud called GONE theory, which consists of greed (greed), opportunity, need and exposure (Punishment for the deterrent effect) is a factor associated with the organization as a victim of fraud (also called organizational factors) (Suroso, 2011).

The tendency of accounting fraud (fraud) is motivated by the actions of individuals to maximize personal benefits. This is due to the pressure (pressure) faced by the perpetrator. In general, which encourages fraud is a financial need, it can occur if a reciprocal benefit is not

able to meet the needs or not in accordance with the position (Arles, 2014). According to Wexley and Yuki (2003), inadequate compensation dissatisfaction or drudgery may support incidents of theft by workers, stealing money, equipment, and inventory. Employees who experience discontent with their salary tend to earn other income by doing corruption. However, appropriate compensation can provide employee satisfaction and motivation in the work, thus encouraging them to provide the best for the company (Gibson et al, 1997).

Based on Gone theory, the compensation suitability is a factor of greed and need factor which is individual factor, while organizational factor in the form of exposure (punishment for deterrent effect) is one of punishment to fraud perpetrators (Suroso, 2011) And ethical organizational culture in fraud prevention. Problem formulation in this study is whether the compensation suitability, internal control system, leadership style, organizational culture affect the fraud in SKPD Kabupaten Bima? So the purpose of this study is to determine the effect of compensation suitability, internal control system, leadership style, and organizational culture to fraud in SKPD Kabupaten Bima.

THEORETICAL FRAME WORK AND HYPOTHESIS DEVELOPMENT

Fraud Diamond Theory

One theory that explains about one's motivation to do fraud is the fraud diamond theory which is the development of fraud triangle theory. Fraud triangle theory was first initiated by Donald Cressey (1953), including pressure, opportunity and rationalization. In subsequent developments, Wolfe and Hermanson (2004) find an additional factor that encourages a person to commit acts of cheating that is the capability factor. These four factors are known as fraud diamond theory which is a fraud phenomenon as a form of refinement of fraud triangle theory.

GONE Theory

According to research conducted by Jack Bologna (1993) in Suroso (2011) there are four factors driving a person to commit fraud, also called GONE Theory: Greed, Opportunity, Need, Exposure (Disclosure). Greed and Need Factor is a factor that is directly related to individual fraud perpetrators (also called individual factor / Internal) while the Opportunity and Exposure factors are factors related to the organization as victims of fraud (also called generic / external factors).

Contingency Theory (Contingency Theory)

Contingency theory is a theory that rejects previous leadership theories that apply general principles to all situations. Contingency theory argues that there is no way or the best leadership to manage and manage an organization (Nawawi, 2006). This theory is built on the assumption that no single style or leadership behavior can influence the behavior of members of the organization to act, act or work in all situations. For that effective leader must have a behavior or style of leadership that is flexible and able to diagnose the situation and use leadership style appropriate to the situation it faces .

According to Hersey and Blanchard quoted (Nawawi, 2006: 100) the contingency theory focuses on the followers or members of the organization as a volunteer. This theory departs from the principle that effective leadership can be realized through the ability to choose the right behavior or style of leadership based on the level of readiness and maturity of members of the organization.

Understanding Cheating (Fraud)

In the accounting and auditing literature, fraud is rendered as a practice of fraud and fraud is often interpreted as irregularity or irregularity and perversion. There are many definitions and definitions of fraud. One definition of fraud is the definition according to the Black Law Dictionary in (Priantara, 2013: 3) namely: The intentional use of deceit, a trick or

some dishonest means to deprive another of his money, property or legal right, either as a cause of Action or as a fatal element in the action itself. The definition of such fraud may be translated and interpreted as a deliberate act to deceive or deceive a dishonest or dishonest way to take or remove the property, the legal right of another person either because of an action or the fatal impact of the act itself.

According to the Standards of the Institute of Internal Auditors (2013), fraud may be defined as any act which may be characterized by fraud or trust to earn money, assets or services or prevent payments or losses or to guarantee personal and business benefits. This act does not depend on threats of violence by the perpetrators against others. The Association of Certified Fraud Examiners (ACFE, 2013) defines workplace fraud as a workplace utilization for private enrichment through the use of misuse or misapplication resources.

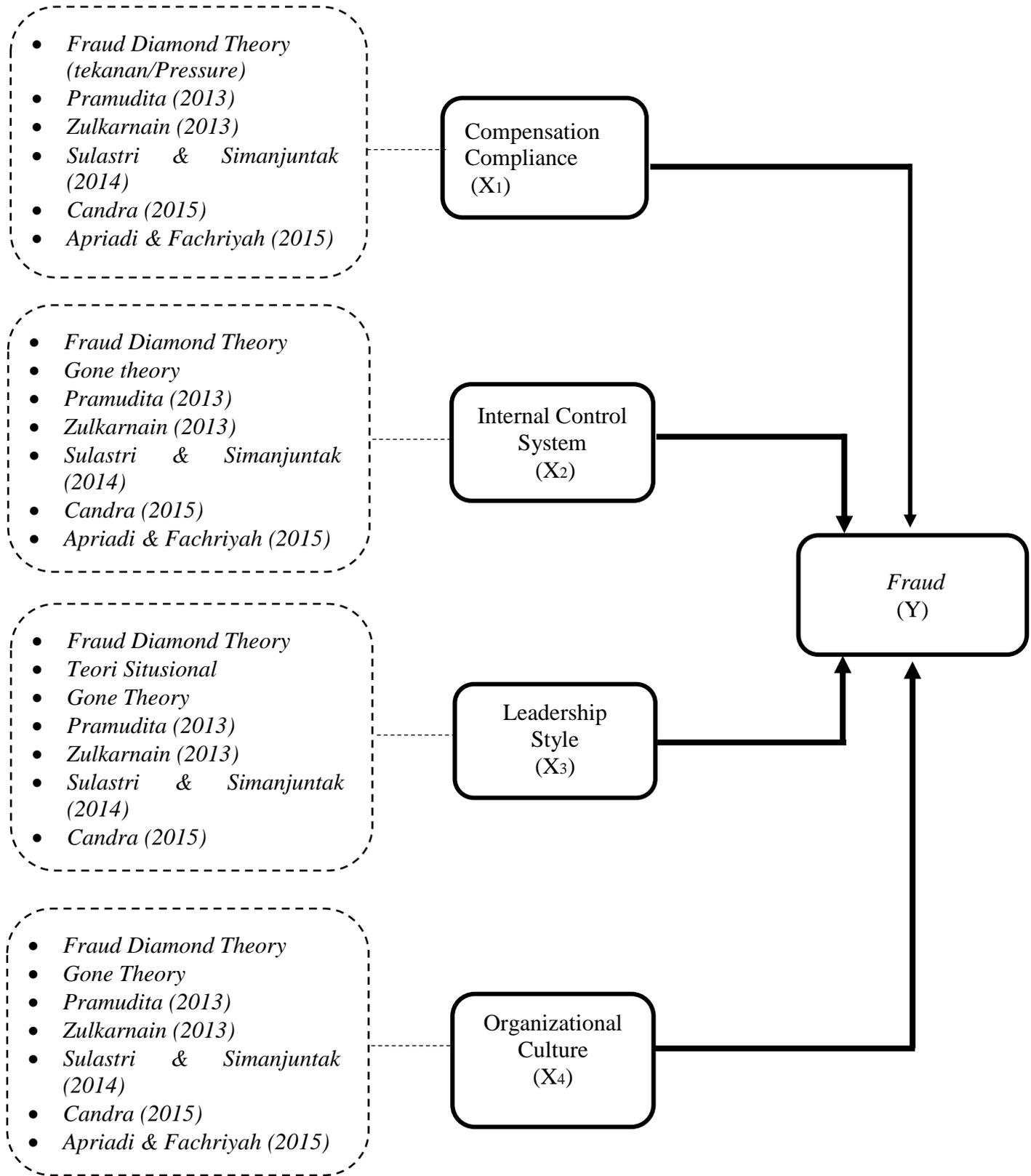


Figure 1. Conceptual Framework

DEVELOPMENT OF HYPOTHESES

Compensation Compliance

Compensation or salary is one of the important things for every employee who works in an organization because of the salary earned a person can meet the needs of his life. In employment, the prize of money is the compensation given to the employee as a form of appreciation of the service performed by the employee. It can be said that the compensation suit is a reward an employee gets for the work he does (Pramudita, 2013). Based on the fraud triangle, fraud occurs because of the pressure on the need, whereas in the Gone theory needs and greed is an individual factor that causes the occurrence of fraud. An unjust or inadequate compensation and a tedious job may encourage employees to commit fraud by committing theft to company assets. Based on the description of the suitability of compensation for the occurrence of fraud in the government sector, it can be made a hypothesis formulation as follows:

H1: Compensation suitability has a negative effect on the occurrence of fraud in SKPD Kabupaten Bima

Internal Control System

Internal control system for an organization is very important to provide protection for the entity against human weakness and reduce the possibility of errors and actions that are not in accordance with the rules. The weakness of internal control provides an opportunity for organizations to manipulate financial statements. Based on the fraud triangle theory of opportunity that is the presence or availability of opportunities to commit fraud or situations that open up opportunities for management to commit fraud. Opportunities will arise when internal control is weak (Gologa, 2011). With the existence of a good internal control system by the agency will decrease the level of fraud will be done, on the contrary if the quality of the system of internal control is bad, then it will be an opportunity for employees to fraud the

agency (Pramudita, 2013). Government Regulation No. 60/2008 requires the heads of Government Agencies to create and maintain a control environment that raises positive and conducive behavior for the application of internal control systems in their working environment. This is a very important component and a basic element in the SPIP (Government Internal Control System). Through internal supervision can be seen whether a government agency has carried out activities in accordance with the duties of its functions effectively and efficiently, and in accordance with work plans and policies that have been determined. In addition, internal control over the administration of the government is required to promote good governance and clean governance and support effective, efficient, transparent, accountable and clean, and corruption-free (Arta, 2014) administration. Based on the description of the effectiveness of the internal control system and its effect on the occurrence of fraud in the government sector, the hypothesis formulation as follows:

H2: Internal Control System negatively affects the occurrence of fraud in SKPD Kabupaten Bima.

Leadership Style

According to Albrect (2012) a leader is a role model for his subordinates. Employees take the work ethic of the leader. Leaders who consistently behave in accordance with norms and ethics will create an ethical work environment within the organization. Contingency theory suggests that effective leaders should have flexible behaviors or styles of leadership and be able to diagnose the situation and use leadership styles appropriate to the situation (Nawawi, 2006). COSO (2004) says that an ethical environment of an organization encompasses aspects of top management style in achieving organizational goals, their values and management or leadership styles. The ability of leaders to create and maintain a conducive working environment will be a powerful motivation for employees to provide the best in the implementation of their work. Conversely, non-competent leaders in creating a positive

environment will have the potential to influence employees to do negative things that could hurt their agency. Thus can be made hypothesis formulation as follows:

H3: Leadership style negatively affect the occurrence of fraud in SKPD Kabupaten Bima

Organizational culture

Organizational culture is the values or norms of behavior accepted and understood jointly by members of the organization as a basis in the rules of conduct contained within the organization, as a distinction between one organization to another

Unethical behavior in an organization arises because of a bad ethical environment, where the ethical environment is highly adhered to the ethical culture of the organization. Based on the fraud triangle theory, the rationalization factor is an attitude, character or set of ethical values that allow an organization or an employee to commit dishonest acts. The low integrity that a person possesses creates a mindset in which the person feels right while cheating. Organizational culture will affect the attitudes and behavior of all members of the organization. A strong culture within an organization can provide coercion or encouragement to its members to act or behave as expected by the organization. With the adherence to the rules and also the policies of these agencies it is expected to optimize the performance and productivity of employees to achieve organizational goals. Thus can be made hypothesis formulation as follows:

H4: Organizational culture negatively affects the occurrence of fraud in SKPD Kabupaten Bima

RESEARCH METHODS

Types of research

This research is a quantitative research with explanatory research type. Sukandarrumidi (2006: 105) explains that explanatory research (explanation) is a research to test the hypothesis that states the causal relationship between two or more variables, using causal relationships

that are causal relationships in which one variable (independent) affect other variables (Dependent) (Sugiyono, 2016: 37). In this case the researcher uses fraud in SKPD Kabupaten Bima as dependent variable (variable that influenced), whereas compensation suitability, internal control system, leadership style and organizational ethical culture as independent variable (variables that influence).

Conceptual Definitions and Variable Operationalization

This conceptual definition will present the concept of each variable based on the theory and expert opinion, while the operationalization of variables is used to determine the indicator and the measurement scale of the variables used in this study. The variables in this study are defined as follows:

1. The compensation suitability in this study is the cost component paid by the agency (SKPD) to employees (Gibson, et al: 1997) in Martoyo (2000). The type of compensation according to Martoyo (2000: 220) consists of financial compensation and non-financial compensation. Financial compensation is a form of compensation that is directly received consists of pay (pay) obtained by someone in the form of salaries, wages and incentives. Non-financial compensation is a reward in the form of intrinsic that is not in the form of physical and can only be felt in the form of job continuity, career ladder is clear, working environment condition, interesting job and others. Compensation in this study is all income received directly either financial or non financial form obtained legitimately as a result of an employment burden owned by employees on SKPD Kabupaten Bima. Measurement of compensation suitability in this study based on the theory developed by Gibson, et al (1997) which consists of (1) financial compensation; (2) the company's recognition of success in performing the work; (3) promotion; (4) completion of duties; And (5) injustice in the distribution of compensation. The Likert scale 1 through 4 is used to indicate the satisfaction of compensation.

2. Internal Control System (X2) is a process designed to provide reasonable assurance on the achievement of organizational goals through effective and efficient activities, reliability of financial reporting, security of state assets and compliance with laws and regulations (PP No. 60 of 2008). Internal controls in this study were measured in accordance with Government Regulation No. 60 of 2008 which consists of five indicators: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring control Internal. Likert scale 1 through 4.
3. Leadership style (X3) is the process of influencing people or subordinates so that they will try, willing and enthusiastic toward the achievement of group goals. Leadership style is measured by using 5 items developed from Robbins and Judge (2015) theory consisting of: (1) leader relations with members; (2) organizational structure; (3) position of force; (4) task delegation; (5) leadership ethics. The Likert scale 1 through 4 is used to indicate the response of the leadership style.
4. Organizational culture (X4) is a set of behaviors or habits formed by each member of the organization based on the background of each member of the organization that is done consistently while in the organization, so it becomes a habit that eventually form the organizational culture (Robbins and Judge, 2008). Organizational culture is measured using five items developed from Robbins and Judge's (2008) theories consisting of: (1) a visible role model, (2) communication of ethical expectations, (3) ethical training, (4) punishment for action Unethical, (5) the mechanism of ethical protection. The Likert scale 1 through 4 is used to indicate the response of ethical action.
5. The tendency of accounting fraud (Y) is the utilization of the work environment for personal enrichment (profit) through the use of misguided resources or company property (ACFE, 2013). To measure this variable, the researcher uses the theory of the Association of Certified Fraud Examiner (ACFE, 2013) consisting of 3 item indicators, namely: (1)

fraud against assets (misappropriation assets), (2) fraud to financial statements (fraudulent statement) , And (3) Corruption (Corruption). Each respondent was asked to answer questions to measure fraud on SKPD in Kabupaten Bima, and asked to vote by using the likert scale of points 1 to 4.

This study uses the average score score so that the value obtained is not round (ordinal data) on each independent variable and dependent sourced from the answer or perceptions of respondents, therefore, it can be processed using the analytical tool used the regression analysis Linear multiple then ordinal data must be converted into interval data.

Data collection procedures

The data source of this research is an important factor that becomes the consideration in determining the method of data collection. Data source in this research is primary data. According to Indriantoro and Supomo (2014) the primary data is the source of research data obtained directly from the original source (not through intermediate media). Primary data are specifically collected by researchers to answer research questions. Data collection techniques used in this study is a questionnaire technique that is data collection techniques conducted by giving a set of questions or written statement to respondents to be answered (Sugiyono, 2016: 142).

Data Analysis Procedure

Data analysis by Sugiyono (2016, 206), is an activity after data from all respondents collected. Activities in data analysis are: grouping data based on variables and types of respondents, tabulating data based on variables of all respondents, presenting data of each variable studied, perform calculations to answer the problem formulation, and perform calculations to test the hypothesis that has been proposed. Data analysis techniques in quantitative research using statistics. There are two kinds of statistics used in the analysis of research data, namely descriptive statistics and inferential statistics. Statistics in this study,

using multiple linear regression approach. Before tested by multiple linear regression, firstly observed the quality of observation instrument, data normality test, and classical assumption test using SPSS Program.

DISCUSSION

This study aims to examine and analyze the influence of variable compensation suitability, internal control system, leadership style and organizational culture to Fraud (accounting fraud) in Government sector Scope of SKPD Bima Regency Government. In this research before multiple linear regression analysis is done firstly tested the validity and reliability test to know that the data in the input has been valid and reliable, as well as the classical assumption test useful to know the level of normality of data, multicollinearity and heteroskedastisitas model used.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.584 ^a	.341	.288	2.894	.341	6.458	4	50	.000

a. Predictors: (Constant), X.4, X.3,

X.1, X.2

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	216.289	4	54.072	6.458	.000 ^a
	Residual	418.620	50	8.372		
	Total	634.909	54			

a. Predictors: (Constant), X.4, X.3, X.1, X.2

b. Dependent Variable: Y

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	11.830	5.877		2.013	.050					
X.1	.065	.188	.056	.346	.731	.389	.049	.040	.502	1.991
X.2	.132	.309	.070	.426	.672	.340	.060	.049	.487	2.051
X.3	.638	.198	.501	3.224	.002	.559	.415	.370	.547	1.829
X.4	.320	.231	.170	1.384	.173	.088	.192	.159	.874	1.144

Influence of Compensation Compliance to Fraud (Accounting Fraud)

Compensation or salary is one of the important things for every employee who works in an organization because of the salary earned a person can meet the needs of his life. In employment, the prize of money is the compensation given to the employee as a form of appreciation of the service performed by the employee. The compensation in this study is all income received directly either in financial or non financial form which is obtained legitimately as a result of a burden of work owned by employees at SKPD Government of Kabupaten Bima. The first hypothesis proposed in this study is the suitability of compensation has a negative effect on Fraud (accounting fraud). In other words, the higher the suitability of compensation in government agencies, the lower the likelihood of fraud (fraud accounting) in the government

agency. Measurement of compensation suitability in this study was based on a theory developed by Gibson, et al (1997). The variable indicators used to make the statement are: (1) Financial compensation; (2) Recognition of the organization in the successful implementation of the task; (3) Promotion; (4) Completion of duties; (5) Justice in the distribution of compensation.

Respondents' answers show that the average score for the compensation suitability variable is 2.88 and is in the category of agreement, so it can be interpreted also that the average statement of respondents argue variable compliance compensation in Bima regency government is satisfied when viewed from the average score Respondents' answers. Thus, it can be concluded that the more satisfied perception of compensation suitability will reduce the chances of Fraud (accounting fraud).

Based on the results of data analysis in this study, found different results with previous studies, where the results of this study indicate that the suitability of compensation does not have a significant negative effect on Fraud (accounting fraud). This condition is shown in accordance with the data in Table 4.20, where the value of t arithmetic obtained is far below the value of t table with a significance level that is also well above 0.05. This means that statistically, the compensation suitability variable has no significant negative effect on Fraud (accounting fraud). In addition, the variable coefficient of compensation suitability of 0.065 implies that the change of one unit of compensation will decrease the level of Fraud (accounting fraud) in the government sector by 0,065 units. The change is very small when compared with changes in other variables.

Based on the observation of research object and short interview with some respondents, this problem is caused by the level of requirement, high pressure and individual factor that is the greed (Greed) on the employee. This is due to the lifestyles of employees who are relatively consumptive and have high levels of prestige. So the high level of compensation will not have

a significant effect on the occurrence of Fraud (accounting fraud), because there are other factors more dominant. For example, every employee in a SKPD Bima District Government in carrying out activities or work programs will always be made Decree (SK) activities in which each activity or work program is always followed by compensation (honor) whose value varies according to the rules. However, the compensation in the form of such Honor does not affect the employee in committing fraud on any activity or work program. This causes the level of compensation suitability does not give a significant effect on the occurrence of Fraud (accounting fraud) in the Government sector scope SKPD Government Kabupaten Bima, in other words H1 rejected.

Influence of Internal Control System to Fraud (Accounting Fraud)

Internal control in accordance with Government Regulation Number 60 Year 2008 is a process designed to provide reasonable assurance on the achievement of organizational goals through effective and efficient activities, reliability of financial reporting, asset security and compliance with laws and regulations. The variable indicators used to make the statement are: (1) the control environment; (2) risk assessment; (3) control activities; (4) information and communication; And (5) monitoring of internal controls.

The second hypothesis proposed in this study is the internal control system has a negative effect on Fraud (accounting fraud). In other words, the more effective the level of internal control within an organization, the lower the probability of fraud (accounting fraud) in the agency or organization. The respondent's answer indicates that the average score for the internal control system variables is 3.04 and is in the category of agreement, so it can be said that the average statement of respondents to the internal control system variables in the SKPD scope of the Government of Bima Regency is good seen from the average score Respondent's answer. Thus, it can be argued that the better the internal control level can reduce the occurrence of Fraud (accounting fraud) in the Bima Regency Government sector.

The reality of the research location based on the findings and the results of data analysis, found different results. This condition is indicated by the result of the data test according to Table 4:20, where the value of significance is above 0.05, and the value of t arithmetic obtained is below t table value. This shows that statistically the internal control system variables do not give significant effect to the possibility of Fraud (accounting fraud). In addition, the value of the internal control system variable coefficient of 0.132, which means any change of one unit of internal control will reduce the level of fraud (accounting fraud) of 0.132, where the change is still very small when compared with other variables. The results of this test interfere that the internal control system variables have no significant negative effect on the possibility of Fraud (accounting fraud) in the Government sector in other words H2 rejected. Based on the observation of some respondents, this problem is caused by the lack of law enforcement in giving punishment to the findings of internal fraud, the existence of the leadership policy that influences the type of findings made by the internal auditor and the high opportunity of the employee. In addition, the findings of inspection results in the framework of internal control is only a recommendation that is felt not too binding employees not to take action Fraud (cheating accounting). So the problems that cause the internal control system has no significant effect on the occurrence of Fraud (accounting fraud) in SKPD Bima District Government.

Effect of Leadership Style on Fraud (Accounting Fraud)

The style of leadership is to influence people or subordinates so that they will try, willing and enthusiastic toward the achievement of group goals. The leadership style in this study was measured using 5 (five) item indicators developed from Robbins and Judge (2015) theory which consist of: (1) leader and member relations; (2) organizational structure; (3) position of force; (4) task delegation; (5) leadership ethics. The third hypothesis proposed in this study is the leadership style has a negative effect on Fraud (accounting fraud). In other words, the

stronger the influence of leadership style in an organization or agency, the lower the likelihood of Fraud (accounting fraud) in the organization. Respondents' answers show that the average score for leadership style variables is 2.84 and is in the category of agreement, so it can be said also that the average statement of respondents to leadership style variables in the SKPD scope of the Government of Bima Regency is good seen from the average score Respondents' answers. Thus, it can be said that the higher level of influence of leadership style can reduce the possibility of fraud (accounting fraud) in the government sector of Bima Regency. Based on the results of data analysis in this study indicates that leadership style has a significant negative effect on Fraud (accounting fraud) in the SKPD environment of the Government of Kabupaten Bima. This condition is shown in accordance with the data in Table 4:20, where the value of t arithmetic obtained is greater than the value of t table with a significance level that is also far below 0.05. This means that statistically, leadership style variables have a significant negative effect on Fraud (accounting fraud). In addition, the variable coefficient of compensation suitability of 0.638 implies that the change of one set of leadership styles will decrease the rate of Fraud occurrence in government sector by 0.638 units. The results of this test interfere that the leadership style variables have a significant negative effect on the possibility of fraud (fraud accounting) in the Government sector, in other words H2 accepted.

The influence of Organizational Culture on Fraud (Accounting Fraud)

Organizational culture mentioned one of the factors that influence the occurrence of Fraud (accounting fraud) in the government sector. Organizational culture in this study is a set of behaviors or habits formed by each member of the organization based on the background of each member of the organization is done consistently while in the organization, so it becomes a habit that eventually form the organizational culture (Robbins And Judge, 2008). The fourth hypothesis proposed in this study is organizational culture has a negative effect on Fraud (accounting fraud). In other words, the better the ethical values of organizational culture

in government agencies, the less likely the occurrence of fraud (fraud accounting) in government agencies. The variable indicators used to make statements in this study use an organizational culture model developed from Robbins and Judge (2008) theory that consists of: (1) visible role model; (2) communication of ethical expectations; (3) ethical training; (4) punishment for unethical conduct; And (5) the mechanism of ethical protection. Respondents' answers show that the average score for organizational culture variables is 3.04 and is in the category of agreement, so it can be interpreted also that the average statement of respondents argue organizational culture variables in the government of Bima Regency is good with high ethical values If seen from the average score of respondents' answers. Thus, it can be concluded that the higher ethical values of organizational culture will reduce the chances of fraud (accounting fraud).

Based on the results of data analysis in this study, found different results with previous studies, where the results of this study indicate that organizational culture has no significant negative effect on Fraud (accounting fraud). This condition is shown in accordance with the data in Table 4.20, where the value of t arithmetic obtained is far below the value of t table with a significance level that is also well above 0.05. This means that statistically, organizational culture variables have no significant negative effect on Fraud (accounting fraud). In addition, the variable coefficient of compensation suitability of 0.320 implies that the change in the increase of one ethical unit of organizational culture will decrease the level of Fraud (accounting fraud) in the government sector by 0.320 units. The change is very small when compared with changes in other variables (H4 rejected).

Based on observation of research object and short interview with some respondents, this problem is caused by the low level of individual morality, the existence of Rationalization factor and the low of funishmen internally in the organization causing the individual (employees) often to cheat and not follow the rules in the organization. So the high level of

organizational culture is not followed by high employee morality as well. The established ethical values of organizational culture are incapable of changing the morality of the individual significantly and Rationalization so that the ethical value of organizational culture has no significant effect on the occurrence of Fraud (Accounting Fraud) in the Governmental Sector of SKPD Government of Kabupaten Bima.

Table 1. Summary of hypothesis testing results

Independent Variable	t _{count}	t _{table}	Hypothetical decision
Compensation compliance	0,346	1,675	rejected
Internal Control System	0,426	1,675	rejected
Leadership Style	3,224	1,675	accepted
Organizational Culture	1,384	1,675	rejected

Source: Primary Data, SPSS output is processed (2017)

RESEARCH IMPLICATIONS

Theoretically, this research reinforces the concept of Fraud Diamond Theory which is the development of Fraud Triangle Theory, which explains about the motivation of someone doing Fraud (cheating accounting) consists of 4 (four) elements: (1) Pressure (pressure); (2) Opportunity (opportunity); (3) Rationalization; And (4) Capability in Wolfe and Hermanson (2004). In addition, the results of this study are also in line with the concept of GONE Theory which explains there are two factors driving someone to cheat, namely internal factors consisting of Greed (greed) and Need (needs) and external factors consisting of Opportunity (Opportunity) and Exposure (Disclosure). Where compensation does not affect the occurrence of Fraud (keedangan accounting) caused by the level of pressure (Pressure), the fulfillment of high needs and the greed of employees. It is then supported by internal control system which also has no effect on the occurrence of Fraud (accounting fraud) due to the Rationalization factor of the relatively higher employees. In practical terms, the results of this study provide

information about the factors that affect the occurrence of Fraud (accounting fraud) on the scope of SKPD Bima District Government. So as to provide information to employees will the understanding, accuracy in anticipating the factors that could be the cause of the tendency of accounting fraud (Fraud). In policy, the results of this study are expected to contribute as a consideration for the Regional Government of Kabupaten Bima in order to apply the policy in determining the compensation, internal control system, style of leadership and organizational culture to reduce or avoid the possibility of the tendency of fraud (fraud accounting) Pay attention to other factors that affect the occurrence of Fraud (cheating accounting).

CONCLUSION

Based on the result of data analysis and hypothesis testing about the influence of compensation suitability, internal control system, leadership style and organizational culture to Fraud (fraud accounting) at SKPD Government of Bima Regency, obtained some conclusion as follows:

1. This study provides empirical evidence that the suitability of compensation has no effect on Fraud (accounting fraud). This is due to the pressure, the fulfillment of needs, and the high level of employee greed.
2. This study provides empirical evidence that the internal control system has no effect on Fraud (accounting fraud). This problem is caused by the lack of law enforcement in giving punishment to the findings of internal fraud, the existence of leadership policy that influence the type of findings made by the internal auditor and the high rationalization of the employees. In addition, the findings of inspection results in the framework of internal control is only a recommendation that is felt not too binding employees not to take action Fraud (cheating accounting). So the problems that cause the internal control system has no significant effect on the occurrence of Fraud (accounting fraud) in SKPD Bima District Government.

3. This study provides empirical evidence that leadership style has a significant negative effect on Fraud (accounting fraud). This shows that the stronger the influence of leadership style is able to reduce the tendency of Fraud (accounting fraud).
4. This study provides empirical evidence that organizational culture has no effect on Fraud (accounting fraud). This problem is caused by the low level of individual morality and the low level of punishment internally in the organization that causes the individual (employee) often to cheat and not follow the rules in the organization. So the high level of organizational culture is not followed by high employee morality as well. The established ethical values of organizational culture are not able to change the morality of the individual significantly to be better so that the ethical values of organizational culture have no significant effect on the occurrence of Fraud (accounting fraud) in Government sector scope of SKPD Government of Kabupaten Bima.

LIMITATIONS OF RESEARCH

This study certainly has limitations that are expected to be improved and developed in subsequent research. The limitations in this study include:

1. The use of independent variables of compensation suitability, internal control system and organizational culture in this research have not proven negative effect to the variable of Fraud Fraud which still need improvement of questionnaire as instrument of data collection. In addition, this is due to the strength of pressure factors (pressure), need (need), justification (rationalization), and the existence of low levels of employee morale.
2. Based on the research model used, this study uses only four quarters) variables that affect Fraud (fraud accounting), so in the results that the coefficient of determination has a value that is still low. This indicates that in addition to the variables that have been built in this study there are still other variables that affect Fraud (cheating accounting).

3. The scope of this study is limited to only use the object of research on the scope of Government SKPD in the work area of Bima District, so it can not provide a comprehensive picture of the effect of compensation suitability, internal control system, leadership style and organizational culture on the tendency of accounting fraud (Fraud)

RESEARCH SUGGESTION

Based on research results and research limitations, it can be submitted suggestions include:

1. Further research can develop research instruments by increasing references and literature such as previous research results, seminar results, activity reports organized by internal supervisory agencies, etc. so that later the compensation suitability questionnaire, internal control system, leadership style and organizational culture Can describe the real problems in the field.
2. For other researchers who are interested to examine the same title, the researchers suggested to be able to add other independent variables such as individual morality or other variables that have not been studied.
3. The object of research should be expanded is the Scope of Government of West Nusa Tenggara Province.

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