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The Effect of Human Resources Competence, Leadership, and Organizational Culture in Internal Control and Fraud Prevention

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Abstract

This study aims to analyze the effect of human resource competence, leadership style, and organizational culture on the effectiveness of the internal control system and its impact on fraud prevention. This study uses a quantitative method with a survey approach. The population in this study were all employees in the Cirebon City Regional Work Unit. The sampling technique used the saturated sampling method, with a sample size of 32 respondents. Data were collected through a questionnaire that had been tested for validity and reliability. The data analysis used in this study was Smart PLS (Partial Least Square) software to test the relationship between variables. The results showed that human resource competence and organizational culture had a significant effect on the effectiveness of internal control, while leadership style had no significant effect. In addition, the effectiveness of internal control is proven to have a significant impact on fraud prevention in a positive direction. These findings provide practical implications for local governments in improving human resource training, improving organizational governance, and building a strong organizational culture to optimize the internal control system and prevent fraud in the government environment.

Keywords

Fraud Prevention, Human Resource Competence, Internal Control, Leadership Style, Organizational Culture.

1. Introduction

In today's increasingly globalized and complex environment, organizations face various operational challenges and risks. One risk that can significantly affect an organization's finances and reputation is fraud. To mitigate this risk, organizations must develop and implement an effective internal control system that not only provides sufficient protection but also anticipates potentially fraudulent activities. Internal control systems aim to enhance operational effectiveness by minimizing opportunities for irregularities or fraud and preventing substantial financial losses (Prihanto et al., 2020; Rahman & Rachma, 2025). Internal accounting controls are also established to prevent inefficiencies, protect organizational assets, and ensure reported accounting data reflect actual conditions, thereby streamlining activities and aligning policies with the organization's context (Setiyawati et al., 2020).

Findings from the Supreme Audit Agency (*Badan Pemeriksa Keuangan/BPK*) indicate weaknesses in internal controls and instances of non-compliance with statutory regulations within the Banten Provincial Government (Aziz, 2021). This demonstrates that the government's internal control system remains suboptimal due to factors such as legal non-compliance, inadequate information technology coordination, and human resource competencies that do not meet established standards. Furthermore, BPK reported that the implementation of internal controls has not been fully effective in preventing fraud in financial management (Firman, 2021). Therefore, a robust internal control system is essential for improving local government financial management, enabling better information systems, and enhancing operational efficiency and effectiveness (Arfaziah et al., 2022). Direct supervision of employees is also critical for the successful execution of internal control functions (Utami & Nugroho, 2021).

Fraud is an intentional illegal deviation committed by individuals, either inside or outside an organization, to deceive others for personal gain (Yelvionita et al., 2020). Thus, a thorough understanding of the factors affecting internal control effectiveness is necessary. With such understanding, organizations can strengthen their ability to prevent fraud and safeguard themselves against risks in increasingly complex business environments. For internal controls to be effective, local officials must consistently implement policies and procedures, with particular attention to human resource competency, leadership style, and organizational culture.

Several studies highlight the importance of these factors in enhancing internal control effectiveness. Jayanti (2019) found that internal control systems positively contribute to fraud prevention in village financial management, while Armelia and Wahyuni (2020) similarly reported that effective internal controls significantly improve fraud prevention. Human resource competency is a key determinant of internal control effectiveness. Wulandari et al. (2019) found that competency has a significant influence on internal control effectiveness, which is supported by Kibtiyah et al. (2017). Wibowo (2019) defines competency as the ability to perform tasks based on existing knowledge and skills, supported by an appropriate work attitude. Competency encompasses an individual's character, attitude, behavior, and abilities, shaped by personality, self-concept, internal motivation, and conceptual knowledge. This demonstrates that an organization's capacity to implement internal controls heavily relies on the competence of its personnel (Samosir & Setiyawati, 2019).

In addition to competency, leadership style influences internal control effectiveness. Effective leadership ensures that internal controls function optimally. Northouse (2018) emphasizes that leaders play a central role in determining organizational direction. According to Asiah and Sabaruddinsah (2021), leadership style is a behavioral pattern through which leaders influence team members, ultimately affecting internal control performance. Effective leaders can organize and motivate their teams to actively implement internal control procedures in

compliance with regulations. Organizational culture also shapes internal control effectiveness. Sutrisno (2019) defines organizational culture as a set of values, beliefs, and norms guiding members' behavior and problem-solving. A strong culture can enhance both individual and team performance, and consistent application of organizational culture can shape behavior to align with organizational principles (Kibtiyah et al., 2017).

Therefore, this study focuses on the influence of three main variables human resource competency, leadership style, and organizational culture on the effectiveness of internal control systems in Cirebon City's Regional Government Agencies (*Satuan Kerja Perangkat Daerah/SKPD*). This study also examines how the effectiveness of these internal controls impacts fraud prevention efforts within government organizations.

2. Literature Review and Hypothesis Development

2.1. The Effect of Competence and Leadership on Internal Control Systems

According to Wibowo (2019), competence is defined as an individual's ability to perform tasks based on their knowledge and skills, supported by appropriate work attitudes. It encompasses not only technical abilities but also character, attitudes, and behaviors, which are shaped through the interaction of personal traits, self-concept, internal motivation, and conceptual knowledge capacity. This perspective implies that an organization's ability to implement effective internal control largely depends on the competence of the individuals within it (Samosir & Setiyawati, 2019). Competent human resources possess the necessary knowledge, skills, and experience to carry out internal control functions effectively, including identifying potential risks, developing and implementing appropriate control procedures, and ensuring adequate supervision (Putri et al., 2017).

Sumaryati et al. (2020) demonstrated that human resource competency positively and significantly influences the quality of financial statements in Indonesian local governments, with this relationship mediated by the effective operation of internal control systems. In line with this, Asrin et al. (2021) provided empirical evidence from village governments in East Lombok Regency, Indonesia, showing that human resource competence has a positive and statistically significant effect on the effectiveness of internal control systems. These studies show that employee knowledge, skills, and professional capacity are essential for effective internal controls and achieving organizational goals.

H1: Human resource competence has a positive effect on internal control effectiveness.

2.2 The Effect of Leadership Style on Internal Control System

Effective and efficient leadership is essential to ensure that internal control systems operate optimally within an organization. Northouse (2018) emphasizes that leaders play a central role in setting organizational direction, establishing priorities, and guiding overall performance. In line with this, Kartono (2018) identifies various leadership styles, such as charismatic and militaristic leadership, each reflecting different approaches to influencing subordinates. Leadership style itself refers to the pattern of behavior a leader adopts to direct, motivate, and manage team members. This behavioral pattern is crucial because it shapes how responsibilities are carried out and how organizational policies, including internal control procedures, are implemented. An effective leader is not only capable of organizing resources but also of fostering commitment among team members, ensuring that internal control practices are followed consistently and in accordance with established regulations.

As a result, leadership becomes a key driver in creating a structured and disciplined control environment.

Furthermore, leadership style has been widely recognized as a critical determinant of internal control effectiveness. Fadhillah et al. (2023) found a significant relationship between leadership style, the effectiveness of internal control systems, and the implementation of good governance practices. Their study highlights that leaders who adopt participative and supervisory-oriented approaches tend to strengthen internal control mechanisms by encouraging accountability and active involvement from employees. Similarly, Onyekwere (2023) demonstrates that democratic leadership enhances the relationship between internal control and employee engagement, while authoritarian leadership can serve as a moderating factor in reinforcing control compliance.

H2: Leadership style has a positive effect on internal control effectiveness.

2.3. The Effect of Organizational Culture on Internal Control Effectiveness

Organizational culture, defined as the shared values, beliefs, norms, and behavioral expectations guiding organizational members, plays a crucial role in shaping the effectiveness of internal control systems. A strong culture that emphasizes integrity, accountability, and compliance creates an environment where employees are more likely to adhere to established policies and procedures. According to Tadesse and Debela (2024), organizational culture significantly determines how well internal controls are implemented and sustained within an organization. When ethical values are deeply embedded, employees tend to perform their duties responsibly, thereby reducing the likelihood of irregularities and strengthening control mechanisms.

This perspective is supported by Sutrisno (2019), who defines organizational culture as a system of values and norms that directs behavior and decision-making processes. A culture that promotes transparency and discipline encourages employees to comply with internal control procedures consistently. Furthermore, Kibtiyah et al. (2017) highlight that a strong and consistently applied culture can improve both individual and organizational performance, including the effectiveness of internal controls. In contrast, a weak culture that tolerates unethical behavior or corruption can undermine even well-designed control systems, making them ineffective in practice.

In the context of local government organizations, organizational culture becomes even more critical due to the high risk of fraud and misuse of public resources. A culture that prioritizes integrity and public accountability supports the implementation of internal control systems and enhances fraud prevention efforts (Prihanto et al., 2020; Setiyawati et al., 2020).

H3: Organizational culture has a positive effect on internal control effectiveness.

2.4. The Effect of Internal Control System Effectiveness on Fraud Prevention

The relationship between Internal Control System (ICS) effectiveness and fraud prevention is a central theme in accounting and governance literature. An effective ICS provides reasonable assurance regarding operational efficiency, reliable financial reporting, and regulatory compliance factors that inherently deter fraudulent behavior. Through clear procedures, defined responsibilities, risk assessment, and continuous monitoring, internal controls reduce opportunities for asset misappropriation and financial manipulation. Otoo et al. (2023) argue that internal control mechanisms safeguard assets, enhance organizational performance, and

ensure policy compliance, thereby minimizing the opportunity structures that enable fraud.

Osolo and Njeru (2022) further identify segregation of duties as a critical control component influencing fraud prevention in Kenyan state corporations. By separating authorization, record-keeping, and asset custody functions, organizations limit the risk of collusion and misconduct. They emphasize the importance of consistent enforcement and employee training to maintain control effectiveness.

In addition, Nuswantara (2020) examined internal control systems as deterrents to occupational fraud in local government institutions, concluding that organizations with stronger and more consistently implemented control systems experience significantly fewer fraud incidents. The study highlights that effective monitoring, internal audits, and compliance oversight serve as early detection mechanisms that discourage unethical behavior. Collectively, these findings reinforce the argument that the effectiveness of internal control systems plays a pivotal role in mitigating fraud risk, particularly when supported by strong governance practices and organizational commitment to ethical conduct.

H4: Internal control system has a positive effect on fraud prevention.

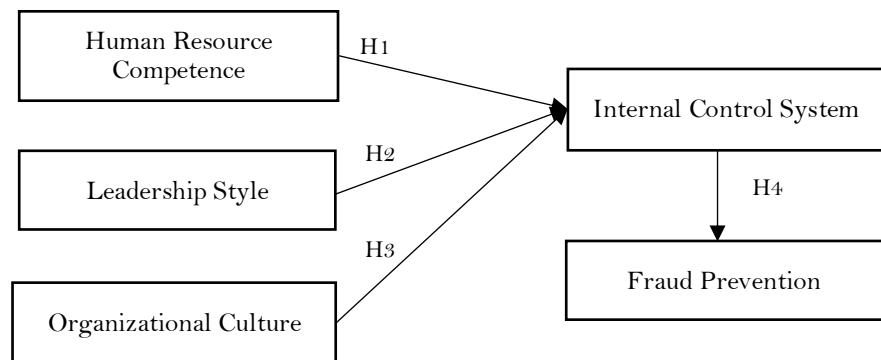


Figure 1. Research Framework

Figure 1 illustrates a direct relationship between three independent variables, human resource competence, leadership style, and organizational culture, and two dependent variables, namely internal control system and fraud prevention. It suggests that each of these organizational factors independently influences the effectiveness of the internal control system as well as the implementation of fraud prevention measures. In other words, higher competence of human resources, an appropriate leadership style, and a strong organizational culture are expected to directly enhance both the quality of internal control systems and the organization's ability to prevent fraud, without involving any mediating variables in the relationship.

3. Methods

This research employs a quantitative design using a survey approach. It aims to investigate the effects of human resource competency, leadership style, and organizational culture on the effectiveness of internal control systems, as well as their influence on fraud prevention. The population for this study consisted of all employees working in the Regional Work Units of Cirebon City. A saturated sampling technique was applied, giving all members of the population an equal chance of being included in the study. The researcher selected 32 SKPDs as the sample, which were considered representative of the entire population. Data were collected primarily through questionnaires. Each variable was measured using an

interval scale, which applies uniform measurement units to indicate the magnitude of specific characteristics or traits (Ladestam & Juni Susanti, 2023).

The study employs five main variables, each operationalized through specific dimensions and indicators measured using an interval scale. Human resource competence consists of three dimensions: attitude, character, and skill (Wibowo, 2019). Attitude is reflected in motivating behavior and discipline in time and workplace, while character includes honesty, teamwork, perseverance, and commitment. Skill is measured through effective communication and adaptive, creative abilities. Leadership style is divided into charismatic leadership, characterized by inspirational and broad-minded qualities, and militaristic leadership, marked by dominance and technical capability (Kartono, 2018).

Organizational culture is represented by seven dimensions, including attention to detail, outcome orientation, team orientation, aggressiveness, stability, innovation and risk-taking, and people orientation, each with indicators related to work accuracy, performance improvement, teamwork, persistence, loyalty, creativity, and employee development (Robbins & Judge, 2009). The effectiveness of the internal control system includes control environment, risk assessment, control activities, information and communication, and monitoring, focusing on honesty, risk identification, compliance, communication flow, and continuous supervision (Miles et al., 2013). Lastly, fraud prevention is measured through anti-fraud policy establishment, procedures, control techniques, and fraud awareness, emphasizing policy commitment, standard operating procedures, preventive controls, and responsiveness to fraud indications (Laksmi & Sujana, 2019).

Data analysis was conducted using Partial Least Squares (PLS) software. The outer model analysis was performed to assess the validity and reliability of the measurement instruments, including evaluating factor loadings, Average Variance Extracted (AVE), Composite Reliability, and Cronbach's Alpha. The inner model analysis was used to examine the relationships among constructs, test their statistical significance, and determine the R-square value. Structural model evaluation involved assessing the R-square for dependent constructs, along with T-tests and the significance of path coefficients, to determine the strength and relevance of the relationships between variables in the research framework.

4. Results

Figure 2 presents an integrated view of individual attributes and internal control components in the context of fraud prevention. On the left, personal dimensions such as attitude, capability, and character are elaborated through traits including charisma, meticulousness, attention to detail, outcome and team orientation, aggressiveness, stability, innovation, and people orientation, each quantified with varying scores that reflect their relative strengths. These human factors are visually linked to core internal control elements in the center namely the control environment, risk assessment, control activities, information and communication, and monitoring suggesting their influence on organizational processes. On the right, the framework culminates in practical anti-fraud measures such as policy implementation, procedures, control techniques, and awareness of fraud risks. The overall composition implies a relationship between individual behavioral qualities and the effectiveness of structured control systems in mitigating fraud.

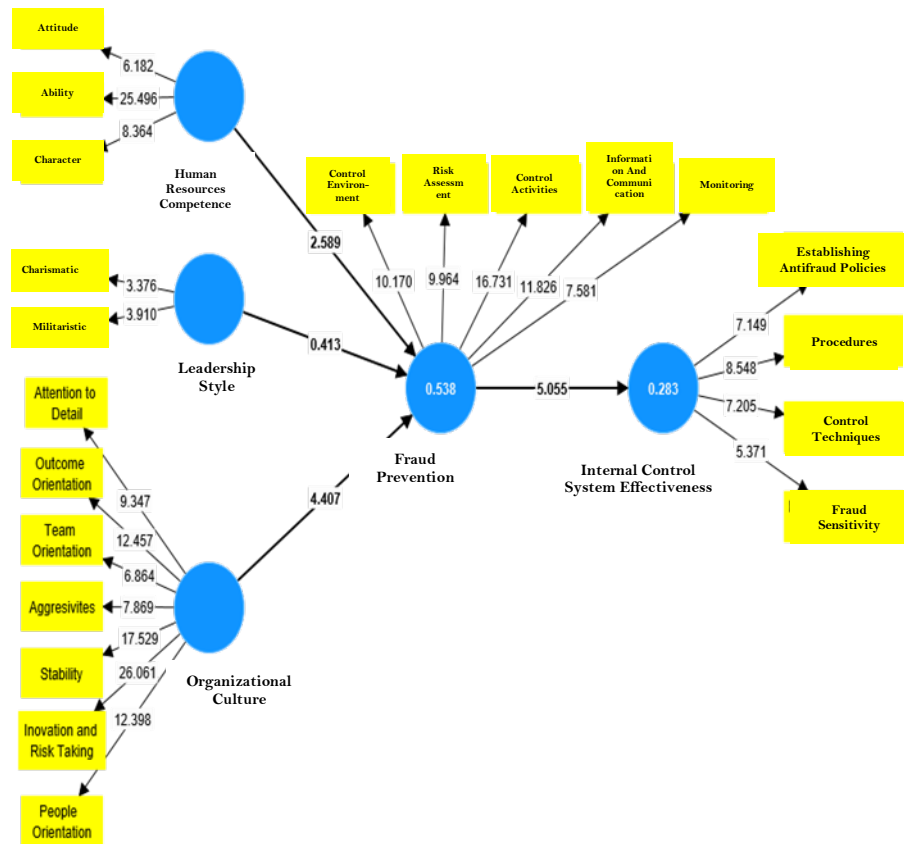


Figure 2. Conceptual Framework

Table 1. Summary of Average Scores Across Key Organizational Dimensions

Variable	Dimension	Score	Average
Human Resource Competence	Attitude	4.21	4.32
	Character	4.43	
	Skill	4.29	
Leadership Style	Charismatic leadership	4.43	4.36
	Militaristic leadership	4.28	
Organizational Culture	Attention to detail	4.39	4.39
	Outcome Orientation	4.41	
	Team Orientation	4.41	
	Aggressivites	4.39	
	Stability	4.47	
	Innovation and Risk Taking	4.41	
	People Orientation	4.25	
Effectiveness of Internal Control System	Control Environment	4.50	4.40
	Risk Assessment	4.41	
	Control Activities	4.35	
	Information and Communication	4.36	
	Monitoring	4.38	
Fraud Prevention	Establishment of anti-fraud policies	4.47	4.47
	Procedure	4.41	
	Control Techniques	4.42	
	Sensitivity to fraud	4.56	

Based on Table 1, the human resource competency variable, consisting of three research dimensions, has an average score of 4.32. This figure indicates that human resource competency in Cirebon City's Regional Work Units is very good. This

score was obtained from measurements using a questionnaire that has been tested for validity and reliability, with assessment criteria based on a Likert scale, where a score above 4.00 is considered very good. This result reflects a satisfactory level of human resource competency in Cirebon City's Regional Work Units.

Table 1 show that individual dimensions of attitude, character, and skill have an average score of 4.32, indicating a generally strong personal capacity. Leadership dimensions, including charismatic and militaristic leadership, reach an average of 4.36, reflecting effective leadership characteristics. Organizational culture dimensions record an average of 4.39, with stability scoring the highest. Meanwhile, internal control components achieve an average of 4.40, led by the control environment. Finally, anti-fraud measures show the highest overall average of 4.47, particularly in sensitivity to fraud, indicating strong awareness and preventive mechanisms.

Table 2. Convergent Validity Test

Variable	Indicator	Loading Factor	Remark
Human Resource Competence	HRC1	0.925	Valid
	HRC2	0.919	Valid
	HRC3	0.949	Valid
	HRC4	0.946	Valid
	HRC5	0.925	Valid
	HRC6	0.924	Valid
Leadership Style	LS1	1.000	Valid
	LS2	1.000	Valid
Organizational Culture	OC1	0.943	Valid
	OC2	0.937	Valid
	OC3	0.958	Valid
	OC4	0.964	Valid
	OC5	0.964	Valid
	OC6	0.961	Valid
	OC7	0.964	Valid
	OC8	0.964	Valid
	OC9	0.918	Valid
	OC10	0.912	Valid
	OC11	0.957	Valid
	OC12	0.957	Valid
	OC13	0.945	Valid
	OC14	0.931	Valid
Effectiveness of Internal Control System	EIC1	0.935	Valid
	EIC2	0.939	Valid
	EIC3	0.913	Valid
	EIC4	0.891	Valid
	EIC5	0.903	Valid
	EIC6	0.914	Valid
	EIC7	0.932	Valid
	EIC8	0.910	Valid
	EIC9	1.000	Valid
Fraud Prevention	FP1	0.978	Valid
	FP2	0.980	Valid
	FP3	0.942	Valid
	FP4	0.949	Valid
	FP5	0.898	Valid
	FP6	0.909	Valid
	FP7	0.938	Valid
	FP8	0.952	Valid

The validity test results are presented in Table 2, showing that all factor loading values exceed 0.5, indicating that the items are valid. Besides factor loading, validity can also be assessed using the Average Variance Extracted (AVE) value. A variable is considered valid if its AVE is equal to or greater than 0.50 (Hair et al., 2019). The reliability test results are summarized in Table 3.

Table 3. Reliability Test Results

Variable	AVE	Cronbach's Alpha	Composite Reliability
Human Resource Competence	0.760	0.873	0.904
Leadership Style	0.761	0.775	0.899
Organizational Culture	0.904	0.944	0.950
Effectiveness of Internal Control System	0.783	0.908	0.925
Fraud Prevention	0.767	0.899	0.919

The reliability results on Table 3 indicate that the variables of human resource competence, leadership style, organizational culture, internal control system effectiveness, and fraud prevention have Cronbach's Alpha values above 0.7 and Composite Reliability values above 0.8. This demonstrates that the indicators for each dimension are reliable and effectively measure their respective constructs.

Table 4. R square

Variable	R-Square	R-Square Adjusted
Effectiveness of Internal Control System	0.283	0.259
Fraud Prevention	0.538	0.488

Based on Table 4, the Adjusted R-Square value for the internal control system effectiveness variable is 0.259, indicating that 25.9% of its variation can be explained by the independent variables, while the remaining 74.1% is influenced by other factors not included in this study. Meanwhile, the Adjusted R-Square value for the fraud prevention variable is 0.488, meaning that 48.8% of its variation is accounted for by the independent variables, with the remaining 51.2% explained by variables outside the scope of this research.

Table 5. F Square

Variable	f-square
Human Resources Competence -> Effectiveness of Internal Control System	0.165
Leadership Style -> Effectiveness Internal Control System	0.009
Organizational Culture -> Effectiveness Internal Control System	0.355
Internal Control System Effectiveness -> Fraud Prevention	0.394

Based on Table 5, the f-square values show the strength of each variable's effect on the dependent variable. Human resource competence has an f-square value of 0.165 on the effectiveness of the internal control system, indicating a moderate effect. Leadership style shows a very small effect with an f-square value of 0.009. Organizational culture has a substantial impact on the effectiveness of the internal control system, with an f-square value of 0.355. Meanwhile, the effectiveness of the internal control system has a strong effect on fraud prevention, with an f-square value of 0.394. Therefore, the most dominant factor in this model is the effectiveness of the internal control system in preventing fraud.

Tabel 6. Predictive Relevance

Variable	Q^2 (=1-SSE/SSO)	Information
Effectiveness of Internal Control Systems	0.126	Has predictive relevance value
Fraud Prevention	0.303	Has predictive relevance value

Based on the data shown in Table 6, the Q -square value for the dependent variable is greater than 0. This indicates that the study demonstrates a good or excellent predictive relevance, as a Q -square value above 0 signifies strong observational validity.

Table 7. Path Coefficient

Variable	Original Sample	t-statistics	p-values
Human Resources Competence -> Effectiveness of Internal Control System	0.188	2.589	0.022
Leadership Style -> Effectiveness Internal Control System	-0.038	0.413	0.699
Organizational Culture -> Effectiveness Internal Control System	0.264	4.407	0.007
Internal Control System Effectiveness -> Fraud Prevention	0.532	5.055	0.000

Based on Table 7, the path coefficient for the effect of human resource competence on the effectiveness of the internal control system is 0.188, with a t -statistic of 2.589, which is greater than 1.960. This indicates a significant positive relationship between HR competence and internal control effectiveness. In contrast, the effect of leadership style on the effectiveness of the internal control system has a coefficient of -0.038 and a t -statistic of 0.413, which is below 1.960, suggesting that leadership style does not significantly influence internal control effectiveness. Meanwhile, organizational culture has a path coefficient of 0.264 on internal control effectiveness, with a t -statistic of 4.407, showing a significant positive effect. Finally, the effectiveness of the internal control system has a strong positive effect on fraud prevention, with a coefficient of 0.532 and a t -statistic of 5.055, indicating that more effective internal controls significantly contribute to preventing fraud within the organization.

5. Discussion

Based on the results of the hypothesis test, human resource competency significantly influences the effectiveness of the internal control system in a positive direction. This indicates that higher competency leads to more effective internal control. According to Transformational Theory, competent employees are able to understand, manage, and adapt to internal control processes, identify problems quickly, and ensure consistent implementation of procedures. Stakeholder Theory also supports this, as improved competency enhances transparency and accountability, increasing stakeholder trust. Employees with strong competency contribute to efficiency, independence, and proactive behavior in carrying out control responsibilities. These findings are consistent with Wulandari et al. (2019) and Kibtiyah et al. (2017), but differ from Magdalena et al. (2022) and from Ryu and Chae (2023), who found no significant relationship.

Based on the hypothesis test, leadership style has no effect on the effectiveness of the internal control system. Although Transformational Theory suggests that leaders can drive positive change, this study indicates that other factors, such as organizational culture and human resource competency, may play a more dominant role. From a Stakeholder Theory perspective, leadership contributes indirectly

through a supportive work environment rather than directly affecting control systems. While leaders provide direction and motivation, their influence may not significantly determine control effectiveness. Therefore, improving internal control requires a more comprehensive approach beyond leadership style alone. These findings are in line with Bonsu et al. (2023) and Garzón-Lasso et al. (2024), but contradict Satria and Setiawan (2020), Asiah and Sabaruddinsah (2021), and Jatmiko and Amalia (2022), who found a significant influence.

The results also show that organizational culture has a significant positive effect on the effectiveness of the internal control system. A strong culture that emphasizes integrity, transparency, and accountability encourages compliance and supports effective implementation of internal control. According to Stakeholder Theory, such a culture ensures organizational responsibility to stakeholders, while Transformational Theory highlights its role in fostering proactive employee behavior. Employees in a strong cultural environment tend to follow procedures, work with discipline, and support continuous improvement, thereby reducing errors and strengthening control quality. This is consistent with Sumendap et al. (2019), Maharani and Sulistyowati (2020), and Sudharma et al. (2023), although it differs from Lee (2023) and Torres et al. (2024), who found no significant impact.

Finally, the effectiveness of the internal control system has a significant positive effect on fraud prevention. An effective system ensures that organizational activities and transactions are carried out in accordance with established rules, provides strict supervision, and enables early detection of potential fraud. Transformational Theory emphasizes the importance of systemic change in strengthening control mechanisms, while Stakeholder Theory highlights how effective internal control increases trust by creating transparency and accountability. A well-functioning control system also establishes clear procedures, limits opportunities for irregularities, and supports timely corrective actions. In addition, the effectiveness of internal control fosters a culture of compliance and integrity among employees, encouraging them to adhere to regulations and perform their duties responsibly. This reduces the likelihood of fraudulent behavior while enhancing overall organizational discipline. Furthermore, a strong internal control system contributes to improved operational efficiency, as processes are better monitored and aligned with organizational objectives. These findings align with Armelia (2020), Prihanto et al. (2020), and Islamiyah et al. (2020), who found that internal control systems play a crucial role in fraud prevention. However, they differ from Handoyo et al. (2021) and Ubesie et al. (2023), who reported no significant relationship between internal control effectiveness and fraud prevention.

6. Conclusion

The findings of this study show that human resource competency has a significant positive impact on the effectiveness of the internal control system, meaning that higher employee competence leads to more effective internal controls within the organization. In contrast, leadership style does not significantly affect internal control effectiveness, suggesting that leadership does not have a direct influence in this context. On the other hand, organizational culture has a significant positive effect, as a strong culture promotes compliance and integrity in the implementation of internal controls. Furthermore, the effectiveness of the internal control system is demonstrated to significantly influence fraud prevention, indicating that well-implemented internal controls can reduce the risk of fraud within the organization.

Based on the research conclusions, it is recommended that Cirebon City Regional Work Units improve human resource competency through technical and soft skills training, as well as strengthen an organizational culture that emphasizes integrity, collaboration, and transparency. Periodic evaluations of internal control systems are necessary, accompanied by the use of information technology and stricter policies to

minimize the risk of fraud. One limitation of this study is that it relies on a limited sample from Cirebon City's Regional Government Agencies (SKPD), which may restrict the generalizability of the findings to other regions or governmental contexts. For future researchers, this study can serve as a theoretical reference, with suggestions to explore other variables such as work motivation or organizational communication, as well as expand the number and scope of samples to make the research results more valid and comprehensive. A combined quantitative and qualitative approach is also recommended to deepen the analysis.

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Data Disclosure Statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.



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