



Analysis of Factors Influencing Procurement Fraud in Government Agencies Environment (Case Study at Regional Apparatus in “XYZ” Regency)

Andri Novius

Universitas Islam Negeri Sultan Syarif Kasim Riau, Pekanbaru

*Email : andri.novius@uin-suska.ac.id

ARTICLE INFO :

Keywords :

Procurement Fraud;
Procurement Committee Quality;
Procurement System and
Procedures; Procurement Ethics;
Procurement Environment

Article History :

Received : 2023-12-30

Revised : 2024-01-28

Accepted : 2024-02-28

Online : 2024-03-11

ABSTRACT

This study aims to examine factors such as the Quality of the Procurement Committee, Goods/Services Procurement Systems and Procedures, Goods/Services Procurement Ethics, and Goods/Services Procurement Environment against Fraud in the Procurement of Goods/Services in Government Agencies. The research method used in this study is a quantitative method. The population in this study was the Head of Service, Treasurer, and Head of Sub-Division of Finance, and the sample in this study was the Regional Work Unit in “XYZ” Regency. The source of the data used in this research is the main/primary data obtained directly from the questions/statements (questionnaires) distributed to the respondents. The data analysis method used in this study is the Statistical Program for Social Science (SPSS) to test the four hypotheses proposed in this study. The results of this study indicate that systems and procedures are proven to have a positive influence on procurement fraud in government agencies, while the quality of the Procurement Committee, Procurement Ethics, and the Procurement Environment are not proven to have a positive effect on procurement fraud in government agencies.

INTRODUCTION

Cases of fraud, commonly referred to as financial fraud, whether originating from Government Agencies (such as City Government Agencies or Provincial Agencies) or Private Institutions (such as Banks and other private companies), have always been a primary concern and subject to criticism from year to year. These cases, found in both the public and private sectors, have been the target of criticism.

The widespread corruption in Indonesia has had a negative impact on almost all aspects of society's life. The Corruption Eradication Commission (KPK) highlights bribery cases related to the procurement of goods and services at the regional government level. This was conveyed by the Deputy Chairperson of the KPK, Lili Pintauli Siregar, during the Coordination Meeting of Integrated Corruption Eradication Programs in West Nusa Tenggara Province, at the Ballroom of the Golden Palace Mataram Hotel. According to KPK data from 2004 to December 2020, corruption occurred in 26 out of 34 provinces. Bribery is the most commonly used modus operandi, especially in the procurement of goods and services (PBJ).

Recent fraud has also occurred in Langkat Regency, North Sumatra. The Corruption Eradication Commission (KPK) has scheduled examinations of four officials from the Langkat Regency Procurement of Goods and Services (PBJ) office in connection with a case involving the suspended Regent, Terbit Rencana Perangin-angin. They will be examined as witnesses in a bribery case involving the procurement of goods and services for the years 2020-2022 in Langkat Regency. The examinations will take place at the Examination Room of the Criminal Investigation Unit of the North Sumatra Regional Police. The witnesses to be examined are the Subsection Head of LPSE, Procurement Section, of the Langkat Regency Secretariat, Prayitno, and the Subsection Head of Procurement Management of the Procurement Section of the Langkat Regency Secretariat, Wahyu Budiman. KPK stated that Terbit, through Iskandar, requested a fee of 15 percent of the project value





for work packages with tender stages. Meanwhile, for direct appointment packages, Terbit requested a fee of 16.5 percent of the project value. This case was revealed after the KPK conducted a sting operation on Tuesday evening, January 18, 2021. In the operation, the KPK team seized Rp 786 million (kompas.com, 2023).

Similarly, in Riau Province, prosecutors from the Special Criminal Investigation Unit (Pidsus) of the Riau Prosecutor's Office finally named two individuals as suspects in a corruption case at the Riau Provincial Education Office (Disdik). The alleged bribery, suspected to have occurred in the procurement of learning media (hardware) for Information Technology and Multimedia for high school level, was funded by the Riau Regional Budget (APBD) in 2018, totaling Rp23.5 billion. The individuals involved are identified as HT and RD. The actions of the suspect HT, as a civil servant within the Riau Provincial Government, involved not conducting a market price survey for the procurement activities, even though it was implemented using an e-catalog. Instead, he prepared his own Estimated Price (HPS) based on orders from brokers, colluded with third parties in procurement, and received bribes and facilities from them. Meanwhile, the actions of the suspect RD involved colluding to determine the specifications of the goods with suspect HT. Activities that should have been conducted independently by the Riau Provincial Education Office (Disdik) were apparently regulated by a single company. Additionally, there are indications that one company acted as a fee collector for several companies involved in regulating these activities (tribunpekanbaru.com, 2023).

The arrangement in which the procurement system is implemented will always interact with its procedures and systems. The procurement system and procedures also affect the success or failure of the procurement objectives. As a result, effective systems and procedures can reduce the risk of procurement fraud (Ramadhan et al., 2019). Consequently, the network of procedures and the sequence of administrative tasks for this process form the procurement system and procedures.

To establish a healthy government procurement of goods and services, the ethics of the process must also be considered. Procurement ethics are related to the prevalence of business practices considered to be fair competition systems. Ethics in purchasing goods and services will prevent individuals from abusing their power or collaborating for personal or group interests that may harm the country directly or indirectly (Ketut Rian Budi Setiawan, 2020). Organizations exhibit several unethical or deviant behaviors. Abuse of position, abuse of power, abuse of organizational resources, and doing nothing are examples of such behaviors.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

A. Agency Theory

Lane (2000) asserts that public organizations can benefit from the application of agency theory. He states that the principal-agent relationship is the basis of modern democracy (Lane, 2000: 12-13). For example, in the agency relationship between the legislative and executive branches of government, the legislative branch acts as the principal while the executive branch acts as the agent (Halim, 2002; Anonymous, 2009). As recently revealed, organizational issues generally arise between administrators and specialists, and this also occurs in cases of rampant corruption commonly found in the procurement of products/administration where the principal is the local government and the specialist is the procurement board/administration council.

B. Attribution Theory

By understanding the reasons behind someone's experiences, this theory provides insight into how they react to those around them. It relates to attitudes and individual characteristics. One way to explain it is that one can only learn about someone's attitude or characteristics by observing them. Those who use attribution theory can help identify what influences fraud in institutions and businesses. Attribution theory is a method by which an individual explains the reasons for the behavior of others or themselves. These causes can be internal, such as someone's nature, character, or perspective, or external, such as situational pressure or specific circumstances that will affect someone's behavior. (Sulistiyorini & Urumsah, 2021).

C. Fraud

The definition of fraud varies. False presentation or concealment of material facts that lead someone to believe something is also considered fraud. Albrecht (2005) argues that fraud is seldom seen. He states that fraud symptoms are typically observed. The symptoms being experienced may also be caused by errors. Fraud is not easily proven because it operates on a fine line where authorities cannot punish them (Arthana, 2019).





According to Sinaga (2008), fraud is as follows: 1. embezzlement; 2. Malfeasance; 3. Thefts; 4. Dishonesty; 5. Misdeed; 6. Defalcation; 7. Withholdings; 8. Bribery; 9. Extortion; 10. Usurpation; 11. Misappropriation; and 12. fraudulent

D. Fraud in Procurement of Goods/Services

Types of fraud that cause losses to the state are the main focus of investigation in this research on fraud in procurement of goods and services. Cases such as Hambalang, Trans Jakarta Bus case, E-KTP case, and SIM Simulator case are some examples of fraud in Indonesian government procurement. Although various fraud cases have been discovered and legally prosecuted, there is no indication that such fraud will soon come to an end. (Isgiyata et al., 2018).

If fraud in government procurement of goods/services is associated with the idealism of leadership, Widayat (2014) states that a change in the ideal paradigm or idealism of leaders results in a governance system characterized by power interests, thus giving rise to power malpractices (KKN) based on collusion, corruption, and nepotism. It is clear that unhealthy power tends to produce opportunistic human products without considering the adverse effects on all thoughts, actions, and policies.

E. The Quality of the Procurement Committee

Government procurement of goods and services, as well as activities and decisions that will guide the procurement process, are greatly influenced by the procurement committee. Because they directly handle the interests of various other procurement of goods/services, the decisions of the procurement committee and everything they do become highly significant. As a result, the competence and professionalism of procurement committee personnel are concerning. Research results (Jatiningtyas & Kiswara, 2014) state that fraud in procurement of goods and services is significantly influenced by the quality of the procurement committee for goods and services.

H1. Quality of the Procurement Committee affects iProcurement Fraud in the Regional Working Units (SKPD) of "XYZ" Regency.

F. Procurement Goods/Services System and Procedures

Parties involved in the procurement process of goods or services will be able to work systematically to achieve economical, effective, and efficient procurement goals if there is a good system and procedures in place. The procurement system and procedures themselves determine the success of a government system in achieving its set goals.

The provisions and procedures for procurement of goods/services themselves are determining aspects in the functioning of the system. A government's ability to achieve its set goals is also influenced by the provisions and procedures for procurement of goods and services (Thai, 2001).

According to Jourdain and Balgobin (2003) cited in Sartono (2006), a good government procurement system and procedures have several characteristics, including:

1. Economy
2. Transparency
3. timeliness and Efficiency
4. equity And Fairness

According to research findings (Herlina Tri Astuti, 2016), fraud in procurement of goods and services is significantly influenced by the system and procedures.

H2. The Procurement Goods/Services System and Procedures affect Procurement Fraud in SKPD of "XYZ" Regency.

G. Ethics of Procurement of Goods/Services

Djamil (2023) To establish a healthy government procurement of goods and services, ethical processes must also be considered. Procurement ethics are related to the prevalence of business practices considered to be fair competition systems. Society will avoid abusing power or cooperating for personal or group interests that may harm the country, both directly and indirectly, if they practice ethics in purchasing goods and services. Ethical behavior is a fundamental consideration. When controls are not used, understanding of ethics





is clearly not enough. These controls are important because internal controls can reduce the likelihood of fraud (Nurharjanti, 2016). To prevent collusion and corruption in government procurement of goods and services, good ethics must be upheld. One way to obtain goods and services ethically is for Users, providers, and stakeholders to pledge not to give gifts or rewards to anyone involved in the purchase of goods or services. According to Ni Kadek Indah Permata Sari, I Wayan Suartana, (2020), procurement ethics have a negative impact on procurement fraud. Furthermore, research findings (Haris Yusuf, Mustafa K. Taduho, 2021) indicate that procurement of goods and services influences procurement fraud.

H3. Ethics of Procurement of Goods/Services influence Procurement Fraud in SKPD of "XYZ" Regency.

H. Procurement Environment of Goods/Services

The work environment where the procurement process of goods and services takes place is referred to as the procurement environment of goods and services. Khoiriyah (2012) cites Nitisemito (1992), stating that an employee's work environment impacts how well they perform their tasks. Whether it's business management or procurement; this Competency Unit is the first unit in the Indonesian Procurement Competency Standards (SKKNI or SK3) or the training material for ITC procurement (Gusnita et al., 2019).

Procurement procedures and systems will always interact with the setting in which they are implemented. One factor influencing the ability of procurement systems for goods/services to achieve their goals is the surrounding environment (Thai, 2001). Internal and external environments are examples of environmental aspects.

The research findings (Fernando Simangunsong, 2019) state that the procurement environment positively influences procurement fraud of goods/services. And the research results (Jumeilia Gusnita, Amir Hasan & M. Rasuli, 2019) indicate that the procurement environment of goods and services affects procurement fraud of goods and services.

H4. The procurement environment of goods and services affects Procurement Fraud in the Regional Working Units (SKPD) of "XYZ" Regency.

I. Fraud in the Government Sector

It should be noted that activities are not carried out, such as delayed projects, equipment purchased but not functioning properly, unplanned purchases of goods and services, buildings collapsing due to short construction periods, and strikes. discrepancies between an agency's Estimated Cost (HPS) for similar goods, all lead to suspicions of fraud in the government sector.

Lane (2000) asserts that public organizations can benefit from the application of agency theory. He states that the principal-agent relationship is the basis of modern democracy (Lane, 2000: 12-13). For example, in the agency relationship between the legislative and executive branches of government, the legislative branch acts as the principal while the executive branch acts as the agent (Halim, 2002; Anonymous, 2009). As recently revealed, organizational issues generally arise between administrators and specialists, and this also occurs in cases of rampant corruption commonly found in the procurement of products/administration where the principal is the local government and the specialist is the procurement board/administration council.

METHODS

The type of research used in this study is quantitative research method. Respondents in this study are the Heads of Department, Treasurers, and Heads of Financial Sub-Divisions working in the Regional Work Units (SKPD) of "XYZ" Regency, totaling 28 SKPD. Sampling in the study is done using purposive sampling technique, which is a sampling technique based on specific considerations/criteria. All Heads of Department, Treasurers, and Heads of Financial Sub-Divisions in the SKPD of "XYZ" Regency were included in the sampling of the research population, as they directly impact financial and budgetary issues. Then, the sample size of this study consists of 84 respondents, with 3 respondents per SKPD. The types and sources of data used are primary data in the form of questionnaires distributed at the research location. The measurement scale used is the Likert scale. Then, the data analysis technique in this study uses multiple linear regression, which analyzes the influence of independent variables on the dependent variable. Then, a check is performed by plotting the data to see if there is linear or non-linear data, which is done using the Statistical Product and Service Solutions (SPSS) Version 29 computer program.





RESULTS AND DISCUSSION

1. Descriptive of Respondents

The data collection method used in this research involved distributing questionnaires through the secretariat to the Heads of Departments, Treasurers, and Heads of Financial Sub-Divisions working in the Regional Work Units of "XYZ" Regency, totaling 84 individuals.

The respondents in this study were the Heads of Departments, Treasurers, and Heads of Financial Sub-Divisions working in the Regional Work Units of "XYZ" Regency, totaling 28 SKPD.

The summary of questionnaire collection rates, including the total distributed, returned, not returned, and those meeting the sample criteria, is presented in the table below:

Table 1: Questionnaire Collection Rate

Description	Total	Percentage
Total questionnaires distributed	84	100%
Total questionnaires collected	72	85%
Total questionnaires not collected back	12	14%
Total questionnaires processed	72	85%

Source : Data Processed, 2023

2. Descriptive Statistics Results

Descriptive statistics aim to provide an overview of data in terms of mean value, standard deviation, minimum value, and maximum value. Below are the results of descriptive statistical testing with variables Quality of the Procurement Committee, Procurement Systems and Procedures, Ethics, and Procurement Environment affecting Procurement Fraud in the government agency environment..

Table 2: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Quality of Committee	72	16.00	30.00	23.7083	2.73958
System and Procedure	72	22.00	35.00	29.4861	3.52853
Ethics	72	4.00	16.00	10.0556	2.56679
Environment	72	20.00	30.00	26.3889	3.02364
Procurement fraud	72	24.00	45.00	36.8333	5.61437
Valid N (listwise)	72				

Source: SPSS Processed Data, 2023

Based on the descriptive statistics test results in Table 3 above, it can be described that the sample size (N) is 72 respondents. From the data, we can describe that the procurement fraud variable has a minimum value of 24 and a maximum value of 45. The mean value for the procurement fraud variable is 36.83. The standard deviation for the procurement fraud variable is 5.614, indicating a good data spread because the mean value is greater than the standard deviation value. The same applies to the variables of committee quality, system and procedure, ethics, and environment.

Based on the results of the validity testing carried out, the results show that all variables in this study have a significance value of less than 0.05. This means that all the questions used in this research can be used to reveal something that is measured in the questionnaires. For reliability testing, the rule is that a variable is said to be reliable if the Cronbach alpha result > 0.60 is reliable. From the results of data processing, it was





concluded that the questions in this questionnaire were reliable because they had a Cronbach's alpha value greater than 0.6.

The results of data processing show that the distribution of data is around the diagonal line and follows the direction of the diagonal line. Thus it can be concluded that the dependent variable and independent variable have data that is distributed normally. For the multicollinearity test, the tolerance value obtained is close to 1 and the variance inflation factor (VIF) value is around 1 for each variable. Thus, it can be concluded that all independent variables do not have multicollinearity problems and can be used in this research.

Next are the results of the heteroscedasticity test shows that there is no clear pattern because the points are spread out so it can be said that there are no symptoms of heteroscedasticity in the data. Next, the results of the autocorrelation test show that the Durbin-Watson (d) value is 2.114. The value of d (2.114) > dU (1.8171) and less than (4-du) 4- 1.8171= 2.1829. In this way, multiple linear regression analysis tests can be carried out to test research hypotheses.

3. Multiple Linear Regression Analysis

Multiple linear regression analysis aims to analyze the influence of independent variables on the dependent variable. Since there are more than one independent variable in this study, multiple linear regression equation is used. Here are the results of the multiple linear regression analysis:

Table 3: Results of Multiple Linear Regression Analysis Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0,864	8,409		0,103	0,918
QUALITY OF THE COMMITTEE	0,039	0,225	0,019	0,175	0,861
SYSTEM AND PROCEDURE	0,745	0,197	0,468	3,788	0
ETHICS	0,323	0,247	0,147	1,304	0,197
ENVIRONMENT	0,372	0,247	0,2	1,504	0,137

a. Dependent Variable: PROCUREMENT FRAUD
Source: SPSS Processed Data, 2023.

From Table 3 above, the results of multiple linear regression analysis above can be explained in the regression equation as follows:

$$Y = a + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$$

$$Y = 0,864 + 0,039X_1 - 0,745X_2 + 0,323X_3 - 0,372X_4 + e$$

Description :

- Y : Auditors' Ability to Detect
- a : Konstanta
- β : Regression Coefficients of Independent Variables
- X1 : Quality of Procurement Committee
- X2 : Procurement System and Procedure
- X3 : Ethics of Procurement of Goods/Services
- X4 : Procurement Environment of Goods/Services
- e : error





From the equation above, it can be explained as follows::

a = In the regression equation above, the constant value is 0.864. This indicates that if the variables of committee quality, system & procedure, ethics, and environment are considered constant or have a value of zero (0), then these factors influence procurement fraud with a value of 0.864.

β_1 = The regression coefficient for the variable of procurement committee quality is 0.039. This means that if the procurement committee quality variable is increased by 1 unit while the other variables remain constant, it will cause the procurement committee quality variable to influence procurement fraud to increase by 0.039.

β_2 = The regression coefficient for the variable of procurement system and procedure is 0.745. This means that if the procurement system and procedure variable is increased by 1 unit while the other variables remain constant, it will decrease the procurement system and procedure variable's influence on procurement fraud by 0.745.

β_3 = The regression coefficient for the variable of procurement ethics is 0.323. This means that if the procurement ethics variable is increased by 1 unit while the other variables remain constant, it will cause the procurement ethics variable to influence procurement fraud to increase by 0.323.

β_4 = The regression coefficient for the variable of procurement environment is 0.372. This means that if the procurement environment variable is increased by 1 unit while the other variables remain constant, it will decrease the procurement environment variable's influence on procurement fraud by 0.372.

4. Partial Test Results (t-Test)

The t-test is used to determine the extent of the influence of one independent variable on the dependent variable individually. This test can be conducted by comparing the calculated t-value and the critical t-value. If the calculated t-value is greater than the critical t-value, then the hypothesis is accepted at a significance level of less than 0.05. Based on the data processing using SPSS version 29, the partial test results (t-test) are as follows::

Table 4: Partial Test Results Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	0,864	8,409		0,103	0,918
Quality of Committee	0,039	0,225	0,019	0,175	0,861
System and Procedure	0,745	0,197	0,468	3,788	0,000
Ethics	0,323	0,247	0,147	1,304	0,197
Environment	0,372	0,247	0,200	1,504	0,137

Dependent Variable: Procurement Fraud

Source: SPSS Processed Data, 2023.

The following is a discussion of the partial hypothesis testing results (t-test) based on Table 5 of the partial test results above:





Results and Discussion of the Influence of Procurement Committee Quality on Procurement Fraud in the Government Agency Environment

The regression results indicate that the Procurement Committee Quality variable (X_1) has a calculated t-value of 0.175, which is smaller than the tabulated t-value of 1.667 ($0.175 < 1.667$), and a significance value of 0.861, which is greater than 0.05 ($0.861 > 0.05$), with a regression coefficient of 0.039 and a positive direction. This indicates that H_1 is rejected, meaning that the quality of the committee does not have an influence on procurement fraud in the Government Agency environment.

This is contrary to the findings of a study by Nur Hidayati & J.M.V Mulyadi, 2017, which stated that their research showed that the quality of the procurement committee significantly influences the occurrence of procurement fraud.

Results and Discussion of the Influence of Procurement System and Procedures on Procurement Fraud in the Government Agency Environment

The regression results indicate that the Procurement System and Procedures variable (X_2) has a calculated t-value of 3.788, which is greater than the tabulated t-value of 1.667 ($3.788 > 1.667$), and a significance value of 0.000, which is smaller than 0.05 ($0.000 < 0.05$), with a regression coefficient of 0.745 and a positive direction. This indicates that H_2 is accepted, meaning that the procurement system and procedures have an influence on procurement fraud in the Government Agency environment. This result implies that the better the procurement system and procedures, the lower the level of fraud or misconduct.

The research findings of Herlina tri astuti, 2016, stated that the Procurement System and Procedures significantly influence procurement fraud. Additionally, the study by Fitnantyo Bimawan, 2021, indicated that procurement system and procedures affect procurement fraud.

Results and Discussion of the Influence of Ethics in Procurement on Procurement Fraud in the Government Agency Environment

The regression results indicate that the Ethics in Procurement variable (X_3) has a calculated t-value of 1.304, which is smaller than the tabulated t-value of 1.667 ($1.304 < 1.667$), and a significance value of 0.197, which is greater than 0.05 ($0.197 > 0.05$), with a regression coefficient of 0.323 and a positive direction. This indicates that H_3 is rejected, meaning that the ethics in procurement variable does not have an influence on procurement fraud in the Government Agency environment.

This finding contradicts the research results of Haris Yusuf, Mustafa K. Taduho (2021), which stated that Ethics in procurement of goods and services partially affects procurement fraud.

Results and Discussion of the Influence of Procurement Environment on Procurement Fraud in the Government Agency Environment

The regression results indicate that the Environment variable (X_4) has a calculated t-value of 1.504, which is smaller than the tabulated t-value of 1.667 ($1.504 < 1.667$), and a significance value of 0.137, which is greater than 0.05 ($0.137 > 0.05$), with a regression coefficient of 0.372 and a positive direction. This indicates that H_4 is rejected, meaning that the procurement environment variable does not have a significant influence on procurement fraud in the Government Agency environment.

This result is supported by previous research conducted by Nisa Nurharjanti (2017), which stated that the procurement environment influenced by market environment and legal environment, does not have an effect on procurement fraud. This finding is consistent with Astuti (2016) and Nisa Nurharjanti, (2017), which proved that the procurement environment does not have a significant influence on procurement fraud.

5. F Test

The simultaneous test (F test) aims to determine whether all independent variables included in the regression model have a joint influence on the dependent variable. The decision criteria are based on comparing the calculated F value with the tabulated F value. If the calculated F value is greater than the tabulated F value, the hypothesis is accepted; otherwise, if the calculated F value is less than the tabulated F value, the hypothesis is rejected. Here are the results of the simultaneous test:





Table 5. ANOVA^a Test

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	789,870	4	197,467	9,136	<,001 ^b
Residual	1448,130	67	21,614		
Total	2238,000	71			

a. Dependent Variable: *Procurement Fraud*

b. Predictors: (Constant), Independent Variables

Source : Processed Data, 2023

In Table 5 above, the result of the probability F-statistic shows a significance value of 0.001, which is lower than α (0.05). This means that the quality of the committee, system and procedures, ethics, and the procurement environment simultaneously have a significant influence on the procurement fraud occurring within the government environment in the Regional Work Units (SKPD) of "XYZ" Regency.

6. Coefficient of Determination Test

The coefficient of determination test aims to determine the extent of the influence of independent variables on the dependent variable. Below are the results of the coefficient of determination test conducted using SPSS version 29:

**Table 6: Coefficient of Determination Test
Model Summary^b**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.594 ^a	0,353	0,314	4,64907

a. Dependent Variable: *Procurement Fraud*

b. Predictors: (Constant), Independent Variables

Source: SPSS Processed Data 29, 2023.

Based on the table 6 above, the results of the coefficient of determination test indicate an Adjusted R Square value of 0.314, meaning that 31.4% of the variation in the dependent variable can be explained by the variation in the independent variables. Therefore, it can be concluded that 31.4% of procurement fraud is influenced by the variables of committee quality, system and procedure, ethics, and environment. The remaining 68.6% is influenced by other variables besides those used in this research model..

CONCLUSION

Based on the research conducted, the conclusion of this study is as follows:

1. The quality of the procurement committee does not have a positive and significant effect on Procurement fraud in the Government Institution environment. This is evidenced by the available data. The regression results show that the variable Quality of Procurement Committee (X_1) has a t-value of 0.175, which is smaller than the t-table value of 1.667 ($0.175 < 1.667$), and the significance value is 0.861, which is greater than 0.05 ($0.861 > 0.05$), with a regression coefficient of 0.039 and a positive direction. Thus, the quality of





- the committee is proven to have no positive effect on Procurement fraud in the Government Institution environment.
2. The Procurement System and Procedures have a significant positive effect on Procurement fraud in the Government Institution environment. This is evidenced by the available data. The t-value is 3.788, greater than the t-table value of 1.667 ($3.788 > 1.667$), and the significance value is 0.000, smaller than 0.05 ($0.000 < 0.05$), with a regression coefficient of 0.745 and a positive direction. Therefore, the Procurement System and Procedures are proven to have a positive effect on Procurement fraud in the Government Institution environment.
 3. Procurement Ethics does not have a positive and significant effect on Procurement fraud in the Government Institution environment. This is evidenced by the available data. The t-value is 1.304, smaller than the t-table value of 1.667 ($1.304 < 1.667$), and the significance value is 0.197, greater than 0.05 ($0.197 > 0.05$), with a regression coefficient of 0.323 and a positive direction. Thus, Procurement Ethics is proven to have no positive effect on Procurement fraud in the Government Institution environment.
 4. The Procurement Environment does not have a significant positive effect on Procurement fraud in the Government Institution environment. This is evidenced by the available data. The t-value is 1.504, smaller than the t-table value of 1.667 ($1.504 < 1.667$), and the significance value is 0.137, greater than 0.05 ($0.137 > 0.05$), with a regression coefficient of 0.372 and a positive direction. Therefore, the Procurement Environment is not proven to have a positive effect on Procurement fraud in the Government Institution environment.
 5. The Quality of the Committee, Procurement System and Procedures, Ethics, and Procurement Environment simultaneously have a significant effect on procurement fraud in the government environment in the SKPD of "XYZ" District. This is evidenced by the available data, with the probability F-statistic significance value of 0.001 being lower than α 0.05.

Recommendations for future research

Based on the results of the research conducted, there are several recommendations that can be considered for future research, namely:

1. Future research should consider expanding the scope of respondents, not only those from "XYZ" Regency.
2. Future research should expand the research variables or other factors that influence procurement fraud that were not included in this study.
3. Future research is expected to develop research methods such as conducting direct interviews with respondents to obtain quality data.

Future research should pay attention to the appropriate timing for distributing questionnaires.

BIBLIOGRAPHY

- Arthana, I. K. (2019). Analisis Faktor-Faktor Terjadinya Kecurangan (Fraud) Dalam Pengelolaan Dana Desa Pada Kecamatan Amabi Oefeto Timur. *Jurnal Akuntansi : Transparansi Dan Akuntabilitas*, 7(1), 35–43.
- Astuti, H. T. (2016). Analisis Faktor-Faktor Yang Mempengaruhi Fraud Pengadaan Barang/Jasa Di Lingkungan Instansi Pemerintah Provinsi Kepulauan Riau. 1– 15.
- Budi setiawan, k. R., sujana, e., & wahyuni, m. A. (2020). Faktor–faktor yang mempengaruhi procurement fraud di instansi Pemerintahan (studi kasus pada dinas-dinas di kabupaten buleleng).
- Djamil, N. (2023). APIP dalam Pelaksanaan Maturitas SPIP: Government Internal Supervisory Apparatus in Implementing the Maturity of the Government Internal Control System. *JAAMTER : Jurnal Audit Akuntansi Manajemen Terintegrasi*, 1(2), 76–88. <https://doi.org/10.5281/zenodo.8385072>
- Djamil, N. (2023). Pelanggaran Prinsip Etika Audit dalam Dysfunctional Audit Behavior: Violation of Audit Ethics Principles in Dysfunctional Audit Behavior. *JAAMTER : Jurnal Audit Akuntansi Manajemen Terintegrasi*, 1(3), 164–177. <https://doi.org/10.5281/zenodo.8394964>
- Efayanti, noor (2020) analisis faktor-faktor yang mempengaruhi fraud pengadaan barang/jasa pada organisasi perangkat daerah (opd) kabupaten kudus. Undergraduate thesis, iain kudus.
- Gusnita, J., Hasan, A., & Rasuli, M. (2019). Evaluasi Pelaksanaan Pengadaan Barang Dan Jasa Untuk Belanja Modal Pada Dinas Perdagangan Sumatra Barat. *Jurnal Akuntansi*, 7(2), 185–198.





- Hadiyati, N. (2018). Tinjauan Pengadaan Barang/Jasa Pemerintah Melalui Sistem Pengadaan Barang/Jasa Elektronik. *Jurnal Pengadaan - LKPP RI*, 1(2), 1–9. www.lkpp.go.id
- Herianti, E. (2021). Pengaruh Locus Of Control Terhadap Tindakan Kecurangan Dalam Pengadaan Barang Dan Jasa Di Bawah Tekanan Ketaatan. *Jurnal Akuntansi Dan Governance*, 1(2), 67.
- Hidayati, N., & Mulyadi, J. M. v. (2017). Factors Affecting Fraud in Goods and Services Procurement Activities. *Jurnal Riset Akuntansi Dan Perpajakan JRAP*, 4(2), 275–294.
- Isgiyata, J., Indayani, I., & Budiayoni, E. (2018). Studi Tentang Teori GONE dan Pengaruhnya Terhadap Fraud Dengan Idealisme Pimpinan Sebagai Variabel Moderasi: Studi Pada Pengadaan Barang/Jasa di Pemerintahan. *Jurnal Dinamika Akuntansi Dan Bisnis*, 5(1), 31–42.
- Jatiningtyas, n. (n.d.). Analisis Faktor-Faktor yang Mempengaruhi Fraud Pengadaan Barang/Jasa Pada Lingkungan Instansi Pemerintah Di Wilayah Semarang.
- Sari, n. K. I. P., & suartana, i. W. (2020). Analisis faktor-faktor yang mempengaruhi fraud pengadaan barang dan jasa di pemerintahan desa. *E- jurnal akuntansi*, 30(3), 571.
- Siswanto, h., & budiwitjaksono, b. S. (2021). Analisis factor-faktor yang mempengaruhi fraud di bidang pengadaan barang/jasa. *Prosiding senapan*, 1(2), 673-682.
- Sulistiyorini, I., & urumsah, d. (2021). Determinan pencegahan fraud pengadaan barang dan jasa perguruan tinggi di indonesia. *Proceeding of national conference on accounting & finance*, 3, 181–190. <https://doi.org/10.20885/ncaf.vol3.art16>
- Uuro, i., & adigwe, o. P. (2015). Budget practices and the nigerian civil service: new insight from an organisational culture perspektive developing country studie. *Accounting analysis journal*, 1(1), 1–12.
- Widana, W. & Muliani, P., L. (2020). Uji Persyaratan Analisis. Pontianak: Klik Media Widayat, p. A. (2014). Kepemimpinan profetik: rekonstruksi model kepemimpinan berkarakter keindonesiaan. *Akademika jurnal pemikiran islam*, 19(1).

