



## **Determinants of Fraud Prevention in Regional Budget Management with Spiritual Intelligence as a Moderator: A Study of the Regional Government of North Maluku**

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### **Abstract**

This study aims to test a theoretical model that explains the role of Spiritual Intelligence in the relationship between the determinants of fraud prevention in budget management. Specifically, this study aims to examine and analyze the influence of organizational culture, love of money, and whistleblowing on fraud prevention in regional budget management, with Spiritual Intelligence as a moderating factor. This research is empirical and uses a purposive sampling technique. The sample in this study was 322 Regional Apparatus Organization (OPD) officials. Data analysis used SMART PLS analysis. The results show that whistleblowing has a proven effect on fraud prevention, in addition to organizational culture and love of money. The results of the moderation also demonstrate that, in addition to organizational culture and a love of money, whistleblowing has a proven effect on fraud prevention, with Spiritual Intelligence serving as a moderating factor.

**Keywords:** Spiritual intelligence, organizational culture, love of money, whistleblowing, and regional financial management.

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## 1. Introduction

Fraud is prohibited and can harm many parties, both individually and as an organization (Marciano et al., 2021). The increasing complexity of local governments' operations and finances as public entities often provides opportunities for fraud. Local government sector fraud can harm public finances and erode trust. Various fraudulent acts are rampant, involving the exploitation of loopholes and opportunities in the entity's environment. Therefore, it is necessary to understand the various factors that can prevent fraud, so that entities can take preventive measures to reduce the risk of losing public trust in the quality of public services, particularly in regional budget use services, where these cases often involve regional officials who cause state losses (Din et al., 2021).

The realization that state funds should be used correctly, targeting transparency, accountability, and accessibility, to prevent various forms of fraud. However, in reality, the realization of regional use is sometimes misused for the interests of certain groups. The results of the 2018 KPK survey revealed that 2 out of 10 employees in survey participant agencies, comprising 36 ministries, institutions, and regional government agencies, reported that reporters of corrupt practices were ostracized, sanctioned, or had their careers hindered. It cannot be denied that corrupt practices are still rampant in the government of this country. Similarly, in North Maluku Province, an OTT KPP was revealed, involving the Governor of North Maluku, three OPD officials, and private parties, in a bribery case related to the budget for the construction of highway sections (NewsDetik, 2023).

The above conditions are caused by local government officials' realization that the budget does not refer to the established norms. According to the Theory of Planned Behavior (TPB), attitudes, norms, and perceived behavioral control are behavioral controls that influence the likelihood of carrying out actions. This is likely due to government officials' need for greater individual competence, an unhealthy organizational culture, minimal internal supervision, and a lack of self-awareness regarding accountability for the public interest mandate. According to Huslina and Syah (2015), someone with high competence can improve performance. These results are reinforced by research by Agustiyani et al. (2016), which shows that resource competence affects Fraud Prevention. However, the research results by Sujana et al. (2020) show that competence does not affect Fraud Prevention. Additionally, an excellent organizational culture can also have a significant impact on fraud prevention.

According to Anannta (2023), a Strong organizational culture can influence high ethical standards and employee behavior, which is reinforced by the research results (Alshumrani et al., 2018). Suharto (2020) shows that organizational culture can influence Fraud Prevention, but the results of research by Ferina et al. (2021) show that Organizational Culture does not influence Fraud Prevention. In addition to competence and organizational culture, love of money is also an indicator that can influence Fraud Prevention. A love of money can positively enhance a person's performance in completing every task they undertake. Research results by Giovano et al. (2020) indicate that a love of money can influence the tendency towards accounting fraud.

Additionally, the Whistleblowing System is one of the variables that can influence Fraud Prevention. The results of Agustiyani et al. (2016) research show that the Whistleblowing System influences Fraud Prevention. However, Sujana et al.'s (2020) research results show that the Whistleblowing System does not influence Fraud Prevention. However, the results of Romadaniati et al. (2020) research and Saputra et al. (2020) show that the Whistleblowing System influences Fraud Prevention.

In addition to the variables above, spiritual intelligence can moderate the relationship between competence, organizational culture, love of money, and whistleblowing systems in fraud prevention. Research results Romadaniati et al. (2020) show that individual morality moderates the influence of competence, control, and whistleblowing systems in fraud prevention. From the above phenomenon, the formulation of the problem and the purpose of this study are to test the influence of culture, love of money, and whistleblowing on fraud prevention with Spiritual Intelligence as a moderating variable, with the urgency of this study developing research (Romadaniati et al., 2020; Saputra et al., 2020) with research differences, first; Previous research only used the variables of Competence, Internal Control System with individual morals as partial and moderating variables, while this study adds two independent variables, namely, Organizational Culture and Love of Money. Second, Previous research examined 103 villages in Bengkalis Regency, whereas this study examines the scope of the North Maluku Provincial government, encompassing 175 OPD officials. Third, Previous research used individual morals as a moderating variable, while this study uses Spiritual Intelligence as a moderating variable.

## **2. Literature Review**

### **2.1. Attribution Theory**

This study draws on several theoretical bases, including the Fraud Pentagon, which underlies the fraud prevention variable. The fraud Pentagon was developed by Wolfe and Hermanson (2004), which is a development of the fraud triangle theory initiated by Cressey and Wolfe (1953); in addition, this study also uses the Theory of Planned Behavior (TPB) developed by (Ajzen & Fishbein, 1975) as the basis for explaining the love of money variable, Spiritual Intelligence which according to Zohar (2001) in addition to attitudes, norms and individual subjectivity can also influence a person's behavior in acting. Moreover, the cultural theory developed by Judge and Robbins (2009).

### **2.2. Spiritual Intelligence**

Spiritual intelligence is the foundation of ethical theory, which examines a person's behavior in relation to their ethical awareness. According to Zohar and Marshall et al (2001), Spiritual Intelligence is defined as a person's ability to solve problems with broader values and meanings. This demonstrates the ability of a person with a flexible attitude, who can view problems holistically, understands values and visions, is humble, possesses a high level of integrity, and is sincere and resilient in facing various life challenges.

### **2.3. Organizational culture**

Culture is a basic assumption that is formed, created, and developed by a particular group through internal and external adaptation Leggard (2006) and Kurniawan et al. (2023). Organizational culture refers to the patterns, beliefs, values , and ways developed by an organization and manifested by its members in their behavior Robbins and Judge, 2013. Organizational culture is a value system that members adopt, distinguishing one organization from another Judge and Robbins (2009).

This statement is reinforced by the results of Afifah et al.'s research Afifah et al., 2021, showing that organizational culture can influence fraud prevention. While the results of Suharto's research, Ferina et al. (2021), suggest that organizational culture does not influence fraud prevention, the study by Ferdinand et al. (2021) shows that organizational culture does influence fraud prevention. According to Robbins (2017) and Putra (2023), a strong organizational culture

can influence high ethical standards, thereby shaping employee behavior. Culture can be strengthened by the spiritual intelligence possessed by a person so that it can prevent fraud; so, from the description above, the second hypothesis is determined.

H1a: Organizational culture affects fraud prevention.

H1b: Spiritual Intelligence Moderates the Influence of Organizational Culture on Fraud Prevention

## **2.4. Love of Money**

According to Tang (1992), the concept of "Love of Money" refers to a person's subjective desire for money, which is related to their level of job satisfaction. To measure a person's subjective feelings about money. Luna Arocas Tang and Chiu (2002) define love of money as 1) a measurement of a person's value or desire for money, but not their needs; 2) the meaning and importance of money and a person's behavior towards money. This result is reinforced by the research of Giovano et al. (2020), which shows that a love of money can influence the tendency towards accounting fraud. The Money Ethic Scale (MES), developed by Tang (1992), measures a person's ethical attitude towards their money; this ethical attitude can be strengthened by Spiritual intelligence in preventing fraud. So, from the results of the research above, the first hypothesis is determined.

H2a: Love of money influences fraud prevention.

H3b: Spiritual intelligence moderates the Effect of Love of money on Fraud Prevention

## **2.5. Whistleblowing System**

According to Setiawan (2020), the whistleblowing system is a mechanism that provides a tool for submitting complaints about alleged corruption involving individuals within the entity. Darjoko (2016) explains that internal whistleblowing is reporting alleged unethical and illegal practices by parties within the organization to parties considered to have the authority to take action. The study's results, as reported by Sujana et al. (2020), indicate that the Whistleblowing System does not impact fraud prevention. However, the results show that individual morality can moderate the Whistleblowing System in preventing fraud. So, from the results of the study above, the third hypothesis is determined.

H3a. The whistleblowing system affects fraud prevention

H3b. Spiritual Intelligence Moderates the Effect of the Whistleblowing System

## **3. Research Methods**

### **3.1. Types of research**

The research was conducted through a survey, utilizing a questionnaire as a data collection tool and statistical analysis to test the hypothesis of the Determinants of Fraud Prevention with Spiritual Realism as a Moderator.

### **3.2. Research Location**

The research was conducted within the regional government's OPD throughout North Maluku Province for the following reasons: First, regional government apparatuses are constantly faced with the problem of misuse of regional budgets, so research is needed to prevent this possibility.

Second, the transparency management of regional budgets has recently become the center of attention for the entire North Maluku community due to the numerous frauds that occur throughout the region.

### **3.3. Operational Definition of Research Variables**

This study uses three types of variables: dependent, independent, and moderating. The dependent variable in this study is the prevention of fraud in village financial management. The independent variables in this study are Government Apparatus Competence (Background and level of education, Mastery of Knowledge and Skills, and Ability to Create), Organizational Culture, Love of Money, and Whistleblowing System. At the same time, the moderating variable is Spiritual Intelligence.

### **3.4. Fraud Prevention**

Fraud prevention involves rejecting or restraining all dishonest acts that can result in potential or actual losses for the company, its employees, and others. It is carried out to prevent fraud within the company, ensure the government's ideals are achieved, and enhance the government's reputation. Fraud prevention is an integrated effort that can mitigate the factors that contribute to fraud. Pusdiklatwas BPKP (2008) and Tunggal (2012).

The indicators that underlie researchers' understanding of the Fraud Prevention variable consist of three main branches (Tunggal, 2012): a culture of honesty and high ethics, Management responsibility for evaluating fraud prevention, and supervision by the Village Supervisory Agency. This variable is measured using a 5-point interval Likert scale from strongly disagree (1), disagree (2), neutral (3), agree (4), to agree (5) strongly.

### **3.5. Organizational culture**

Organizational culture is the dominant value disseminated in the Village Government Apparatus and is the philosophy of government performance. The organizational culture variable in this study was measured using an instrument developed by Robbins (2007) and then studied by Trisnaningsih (2007). The instrument consists of 4 people-oriented organizational culture question instruments and four work-oriented organizational culture question instruments. The eight instruments above use a 1-5 Likert scale, ranging from (1) Strongly Disagree (SDA) to (5) Strongly Agree (SA).

### **3.6. Love of Money**

Love of Money is a person's love for money (Tang, 1992). The love of money is measured using the Money Ethics Scale (MES), which assesses human attitudes toward money (Tang, 1992) with seven indicators. The questions use a 1-5 Likert scale, ranging from (1) Strongly Disagree (SDA) to (5) Strongly Agree (SA).

### **3.7. Whistleblowing System**

The Whistleblowing System serves as a forum for whistleblowers to report fraud or violations committed by internal parties of the organization (Octaviari, 2015). The indicators underlying the researcher's understanding of the whistleblowing system variable consist of three main branches (Semendawai et al., 2011), namely the Effectiveness of whistleblowing system implementation, how to report violations, and the Benefits of the whistleblowing system. This variable is measured using a 5-point interval scale from strongly disagree (1), disagree (2), neutral (3), agree (4), to

agree (5) strongly.

### 3.8. Spiritual Intelligence

Spiritual intelligence (SQ) is the intelligence to face and solve problems of meaning and value that places human behavior and life in a broader and richer context (Zohar & Marshall, 2007), which allows a person to unite interpersonal and intrapersonal things and bridge the gap between oneself and others (Zohar & Marshall, 2007). Spiritual intelligence can be measured using the six indicators proposed by Zohar and Marshall (2007) using a 5-point interval scale from strongly disagree (1), disagree (2), neutral (3), agree (4), to agree (5) strongly.

### 3.9. Method of collecting data

The primary data used in this study are the data collected directly. To facilitate the process of filling out and returning the questionnaire before submission, the researcher ensured that respondents were at work, allowing the questionnaires to be distributed properly, quickly, and completely in terms of completion and return. Second, the researcher briefly explained the purpose of the questionnaire and the study to help respondents complete it more easily. Third, the researcher agreed with the officers regarding the time of returning the distributed questionnaires, agreeing to return them one week after they were submitted. Fourth, the researcher contacted the public relations department by telephone to verify the extent to which respondents had filled out the questionnaires and whether the questionnaires had been collected in their entirety. The researcher also visited the OPD in North Maluku Province to collect the completed questionnaires.

### 3.10. Determination of population and sample

The population in this study consisted of all local government officials in North Maluku Province, totaling 1,750, with a sample of 350 OPD leaders (20% of 1,750).

### 3.11. Data Analysis Methods

This study's analysis method involves calculations through SMART PLS. Moderate regression analysis is used to test the hypothesis partially and moderately.

$$Y = \beta\alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4[X_1 - X_4] + \beta_5[X_2 - X_7] + \beta_6[X_3 - X_7] + \beta_n \dots + \varepsilon$$

Information:

$\alpha$  = Constants

$Y$  = Fraud *prevention*

$X_1$  = organization Culture

$X_2$  = Love of Money

$X_3$  = Whistleblowing System

$X_4$  = Spiritual Inelegancy

$X_i$  – the absolute value of the difference between  $X_i$  and  $X_3$  measures  $X_4$  = Interaction

$\epsilon$  = error

$\beta_1 \beta_2 \beta_3 \beta_4 \beta_5 \beta_6 \beta_n \dots$  = Regression Coefficient

### 3.12. Hypothesis Testing

Statistical calculations are statistically significant if the statistical test value is in the critical area (where  $H_0$  is rejected) and insignificant if the statistical test value is (where  $H_0$  is accepted). Statistically, at least, it can be measured by:

#### 1. Determinant Coefficient ( $R^2$ )

The determination coefficient's value is between zero and one. A small  $R^2$  value means that the independent variables' ability to explain the dependent variable is limited. A value close to one means that the independent variables provide almost all the information needed to predict the dependent variable.

#### 2. Statistical test t

The statistical test t shows how far the influence of one explanatory/independent variable individually explains the variation of the dependent variable, then:

- The null hypothesis to be tested is whether a parameter ( $b_i$ ) is equal to zero, or  $H_0: b_i = 0$ , meaning whether an independent variable is not a significant explanatory variable for the dependent variable
- The alternative hypothesis ( $H_a$ ) is that the parameter of a variable is not equal to zero, or  $H_a: b_i \neq 0$ , meaning that the variable is a significant explanatory variable for the dependent variable.

Decision-making criteria by comparing the statistical value of t and the level of significance (p-value) set at  $\alpha = 5\%$ . If the t value has a probability value (p)  $< 5\%$  level of significance, then  $H_0$  is rejected, and  $H_a$  is accepted, which means all independent variables individually affect the dependent variable.

## 4. Results

### 4.1. Respondent Return Rate

The Maluku Regional Government conducted this research. The process involved distributing questionnaires to be filled out by all OPD leadership auditors. The questionnaire was delivered to the respondents (auditors) of the BPK RI representative of North Maluku Province in June 2024. It was distributed through Google Forms and collected 322 respondents.

**Table 1.** Questionnaire Return Rate

Respondent Return Rate				
Information	Google Form		Total	
Questionnaire Distributed	350	100%	350	100%
Unreturned Questionnaires	27	12%	27	12%
Returned Questionnaire	322	88%	322	88%
Unprocessable Questionnaire	0	0%	0	0%
Processable Questionnaire	322	88%	322	88%

Source: Processed research results 2024

The number of questionnaires distributed according to the number of samples by local government officials was as many as 322 copies. Of all the questionnaires distributed, 322 were returned completely and ready to be processed and analyzed.

## 4.2. Descriptive Statistics

Descriptive statistics aim to provide an overview of the characteristics of research data. For more details, descriptive statistics will be provided for each variable, based on its frequency, below.

## 4.3. Descriptive Results

**Table 2.** Descriptive Statistics

Variable	Median	Mean	Min	Max	SD
Organization Culture	0.000	0.694	-2.192	0.694	1.000
Love of Money	0.000	0.289	-1.864	1.380	1.000
Whistleblowing	0.000	0.725	-3.117	0.725	1.000
Spiritual Intelligence	0.000	0.752	-2.331	0.752	1.000
Fraud Prevention	0.000	0.272	-1.865	0.978	1.000

Source: Data processed by author, 2024

The love of money variable suggests that government officials love money. The average value of the love of money variable indicator is 0.289, with the data distribution against the average value of the love of money variable shown in a standard deviation value of 1. The whistleblowing variable suggests that government officials have a complaint system in place that handles and protects against fraud. The average value of the whistleblowing variable indicator is 0.725, with the distribution of data against the average value of the whistleblowing variable shown in a standard deviation value of 1.

The Spiritual Intelligence variable suggests that workers possess spiritual intelligence. The average value of the Spiritual Intelligence variable indicator is 0.752, with the distribution of data against the average value of the Spiritual Intelligence variable shown in a standard deviation value of 1. The Fraud Prevention variable indicates that workers are able to prevent fraud in the work environment. The average value of the Fraud Prevention variable indicator is 0.272, with the distribution of data against the average value of the Fraud Prevention variable shown in a standard deviation value of 1.

## 4.4. Validity and Reliability Test Results

### 4.4.1. Validity Test

**Table 3.** Convergent Validity

Indicator	loading	Information
Love of Money- LM1	0.872	Valid
Love of Money -LM2	0.906	Valid
Love of Money -LM3	0.800	Valid
Love of Money -LM4	0.867	Valid
Love of Money -LM5	0.878	Valid
Love of Money -LM6	0.880	Valid
Love of Money -LM7	0.879	Valid
Organization Culture -OC1	0.886	Valid
Organization Culture -OC2	0.826	Valid



Indicator	loading	Information
Organization Culture -OC3	0.860	Valid
Organization Culture -OC4	0.735	Valid
Spiritual Intelligence -SI12	0.860	Valid
Spiritual Intelligence -SI5	0.728	Valid
Spiritual Intelligence-SI6	0.735	Valid
Spiritual Intelligence -SI7	0.839	Valid
Whistleblowing -Wb6	0.907	Valid
Whistleblowing -Wb7	0.930	Valid
Whistleblowing -Wb8	0.908	Valid

Source: Data processed by researchers, 2024

The results of Table 3 show that the constructs in the variables above are declared valid with a loading factor value between  $> 0.50-0.70$ . The results of the Validity and Reliability tests show that the contract on each variable is declared valid with a loading factor value of  $> 0.70$ , with the results of the Heterotrait-Monotrait Ratio (HTMT) correlation showing that if each pair of variables has a value  $< 0.90$ , then the evaluation of discriminant validity is met. The Reliability test results show that each variable's Cronbach alpha value is  $> 0.60$ , with Composite Reliability  $> 0.70$ . Thus, it can be concluded that each variable, ability to create, background and level of education, mastery of knowledge and skills, organizational culture, love of money, whistleblowing, spiritual intelligence, and fraud prevention of government officials, has met the level of reliability.

**Table 4.** Discriminant validity of the pilot test-Average Variance Extracted (AVE)

Variable	AVE
Organization Culture	0.687
Love of Money	0.756
Whistleblowing	0.838
Spiritual Intelligence	0.628
Fraud Prevention	0.657

Source: Data Process by author 2023

The validity test of the reflective model measurement, with the help of the PLS program application, can be done through the convergent and discriminant validity tests. Table 4 shows the Average Variance Extracted (AVE) value, which is the result of the convergent validity test before the deletion of indicator items that do not meet the rule of thumb of the outer loading test (initial data) with the final iteration (data after deletion). The AVE value in the last iteration of the outer loading test shows  $> 0.5$ . Thus, it follows the rule of thumb of the convergent validity test. This indicates that all variables used in this study meet the discriminant validity criteria.

#### 4.4.2. Reliability Test

**Table 5.** Pilot test reliability

Variable	Cronbach's Alpha	Composite Reliability
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Organization Culture	0.847	0.897
Love of Money	0.948	0.956
Whistleblowing	0.904	0.939
Spiritual Intelligence	0.801	0.870
Fraud Prevention	0.924	0.938

Sources: Data processed by the author, 2024

The test results indicate that Cronbach's alpha value is greater than 0.60, and the composite reliability value is greater than 0.70 for all constructs used. Thus, the instrument used in this study is reliable.

#### 4.4.3. Hypothesis Testing

**Table 5.** Hypothesis Testing Results

Information	B	T	P Values	Information
Organization Culture -> Fraud Prevention	0.002	0.036	0.971	rejected
Culture Organization Spiritual intelligence -> Fraud Prevention	0.109	4.514	0.000	accepted
Love of Money -> Fraud Prevention	-0.034	1.382	0.168	rejected
Love Of Money_Spiritual Intelligence -> Fraud Prevention	0.112	7.399	0.000	accepted
Whistleblowing -> Fraud Prevention	0.375	11.659	0.000	accepted
Whistleblowing-> Spiritual Intelligence -> Fraud Prevention	0.237	14.641	0.000	accepted
R Square= 0.897, Adjusted R Square = 0.893, Q Square = 0.447, Sig= 0,0.5				

Source: Data Process by author, 2024

## 5. Discussion

### 5.1. Organizational Culture, Spiritual Intelligence, and Fraud Prevention

The results of the second hypothesis test show that organizational culture does not affect Fraud Prevention. The results of this study are proven by the P-value of 0.971 > from the single level of 0.005. The study's results do not align with the research of Afifah et al. and Ferina et al. (2021), showing that Organizational Culture affects Fraud Prevention. According to Robbins and Judge (2017), organizational culture can affect Fraud prevention. This study aligns with Suharto's research Suharto, S. (2020), which shows that organizational culture does not affect fraud prevention. Organizational culture. A strong organizational culture can affect high ethical standards, which can affect employee behavior. Culture can be strengthened by a person's spiritual intelligence, which can prevent fraud.

### 5.2. Love of Money, Spiritual Intelligence, and Fraud Prevention

The results of the third hypothesis test show that Love of Money does not affect Fraud Prevention. The results of this study are proven by the P-value of 0.168 > from the significance level of 0.005. The study's results are not in line with the research results of Giovano et al. (2020), which showed that love of money can affect the tendency to commit accounting fraud. To measure a person's

subjective feelings about money. Luna Arocas Tang and Chiu (2002) define love of money as 1) measuring a person's value or desire for money but not their needs; 2) the meaning and importance of money and a person's behavior towards money. The Money Ethic Scale (MES), developed by Tang (1992), measures a person's ethical attitude towards their money assessment. This ethical attitude can be strengthened by spiritual intelligence to prevent fraud.

### **5.3. Whistleblowing, Spiritual Intelligence, and Fraud Prevention**

Based on the results of the 1a hypothesis test, it shows that whistleblowing affects Fraud Prevention. The results of this study are proven by the P-value of  $0.000 >$  from the level of 0.005. The study's results are not in line with the study by Sujana et al. (2020), which showed that the Whistleblowing System did not affect Fraud Prevention. The 1b hypothesis test results showed that spiritual intelligence was proven to moderate the effect of whistleblowing on Fraud Prevention. The results of this study are proven by the P-value of  $0.000 <$  from the level of 0.005. According to Setiawan (2020), the whistleblowing system is a system that provides a tool to submit complaints about alleged corruption involving people within the entity. Darjoko (2016) explains that internal whistleblowing is reporting alleged unethical and illegal practices by parties within the organization to parties considered to have the power to take action.

## **6. Conclusion**

Based on the above results, it is generally concluded that increased fraud prevention is followed by increased whistleblowing, while Organizational Culture and Love of Money do not increase fraud prevention. Spiritual intelligence moderates the increase in fraud prevention, followed by increased whistleblowing. Specifically, this study concludes that Fraud prevention can also be improved through officials who understand the cultural values disseminated within the government apparatus, referred to as the government performance philosophy, with spiritual intelligence as a moderating factor. Fraud prevention can be improved through the speed and ability of government officials to complete work on time. Fraud prevention can also be improved through officials reporting fraud or violations committed by internal parties, with spiritual intelligence as a moderating factor. Cultural values, government performance philosophy, and a person's love of money do not influence fraud prevention.

### **Limitations**

Time constraints and the geographic location of North Maluku require time and expense in data collection, so this study cannot be generalized to government officials as a whole. This study used a survey distributed via G-form due to the respondents' busy schedules. They found it difficult to meet in person to conduct interviews and explore fraud prevention in more depth within the North Maluku regional government.

### **Suggestions and Recommendations**

Further research should expand the population and sample size to allow for broader generalization. Further research should utilize interviews, tailored to the respondents' schedules, to explore governance. The results of this study can be used as a basis for consideration by regional government officials throughout North Maluku Province in evaluating the potential for fraud, such as the need to improve competencies (Background and Level of Education, Mastery of Knowledge and Skills, Creative Ability) and implement a Whistleblowing System.

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