

TIC-322072 - The Impact of Using SISKEUDES and Money Ethic...

Sources Overview

71%  
OVERALL SIMILARITY

1	Repository.ummy.ac.id	69%
	INTERNET	
2	jurnal.untagsmg.ac.id	<1%
	INTERNET	
3	Universitas Mercu Buana on 2020-05-10	<1%
	SUBMITTED WORKS	
4	vsj.upnjatim.ac.id	<1%
	INTERNET	
5	Universitas Diponegoro on 2021-06-14	<1%
	SUBMITTED WORKS	

Excluded search repositories:  
None

Excluded from document:  
Bibliography  
Quotes

Excluded sources:  
None

# The Impact of Using SISKEUDES and Money Ethics on Fraudulent Village Fund Management with Religiosity as Moderation

Mohammad Alfian<sup>1</sup>, Siti Nur Hadiyati<sup>2</sup>, Dianita Ayu Prastiani<sup>3</sup>  
Public Sector Accounting<sup>1&3</sup>, Accounting<sup>2</sup>  
PoliteknikHarapan Bersama<sup>1,&3</sup>, Universitas Swadaya Gunung Jati<sup>2</sup>  
m.alfian@poltektegal.ac.id<sup>1</sup>, sitinurhadiyati@gmail.com<sup>2</sup>, dianita8800@gmail.com<sup>3</sup>

**Abstract**— In the era of globalization, it has an influence on all aspects of human life, such as in the fields of technology, economy, socio-culture, industry, and government. Humans are required to always be updated about technology in their lives. Likewise, the government in carrying out its duties in managing and supervising the state. The government must be able to supervise its people through the village government to the village government. The village is the smallest regional unit managed by the government. In managing a village, the government provides Village Funds for each village obtained from the APBN. Village funds are funds aimed at the village government. Development within a village, the village Fund has a great influence. The village fund has many benefits for the Village but it is unfortunate that fraud often occurs in the management of the village Fund. This study aims to determine the impact of ethical money and the use of SISKEUDES on fraud in Village Fund management and how the moderating effect of religiosity on this relationship. This study uses the analytical method used is Partial Least Square (PLS) with SmartPLS 3 as a test tool. The results of this study indicate that religiosity has succeeded in changing the influence of money ethics and the use of SISKEUDES on fraud in the village in fund management. ethics money and the use of SISKEUDES have a direct effect on fraudulent actions in partial Village Fund Management. The variables of ethics money, the use of SISKEUDES and religiosity have an effect on Fraudulent Village Fund Management by 98%.

**Keywords**— SISKEUDES; Fraud; The Village Fund

## I. INTRODUCTION (HEADING 1)

The village government is the smallest government unit led by the village head. In the management of village government, there is a Village Fund which is intended as a development subject for the village. The initial purpose of the village fund was to improve the quality of public services carried out by village officials and aimed at improving the quality of life of the community. If utilized optimally, the village fund can change and accelerate the wheels of economic development within the village [1]. In addition to the utilization of the village fund above, the village fund can also

be used as a means to encourage innovation and new entrepreneurs in the village community, so that within the village produce products that are not only marketed on a village scale but also marketed national scale and even internationally to existing markets [2] on an even wider scale.

President Joko Widodo in his two terms, had great hopes or efforts from the government in increasing development in Indonesia. Village development can be chosen as one of the focuses in terms of development in Indonesia. In 2020 there was an increase in the allocation of village funds to 72 trillion rupiah, where the increase in village funds is aimed at increasing the empowerment of village communities and developing the economic potential of the village [2]. Until 2020, village funds have been able to build 201,899 KM of village roads, 1,181,659 meters of bridges, 9,329 village markets, 38,140 units of BUMDes activities, 60,274 irrigation and 4,265 village reservoirs. Until 2020, it was stated that village funds used to improve the quality of life of rural communities were able to build 21,118 sports facilities, 966,350 clean water, 260,039 MCK, 10,101 Polindes, 31,376.

It is unfortunate when it is taken into account that there has been an increase in the allocation of existing village funds and has a significant impact, coupled with the negative impact of the existing allocation of village funds. The negative impact referred to in the allocation of village funds is the occurrence of embezzlement or the occurrence of inappropriate allocations by village officials. There was 252 cases of village budget corruption, consisting of budget abuse, fictitious reports, embezzlement, budget inflation and bribery [4] that occurred in 2015-2018. In 2018 there was a significant increase in violations of village fund distribution compared to previous years. The community and the state are greatly harmed by the fraudulent act of distributing Village Funds carried out by the village apparatus. The background of a person when committing fraud, in this case committing embezzlement is because his love for money is so high that the



money ethics owned by that person is not good. Money ethics is the behavior of someone who considers money as a very important object. Money ethics results in fraud and in this study it was also found that religiosity was able to moderate the influence of money ethics on fraud [7]. Money ethics has an effect on fraud, but religiosity is not able to moderate the relationship [8]. Money ethics that exist in a person can affect the existing fraud [9].

Information technology was created to facilitate the work of its users and the existence of information technology can bind the performance of its users. The use of information technology if not implemented properly can lead to fraud [10]; [11]; [12]. When the village apparatus has a high level of religiosity in managing the village fund, it can prevent fraud. Based on the research above, it is still unknown whether the level of religiosity can moderate the effect of using information technology in fraud committed by village fund managers and not many studies have directly proven the moderating effect of the level of religiosity on the community. The effect of money ethics on fraudulent acts of financial managers. village. Based on this explanation, the researchers are interested in conducting research with the title **"The Influence of Money Ethics and the Use of SISKEUDes on Fraud in Fund Management with Religiosity Level as a Moderating Variable (Study on Village Apparatus in Tegal Regency)"**.

## II. LITERATURE REVIEW AND HYPOTHESIS

### A. Management of village funds

Good village und management (good governance) is to prioritize transparency, accountability, orderly budgeting discipline and community participation in planning, implementing, administering Village Fund reporting and accountability.

The management of village funds prioritizes good governance [13]. Deviant policies in the budget preparation can be minimized with community participation. The allocation of funds intended for villages comes from balancing funds channeled to the district government from the APBN at least 10% which is used for village development, both physical and non-physical.

### B. Fraud

Fraud is another name for lying that benefits oneself without care to others with using various ways, and using the wrong way or the right way. Fraud is a general expression that includes all the ways in which cunning is used to get more advantage than it self which come from wrong judgement [16]. Fraud in this context is an act outside the proper corridor. Fraud will occur when the related parties do not know or are aware of the existing code of ethics [17].

Fraud is a misrepresentation of material facts by one party to another with the aim of deceiving and influencing the other party to believe that fact. Based on this opinion, it

can be concluded that cheating is an act that can harm other parties where the perpetrator of the fraudulent act aims to gain profit for the perpetrator.

### C. Ethics

In everyday human life, money is the main aspect in meeting daily needs. In the social strata of society, money is often used as a measure of a person's level of success. As in the United States, a person's success is measured by money and income [19]. Human personality and attitudes are closely related to money [20].

Money ethics is a person's perspective on money [21]. Money ethic is the meaning and importance of money [22]. A person with a high money ethic will place a higher interest in money and will be less ethically sensitive than a person with a low money ethic.

Fraud actions carried out by village officials are very detrimental to both the community and the state. Someone will commit fraud in this case committing embezzlement because it is caused by his love for money so high that the money ethics owned by that person is not good. Money ethics affects fraud [7]. Money ethics affects fraud [8]. Money ethics that exist in a person can affect the existing fraud [9].

H1: Money Ethics has effects to Fraudulent Village Fund Management

### D. Use of SISKEUDes

Information technology is a discipline that is growing so rapidly [24]. Information technology is a technology used to process data, process, obtain, compile, store, manipulate data in various forms to produce information that is used for decision making [25].

Information technology was created to facilitate the work of its users and the existence of information technology can bind the performance of its users. The use of information technology if not used properly can lead to fraud [10]; [11]; [12]. To simplify and improve village financial management, the government through the Financial and Development Supervisory Agency (BPKP) developed SISKEUDes. SISKEUDes is an application or information system used by villages in reporting and preparing APBDes.

H3 : The use of SISKEUDes has effects to Fraudulent Village Fund Management

### E. Religiosity

Religiosity is the level of belief in the role model in life and worship procedures. The level of human religiosity affects the pattern of life and the steps to be achieved. The higher a person's religiosity can direct or direct actions in a better direction. Religiosity is a determining factor for the steps a person will take in making policies.

H2: Religiosity is able to moderate the effects of Money Ethics on Fraudulent Village Fund Management

H4: Religiosity is able to moderate the effect of using SISKEUDes on Fraudulent Village Fund Managemens.



### 1 III. RESEARCH METHODOLOGY

This research is a research based on hypothesis testing. Research conducted using hypothesis testing is a quantitative research where the research is based on a certain population or sample using certain instruments to obtain the results of hypothesis testing [28]. This research was conducted by a village in Tegal Regency with a sample of 150 respondents.

The type of data used in this study is primary data, where the data is directly obtained from information sources [29]. The tool used to obtain information from this study was a questionnaire. The measurement scale in this study used a Likert scale which the opinion ranges from 1-5 for each question. This study used a Partial Least Square (PLS) analysis model which used the SmartPLS 3 tool.

### IV. RESULT

The research was conducted using the SmartPLS 3 tool with the Partial Least Square (PLS) analysis method. Respondents in this study were 150 respondents. The method for selecting respondents was using the random sampling. The Partial Least Square (PLS) method goes through 3 stages in data analysis. The initial stage is carried out to look at the validity and reliability of the existing indicators, the second stage is to determine the fit model that will be used in the hypothesis testing, and the last stage is to test the hypothesis.

#### A. Designing the Measurement Model (Outer Model)

This stage is to determine the validity and reliability of the indicators connecting the latent variables. The indicators of this research are reflective because the indicators of latent variables affect the indicators so that three measurement stages are used, namely:

##### 1. Discriminant Validity

The evaluation was carried out to see the square root of average variance extracted (AVE). The measurement model is assessed based on the measurement of cross loading with the construct. If the construct correlation with each indicator is greater than the size of the other constructs, then the latent construct predicts the indicator better than other constructs.

If value  $\sqrt{AVE}$  higher than the correlation value between constructs, a good discriminant validity is achieved. The indicator is said to be valid when the AVE value is  $> 0.5$

Table 1 AVE Value

Variable	AVE
<i>Money Ethics</i>	0.653
<i>Use of SISKEUDES</i>	0.732
<i>Fraudulent Village Fund Management</i>	0.697
<i>Religiosity</i>	0.619

Based on the results of data processing carried out with the help of SmartPLS 3.0 software, it was found that

the AVE value for all constructs was  $> 0.50$ . So that it can meet the convergent validity requirements.

##### 2. Composite Reliability

To determine composite reliability, if the value of the composite reliability  $\rho_C > 0.7$  can be said that the construct has high reliability or reliable and  $\rho_C > 0.6$  is said to be quite reliable.

Table 2. Value of Composite Reliability

Variable	CR
<i>Money Ethics</i>	0.904
<i>Use of SISKEUDES</i>	0.891
<i>Fraudulent Village Fund Management</i>	0.920
<i>Religiosity</i>	0.830

Based on the results of SmartPLS 3.0 data processing, it was found that the Composite Reliability value for all constructs was  $> 0.70$ . So it can be concluded that all construct indicators are reliable or in other words meet the reliability test.

##### 3. Cronbach Alpha

The reliability test was strengthened by the presence of Cronbach alpha where the consistency of each answer was tested. Cronbach alpha is good if  $\alpha \geq 0.5$  and said enough if  $\alpha \geq 0.3$

Table 3 Cronbachs Alpha Value

Variable	CA
<i>Money Ethics</i>	0.866
<i>Use of SISKEUDES</i>	0.822
<i>Fraudulent Village Fund Management</i>	0.889
<i>Religiosity</i>	0.692

The Cronbach alpha value produced by all constructs is very good, namely  $> 0.5$ , so it can be concluded that all reflective construct indicators are reliable or meet the reliability test.

#### B. Designing a Structural Model (Inner Model)

The structural model uses the R-square for the dependent construct, the Stone-Geisser Q-square test for predictive relevance and the t test and the significance of the structural path parameter coefficients.  $R^2$  is used to assess the effect of the independent latent variable on the dependent latent variable. The criteria for limiting the value of  $R^2$  are in three classifications, namely 0.67, 0.33, and 0.19. Besides that, it also looks at the Qsquare predictive relevance to measure how good the observed value is and also the estimated parameters. A Q-square value greater than 0 indicates that the model has a predictive relevance value, while a Q-square value less than 0 indicates that the model lacks predictive relevance.

Table 4 R-Square Value

Variable	R-Square
Money Ethics	
Use of SISKEUDes	
Fraudulent Village Fund Management	0.980
Religiosity	

It is known that the R-Square value is 0.980 or 98%. Based on this, it can be seen that Money Ethics and the use of SISKEUDes has an effect on Fraudulent Village Fund Management with a moderation of Religiosity of 98%, so only 2% of other factors influence the occurrence of Fraudulent Village Fund Management.

Table 5 Research Results

Hypothesis	T Statistics	P Values	Information
Moderation 1 US-> FVFM	3,228	0.001	accepted
Moderation 2 ME->FVFM	3,736	0,000	accepted
ME> FVFM	18,528	0,000	accepted
US-> FVFM	8,955	0,000	accepted

### C. Figures and Tables

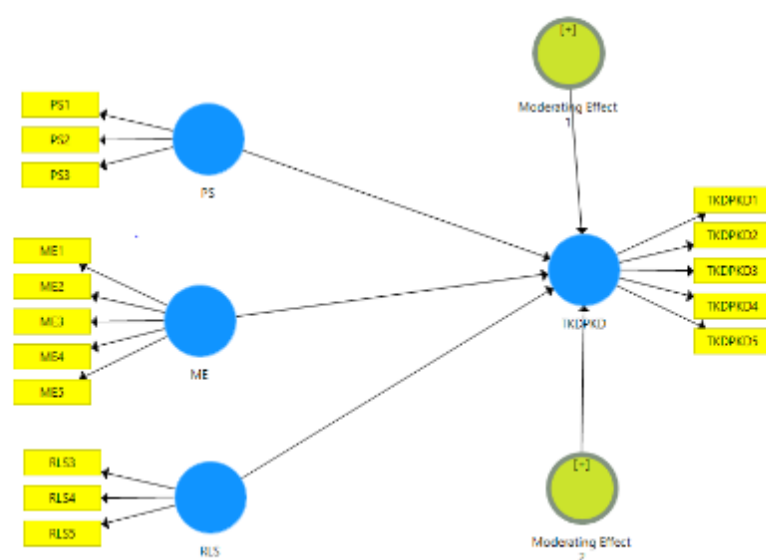


Figure 1  
FIT Research Model

### D. Hypothesis Testing (Resampling Bootstrapping)

The confidence level used is 95%, so the level of precision is  $(\alpha) = 5\% = 0.05$ , and the t-table value is 1.98. If the t-statistic value is smaller than the t-table value and the Pvalues value is greater than 0.05, then  $H_0$  is accepted and  $H_a$  is rejected. Meanwhile, if the t-statistic value is greater than t-table and Pvalue is less than 0.05, then  $H_0$  is rejected and  $H_a$  is accepted.

Based on table 5, we can be seen that all hypotheses has been successfully supported or accepted where the overall t-statistic value is greater than the t-table and the P-value is less than 0.05. So it can be concluded that money ethics and the use of SISKEUDes has a direct effect on the level of Fraudulent Village Fund Management and religiosity successfully moderates this relationship.

### ACKNOWLEDGMENT (Heading 5)

The author would like to thank the 1<sup>st</sup>TIC of Politeknik Harapan Bersama committee for organizing this event and giving us the opportunity to participate as speakers. The author is also grateful to those who have helped in the preparation of this paper to its completion.

### REFERENCES

- Wibowo, Dwi Mukti. 2020. Village Funds as the Lubricant for Village Economic Development. <https://www.wartaekonomi.co.id/read229990/dana-desa-sebagai-pelumas-roda-pembangunan-ekonomi-desa>. Accessed on 05 March 2020.
- Sari, Asteria Desi Kartika. 2020. This is the Government's Purpose to Increase Village Fund Allocation. <https://ekonomi.bisnis.com/read/20200112/9/1189317/ini-tunjuk-pemerintah-tambah-alokasi-dana-desa>. Accessed on March 20, 2020.
- Suwiknyo, Edi. 2020. Village Development, Government Encourages Cross-Institutional Synergy. <https://kabar24.bisnis.com/read/20200105/15/1187152/pembangunan-desa-pemerintah-dorong-sinergitaslintas-lembaga>. Accessed on 05 March 2020.
- Haryanti, Rosiana. 2019. This article was published on Kompas.com with the title "Throughout 2015-2018, ICW Recorded 252 Corruption Cases in the Village", <https://www.kompas.com/tren/read/2019/11/16/16>



- 3922565/sepanjang-2015-2018-icw-catat- there are-252-cases-of-corruption-in-the-village.
5. Budhiman, Ilham. 2019. Village Fund Flows Hard, the Number of Village Heads entangled in Corruption Increases. <https://kabar24.bisnis.com/read/20191108/16/1168414/dana-desa-mengucur-deras-jotal-kepala-desa-terjerat-korupsi-menrich>. Retrieved 8 September 2019.
  6. Sari, Desi Ratna. 2019. The Effect of Tax Audit, Money Ethics on Tax Evasion with Religiosity as a Moderating Variable (Survey on Taxpayers at the Cibeunying Tax Office, Bandung) Accounting Study Program, Faculty of Economics and Business. Pasundan University. Bandung.
  7. Hafizhah, Ihsanul. 2016. The Effect of Money Ethics on Tax Evasion With Religiosity, Gender, and Materialism as Moderation Variables (Study on Wp Op Who Conducts Business Activities or Free Work in Pekanbaru), Jom Fekon, Vol. 3 No.1 (February) 2016.
  8. Oentoro, Reydho Dwi Septyawan. 2016. The Effect of Money Ethics on Tax Fraud with Morality as a Moderation Variable of Thesis, Bengkulu University, Faculty of Economics and Business, Department of S1 Accounting.
  9. Nurul Azisah (2017) The Influence of Love of Money and Spiritual Intelligence on Fraud Accounting Tendency on the Use of Village Funds with Gender as a Moderating Variable (Study in Villages in Pitpetua District, Wajo Regency) Thesis, Department of Accounting, Faculty of Economics and Islamic Business, Alauddin State Islamic University, Makassar.
  10. Ranti Melasari (2019) The Influence of Learning Motivation, Misuse of Information Technology and Student Integration on Academic Fraud Behavior of Accounting Students as Candidate Accountants (Study of Accounting Students at Indragiri Islamic University). Journal of Accounting and Finance - Vol. 8, No. 1, January - June 2019.
  11. Heni Sundaril, Sri Rahayu (2019) The Effect of Human Resource Competence, Utilization of Information Technology, and Internal Control Systems on the Quality of Financial Statements (Case Study at Bandung City Regional Work Unit 2018) E-Proceeding Of Management: Vol. 6, No.1 April 2019.
  12. Nadliyah Wardha Miftahul Jannah, Anik Malikah, and Arista Fauzi Kartika Sari (2020) The Influence of Learning Motivation, Misuse of Information Technology and Student Integrity on Academic Fraud Behavior of Accounting Students as Candidate Accountants (Study of Accounting Students at Islamic University of Malang) E-JRA Vol. 09 No. 06 February 2020.
  13. Komang Adi Kurniawan Saputra and Edy Sujana (2018) Tri Hita Karana's Local Cultural Perspective in Preventing Fraud in Village Fund Management
  14. Taufik, Taufeni. (2008). Village Financial Management in the State Financial System of the Republic of Indonesia. Department of Accounting, Faculty of Economics, University of Riau
  15. Law of the Republic of Indonesia Number 6 of 2014 concerning Villages
  16. Albrecht W. S, (2012). Fraud Check (Fraud Edition). United States: South Western.
  17. Probovury, Ratih Azka. (2015). The Effect of Misuse of Information Technology and Student Integrity on Academic Fraud Behavior of Accounting Students as Candidate Accountants in Accounting Students of Yogyakarta State University. Yogyakarta State University Accounting Study Program.
  18. Hall, James A. (2001). Accounting information system. Publisher: Salemba Empat.
  19. Elias, RZ, & Faraq, M. (2010). The relationship between accounting students' love of money and their ethical perception. Managerial Auditing Journal, 25 (3).
  20. Mitchell, TR, & Mickel, A. (1999). The Meaning of Money: An Individual Difference Perspective. The Academy of Management Review, 24.
  21. Basri, YM (2014). The Effects of Religiosity and Gender Moderation on the Relationship of Money Ethics and Tax Evasion. Proceedings of the XVII National Symposium on Accounting. Mataram.
  22. Rosianti, C., & Mangoting, Y. (2014). Effect of Money Ethics on Tax Evasion with Intrinsic and Extrinsic Religiosity as Moderating Variables. Tax & Accounting Review, 4 (1).
  23. Tang, TL (2002). Is the love of money the root of all evil? Or different strokes for different folks: lessons in 12 countries. Paper presented to the International Conference on Business Ethics in the Knowledge Economy.
  24. Prasajo, Latip Diat and Riyanto. (2010). Educational Information Technology. Gava Media Publisher: Yogyakarta.
  25. Sutabri, Tata. (2014). Introduction to Information Technology. Yogyakarta: ANDI.
  26. Mohdali, Raihana and Pope, Jeff. 2014. The Influence of Religiosity on Taxpayers Compliance Attitudes: Empirical Evidence from a Mixed-Methods Study in Malaysia.

- Accounting Research Journal, Vol. 27 Iss: 1, pp. 71-91.
27. Boone, Jeff P., Inder K. Khurana, and KK Raman. 2013. Religiosity and Tax Avoidance. Journal of The American Taxation Association. Vol. 35, No. 1, spring 2013. pp. 53-84.
28. Sugiyono. (2012). Qualitative and Quantitative Research Methods R & D. Alfabeta. Bandung.
29. Indriantoro, Nur and Bambang Supomo. (2014). Business Research Methodology. Edition *Firs* BPFEYogyakarta.