

PHENOMENA BEHAVIOR FRAUD IN GOVERNMENT

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Abstract: This research is based on government civil state apparatus as the government's front guard that reflects the healthy and strong government but the facts showed that there are cases of government doing fraudulent behavior from mild to severe. Also, it aims to reveal the phenomenon of fraud behavior of the civil apparatus. This is the preliminary research obtained from interviews and observation in the field by actively participating in every government activity. The result of the research shows that the mild cheating fraud behavior in each unit of the regional apparatus is handled by the superior of the agency and they only make a report of doing coaching to the employment agency and the human resource development. For the medium and heavy fraud behavior, the coaching is done by the employment agency and human resource development together with the inspectorate agency by making a coaching team. Coaching is done based on complaints from the number of Regional Work Unit (SKPD), community complaints, and monthly attendance monitoring. The phenomenon of fraud behavior in the government environment. Furthermore, the results of this study can act also as consideration matters to change the system, procedures, and policies to prevent fraud behavior and suppress the culture. For further researchers to make a comparison of methods and mix methods also find the factors that cause and prevent potential violations

Keywords: phenomena, fraud behavior, government

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This research is motivated by a strong and healthy government having reliable human resources. This then formed a competent, strong, and competent government which in turn created a healthy government environment both in human resources and all these not only gives positive impressions and images but also attracts

investment from outside Indonesia. But the election did not give any enthusiast up to 75%, which means people have not been too confident with the clean government from KKN. Moreover, the facts found on the ground that many local officials and centers are indicated by corruption.

A phenomenon in the field shows that especially in the government, the more increasingly overcome, the more cases are found. It has an impact on the implementation of the service itself, especially for the government apparatus. Government apparatuses around the world are required to be

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able to provide professional and qualified attitudes as a form of civil state apparatus who serves. This can still be seen from the community's complaints toward the unprofessionalism of civil servants because of the dissatisfaction of services given by these civil state apparatus. It can be seen from the data released by Political & Economic Risk Consultancy (PERC), which is the average result of bureaucratic process and public sector governance of each country in Asia and Pacific, it is known that in 2016 Indonesia is ranked second as the most corrupt country in the Asia Pacific delivered on 30 March 2016.

Since KPK is unable to prevent corruption, in 2017 it is once again made the Working Group on the Prevention of Clean Sweep of Illegal Levy (Saber Pungli). Data showed that in 2017 from October 2016 to September 2017, in the hand-in catch operation (OTT) there were 26 times with the details 21 times in East Kalimantan and 5 times in North Kalimantan. In East Kalimantan, there were 36 entangled OTT people. Reports of extortion in East Kalimantan to Saber Pungli Center as many as 68 reports and 29 reports to Saber Pungli Province. Nationally, the number of cases levies is reported 32,552 reports, with the details are 36% for community services, 26% for law enforcement, 18% for education, 12% for permissions, and 8% for staffing. For OTT it has reached 1,088 times with the number of suspects is 2,038 while the evidence reported as much as Rp315 billion with the largest evidence is Rp298 billion from East Kalimantan while the smallest one came from West Papua which was worth of Rp400 thousand.

The Saber Pungli Task Force is deemed as ineffective by the Ombudsman of the Republic of Indonesia (ORI) because the Saber Pungli Task Force encountered many obstacles and tended to overlap with other agencies, conducted in 29 provincial UPP, 16 UPP city, and 19 UPP districts. There are 3 constraints caused by these conditions, which are institutional, infrastructure including budget and task force authority. And for 2 years recently it was noted that the central task force of UPP saber of ministries, institutions, and regions has successfully carried out 2,921 hand-catching operations with the number of suspects of 5,5159 people

with the secured goods amounting to Rp320,383,280,582 (Kaltimpost, 2018).

Fathi, W.N.I.W.M., Ghani, E.K., Said, J. and Puspitasari, E. 2017 in this research find many of the fraud cases previously reported were from the conventional banks and little attention has been given to fraud cases in Islamic banks. This study examines whether an Islamic bank employee's profile may influence them to commit fraud. Specifically, this study aims to examine whether gender, age, position, and religiosity would influence them to commit asset misappropriation. Utilizing the fraud triangle model, this study conducts a questionnaire survey to 109 employees in Islamic banks in Malaysia. The results show a significant relationship on gender, age, position, and religiosity in influencing the bank employees to commit asset misappropriation in the Islamic banks. The findings in this study indicate that the higher authority of the Islamic banks needs to outline various plans or programs in preventing fraud in their organizations.

Said, et al. (2018) in this study have the purpose of this paper is to conduct an empirical analysis of the factors that determine occupational fraud behavior. And design this study utilizes primary data collected by a questionnaire-based survey on 186 police officials of Malaysia including Sabah and Sarawak. Data are analyzed using descriptive statistics, factor analysis, and cross-sectional regression. The results derived in the study showed a statistically significant positive relationship between three basic variables of the fraud theory is pressure, opportunity, and rationalization with asset misappropriation. Moreover, this study revealed that religiosity is statistically significant and negatively correlated with asset misappropriation. Therefore, the higher religiosity of an individual correlates with the lower probability involve in asset misappropriation.

The personality of this behavior can be known before though it does not appear clearly as it is delivered by Yoong, et al. (2017), that the personality represents the mixture of features and qualities that built an individual's distinctive characters including thinking, feeling and behaving.

METHOD

This study uses a qualitative method that represents an intensive and holistic description and analyzes single entities, phenomena, or social units (Merriam, Sharan, B. 2009). This method is used to answer “how” or “why” questions, while the researcher has almost no control over events and when the study emphasizes the contemporary phenomena in real life situations. Qualitative research is chosen by the researcher because it is more describable in telling the answers of how and why to be able to prevent fraud prevention phenomenon.

This is why the phenomenon approach becomes an alternative to this qualitative research. Phenomenology is one form of qualitative research that is developed to make the researcher has the optimal possibility to reduce and purify so it will create a picture of the real meaning of the phenomenon. Phenomenological research seeks to focus on understanding, exploring, and interpreting the meaning of phenomena, events, and their relationships with people in certain situations. Bogdan, R.C & Biklen, S.K., (1982) suggest that phenomenology is a type of qualitative research that seeks to comprehend the meaning of an event and the interaction of people in a given situation.

The paradigm used by the researcher is interpretive which is a paradigm based on social situations which is one of the attempts to find an explanation of the social events that occurred by looking at the eyes of the people involved in it. This study is neither aim to describe social order nor circumvent social circumstances with awareness or change those things by forming a system. However, in accordance to its ‘spirit’, this research emphasizes to explore the phenomenon that occurs based on social situations by looking at the behavior of cheating that occurred and other things in it as a problem that causes or triggers the fraud which then which paradigm that will fit within this research is an interpretive paradigm that is also a process of qualitative research (Denzin & Lincoln, 1994).

Cresswell, John (2008) said that the objective of the research must be suited with the informant’s information because the real objective of qualita-

tive research is to seek the meaning of informant’s experience, which shows the alive human world, there must be an interaction and live and dynamic communication. The unique characteristic of the human world is the way they talk, think, and act based on what they think and want. The focus of this informant is the civil state apparatus to check the right thing of the activity and the civil state apparatus themselves in interacting. While for supporting the process of this research, the research will also gain information from other informant serving as the one who did the fraud, both from middle and high fraud data owned by the Agency of Employment and Human Resources Development in Balikpapan, and to complete these things the researcher will also interview:

- a. The superior of each civil state apparatus being the informant
- b. Working partners of the informant
- c. The head of Pembinaan and Civil State Apparatus Information and Su section of coaching ASN.

Also, the other things which are the researcher possibly find during the research.

Data analysis is done by observing, comprehending, and explaining in depth meaning from the results of some information received by the researcher. Bogdan, R.C and Biklen, S.K. (1982), states that the data analysis activities for qualitative research are to review data, organize, divide into manageable units, to synthesize, to find patterns, to find what is meaningful and what is being researched and decided by the researcher to be reported. The analysis phase that the researcher has done is the data description, phenomenological reduction, notice/nomadic development, correlation, and eidetic reduction-reflection and reconstruction (individual critical review).

Data analysis techniques in this study are using a triangulation process which is done by collecting data from various sources of the problems studied and then compared with others. This process can be:

- a. Compare what people say about the research situation with what he says through time

- b. Compare what people say in public with what they say personally
- c. Compare the interview result with the content of other related documents
- d. Compare the perspective and someone condition with other opinions for example from ordinary people.

RESULTS

A personal mindset can contribute to his behavior. Moreover, the phenomenon of the findings in the field shows that the offender understands and knows that he is doing fraud behavior. And the action is a natural thing happened in government agencies. The result of the research shows that the mild cheating fraud behavior in each unit of the regional apparatus is handled by the superior of the agency and they only make a report of doing coaching to the employment agency and the human resource development. For the medium and heavy fraud behavior, the coaching is done by the employment agency and human resource development together with the inspectorate agency by making a coaching team. Coaching is done based on complaints from the number of Regional Work Unit (SKPD), community complaints, and monthly attendance monitoring.

The interview with the subsection of coaching resulted that the fraud problem caused 40% from family, 25% from finance. It is similar to the fraud triangle which stated that the cause of fraud cheating is because of family pressure and financial matters. The interview result in 3 informants altogether shows that the cause is from family pressure and finance which is then creating a motive to make cheating. The next cause is a chance or possibility that the offender may have in doing the cheating, which is similar to what is usually happens in crime. Opportunities here may be due to lack of controls, lack of discipline, weaknesses of accessing information, no audit mechanisms, apathy to its surroundings as well as lack of internal control systems and poor organizational governance. These all happened to the informant being investigated.

Finally, there is a justification that the perpetrator consciously seeks to justify the behavior that

occurs to him as part of the defense mechanism of the ego. Justification is one of the most difficult things to measure. To the perpetrator what is done is a justification of their rights so it is a normal attitude. This justification will arise into a fraud cheating. The guidance done for the light treatment is an oral reprimand and the superior’s report is being copied to the employment and human resource development department. For medium and heavy cheating the guiding will be in the form of summons and confirmation of errors with the team from the guidance section of the civil service and the inspectorate. However, the heavy form of recommendation for such errors is in the form of postponement of promotion, mutation of position, or else according to his mistake. The guidance made for current fraud prevention is the socialization of civil state apparatus rules and training education for sub-leadership to be able to manage and lead their subordinates. The number of civil servants of the state in Balikpapan in 2015 as many as 6333 people, in 2016 as many as 6212 people and in 2017 as many as 5158 people. Below you can see the recap of the punishment of civil state apparatus

Table 1 Cheating Recapitulation

Year	Quantity	Level of Cheating
2015	6 people	Medium
2015	15 people	Heavy
2016	4 people	Medium
2016	16 people	Heavy
2017	4 people	light
2017	1 people	Medium
2017	9 people	Heavy

Source: processed data

A phenomenon that became the finding during the study is evidence that fraud is not a taboo thing to be done especially with the great number of state civil apparatus up to 5158 in 2017. However, looking at the phenomenon in the field, the researchers found that the main informants did not attend work violations, which initially included in light disciplinary sentences, but because light disciplinary penalties have been given but still going on it will be a

moderate punishment but still committing violations not working and now the position of serious violations with demotion down to a level of 3 years, in accordance with Government Regulation No.53 of 2010 concerning Discipline of Civil Servants and Regulation of the Head of the Civil Service Agency Number 21 of 2010. This is also strengthened by the results of monitoring data and absences from key informants. Coaching is done based on complaints from the number of Regional Work Unit (SKPD), community complaints, and monthly attendance monitoring.

The results of research interviews with key informants and key informants that it was found that the phenomenon of fraudulent behavior carried out that developed from minor to severe violations with the same case namely absence. This is due to illness and the people closest to illness, have family problems and financial problems. At first glance, this becomes a mild thing but the reality develops to the weight. this can be avoided or prevented by the supervision and evaluation of superiors and related parties.

DISCUSSION

The results of the research are expected to give meaning for those concerned to realize that the cheating that the perpetrators do is a mistake and to receive each punishment given for him. Also, this research is hoped to give a contribution foremost to forensic accounting and behavioral accounting. Last but not least it is hoped that this research will contribute as policy material for the agency of employment and human resources development to hold socialization about rules of the civil state apparatus. Although not as done by Wright, Judy D (2015) in this research find an employee and consumer fraud is both a national and global problem. Each year, organizations lose an estimated five percent of gross revenues to fraud. Most fraud research has focused on the sociological and criminological aspects of fraud. Detection and prevention methods have had some impact on reducing fraudulent behavior; however, the problem is pervasive. This self-report measure found that nearly 30% of participants self-reported prior fraud behavior totaling 176 incidents

of fraud and none had been detected. Fraud is a serious problem facing organizational leadership around the world and additional research is required to increase understanding of the psychological factors influencing fraud behavior. This study identified personal factors influencing fraud behavior which it is hoped will aid in the establishment of educational, organizational, and social programs to reduce the prevalence of fraud on a global scale.

The study of white collar crime has hitherto been relatively sparse because few areas of criminological investigation are plagued with such intractable controversies including conceptual ambiguities, distinctions, and taxonomies. Nevertheless, future business professionals, and especially accounting majors, must have a keen understanding of the new 21st century era of governance and accountability spawned by the post-Enron/WorldCom environment. In this regard, colleges and universities must do their part by encouraging business, criminology, and law faculty to carry out much-needed research in this important area and teach courses in fraud and forensic accounting. In this paper, the author will make the case for looking seriously to the behavioral sciences — psychology, sociology, criminology, and anthropology — to support the interdisciplinary field of fraud examination and forensic accounting in theory development and practice, and in fraud prevention, deterrence, and detection (Ramamoorti, Sridhar, 2008).

Olsen, Asmus Leth, Frederik Hjorth, Nikolaj Harmon, Sebastian Barfort (2019) in they investigate the usefulness of the dice game paradigm to public administration as a standardized way of measuring (dis)honesty among individuals, groups, and societies. Measures of dis-honesty are key for the field's progress in understanding individual, organizational, and societal differences in unethical behavior and corruption. And they first describe the dice game paradigm and its advantages and then discuss a range of considerations for how to implement it. Next, they highlight the potential of the dice game paradigm across two diverse studies: prospective public employees in Denmark (n = 441) and prospective public employees in 10 different countries with very different levels of corruption

(n = 1,091). In the first study, we show how individual-level behavioral dishonesty is very strongly negatively correlated with public service motivation. In the second study, they find that widely used country level indicators of corruption are strongly correlated with the average behavioral dishonesty among prospective public employees. The results illustrate the importance of the validated dice game paradigm to shed light on core questions that link the micro- and macro-level dynamics of dishonesty and corruption in the public sector.

Unfortunately, the latest research is very little and this makes this research is the first step to find out the phenomenon of cheating behavior in the field and find new findings. in accordance with the initial purpose of this study to determine the phenomena in government that is growing from mild to moderate to high violations with the same type of violation. This can be a bad example for other employees and the lack of ability from superiors or related departments. This is also the first step to explore more deeply and holistically this cheating behavior to be able to model development in the future.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

In accordance with the purpose of this study who wants to know the phenomenon of fraud in government, it can be concluded that ignorance and ignorance of the perpetrators of fraud that developed from minor to moderate and then severe violations. Where the violations committed by the perpetrators are absent from work which is categorized as minor violations but develops into moderate violations and then serious violations. Both superiors and related sections work according to the existing system but do not provide psychological input or input to help the offender resolve the problem which in turn makes the offender involved in minor and moderate and severe violations. And the personal problems that develop fraud perpetrators keep the perpetrators busy with themselves and do not seek help in their work environment.

Recommendation

The need for the Human Resources and Human Resources Development Agency has a psychologist and a special team that helps employees when they have violations so that preventative measures can be prevented early on. This special team can also be seconded in the regional work unit when minor violations occur, because to help deal with someone who has a problem, special competencies are needed so that the problems they face can be solved. And prevention of behavior violations can be prevented by socialization and education to the regional work unit.

The need to sit together and formulate policy from the authorities, especially from the Human Resources and Human Resources Development Agency in synergy with the Organizational and Inspectorate Section of the results of the model that researchers do, so that prevention can be detected and carried out early. Because in the future a strong and healthy government is very much needed from the available human resources with the required capabilities. And for the next researcher. For further researchers to make a comparison of methods and mix methods also find the factors that cause and prevent potential violations. Future research directions, other research efforts should build upon the findings of this study regarding the various implicit and explicit methods of institutionalizing ethics in organizations.

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