

IFBE

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Submission date: 09-May-2023 02:39PM (UTC+0700)

Submission ID: 2088390084

File name: PROCEEDINGS-IFBE-13-14-NOVEMBER-1-1_1_1.pdf (408.57K)

Word count: 10221

Character count: 56999

ISBN:978-602-53802-1-1

PROCEEDINGS

THE 1st INTERNATIONAL FORUM ON BUSINESS AND ECONOMY

IFBE 2019



13-14, NOVEMBER 2019
BANJARMASIN, INDONESIA

PROCEEDINGS

The 1st **International Forum On Business And Economy – IFBE 2019**

**“Business and Economy in Disruptive Era”
Banjarmasin, 13-14 November 2019**



**Publisher :
Fakultas Ekonomi dan Bisnis
Universitas Lambung Mangkurat**



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ARE THERE CONTINGENT FACTORS THAT AFFECT AND NOT AFFECT TOWARDS
CORRUPTION LEVELS ? (EVIDENCE FROM THE INDONESIAN PROVINCE
GOVERNMENT)

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Abstract: This research was conducted to know the effect of contingent factors, such: audit opinion, audit findings, follow-up on audit, and the rank of Local Government Implementation Report (LGIR) towards the level of corruption of the provincial government in Indonesia. The population of this research is local governments who have mandate to enhance good governance. Population target of this research is 34 Provinces in Indonesia, data that can be used for research are 30 Provinces with 60 sampel. This research is an associative quantitative study to explain the effect of contingent factors of 4 (four) variables independent on dependent variable by using a statistical test the regression model. The results of this study indicate that audit opinion, audit findings, and follow-up on audit results do not affect towards the level of corruption in Provincial governments in Indonesia. Meanwhile, empirical fact, rank of the Local Government Implementation Report (LGIR), shows that it has a positive effect on the level of corruption in the provincial government in Indonesia. This proves that the Provincial government which obtained the Unqualified Opinion with audit findings and follow-up on audits by the Supreme Audit Board (BPK) did not contribute to the level of corruption of the provincial government in Indonesia. This is identified even though the formal performance of the provincial government is good but it does not mean that the level of corruption is decreasing. As additional finding, because corruption is a form of human failure type, it violates the rules, as part of fraud that can be identified, and can be identified as culture. Therefore, it requires combating corruption that is not only based on compliance for regulations, but it needs with fulfil ethical intelligence (reactive intelligence with values). As human development manner for the controlling of Individuals in organization from influence environment, implementation that more remain certain for accountability culture. It depends on contingent factors, such as, culture (power distance and individualism for ethical intelligence link with organizational intelligence) as trigger corruption (appear as artifact-culture). These aspects as contingent seem to be more decisive than the reserach variables that have been discussed.

Keywords: Corruption level, audit opinion, audit findings, follow-up on audit results, Local Government Implementation Report.

INTRODUCTION

Corruption is a world wide problem that disproportionately affects those with the fewest personal and economic resources. Hence, proposition is stated that human development with moral development (see McLeod, 2013) restricts corruption (Minkova, 2018) and the magnitude such an effect is contingent



upon the condition of national culture (Segon, 2010; Sims, et al, 2011). Refers to Corruption Perceptions Index (CPI) 2018, it showed the index of list 180 countries and territories by their perceived levels of public sector corruption according to experts and business people by using a scale of 0 to 100, where 0 is highly corrupt and 100 is very clean. Described, that, more than two-thirds, of countries score below 50 on this year's CPI, with an average score of just 43. Therefore, It reveals that the continued failure of most countries to significantly control corruption is contributing to a crisis in democracy the whole world. As described Rubio (2018) that "Corruption is much more likely to flourish where democratic foundations are weak and as we have seen in many countries, where undemocratic and populist politicians can use it to their advantage (TI, 2018). In recent years, when we refer for Transparency International which releases a Corruption Perceptions Index (CPI). As in 2018, showing Indonesia is in the 89th position with a score of 38. This results are up seven levels compared to year of 2017 which is in the 96th position out of 180 countries with a score of 37. Although there are exceptions, the data show some progress, but most countries are failing to make serious fight against corruption. This phenomenon is very important to watch for, because the high level of corruption will suppress good governance, such also for Indonesia (see TI, 2018).

The phenomenon of corruption in governmental sector occurs because there are opportunities from the government apparatus. Along with the journey of Local autonomy, the links between decentralization and corruption is still complex. Meanwhile, the role of decentralized governance in combating corruption remains uncertain. A country that isn't able to control and eliminate this problem suffers important losses of economic and social wellness (see Ulman, 2014). Moreover, although differing among countries, a common factor has underpinned much of the outpouring of outrage for corruption and financial mismanagement by governments. Corruption cases are often carried out by apparatus that managing all sectors of government (see Kelly, 2017; TI, 2019). Although efforts to prevent and crack down with punishment for corruptors continue to be institutionalized, such with the role of the "Corruption Eradication Commission", as well as the support of anti-corruption activists. Until this time being still appear "human failure types" in behavioral in form corruption, and continues to grow.

Corruption as one form of fraud (Kelly, 2017) can be explained by the theoretical framework of the fraud triangle or its in development as GONE theory (see Wolfe and Hermanson, 2004). In the context of governance, fraud practices often occur as misuse of interests, bribery, illegal acceptance and corruption (see Bologna, Lindquist, & Wells, 1993; Tuanakotta, 2010). Corruption occurs because it meets the elements of violating laws and regulations. Acts of corruption that occur in the central government or Local government is a failure of government management assessed by the community and has entered the category of prosecution in court. There is a fact that corruption grows because the influence of opportunity, and exposure aspects, in relations with the organization as a result of the impact of general factors (Priantara, 2013). It is related to the low moral individual (see Lokanan, 2015) which is in financial crimes due to greed (greed) associated with actions that have been repeatedly so it is considered normal and not an act that is wrong on the basis of human needs. It was stated that there are many organizations that are considered negligent in providing investing the time and resources to get in front of the risk of fraud (Priantara, 2013; Moritz, 2016).

The theoretical framework of the diamond fraud model and GONE theory with its constituent elements can be a reference in explaining contingent theory (Chenhall, 2003;2007; Berry, et al, 2009) and behavioral factors (see Hofstede, & Hofstede, 2005; Ismail, 2010), such as contextual factors, culture, that may affect the organization's structure, and with ethical intelligence towards the route to managing fraud and corruption risks (see Belohlavek, 2007; Schein, 2004; Moritz, 2016). Necessary explanatory and for controlling directions and predictions according to the theoretical function in the prevention of corruption. Therefore, it is needed role of behavioral aspect, such as individual and organizational ethical intelligence, within human with moral development (Belohlavek, 2007; Sims, 2011; McLeod, 2013), to change level accountability formally (Jeppesen, 2018) to cultural accountability substantially (see Khan, 2006, Kelly, 2017). Accountability Culture as effort to prevent in



increasing of level of corruption significantly because individu has been supported by organizational development in terms of administrative, technical, strategic, and social (Albrecht, 1983; 2002; Sims, et al, 2011). Therefore, through by level of accountability in term of the overall public sector audit process would increase transparency and accountability and help prevent corruption due to the method and behavioral perspective (see Bologna, and Lindquist 1995; Bologna and Shaw, 1996; Albrecht, et al, 2004; Ramamoorti, 2008; Dwiputrianti, 2008; Albrecht, et al, 2012; Musa, et al, 2012).

In general, although administratively, technically, social relationship with strategically manner, such as through the activities of various types of auditing to guarantee on the fairness of presentation of financial statements in describing the actual economic activity (Albrecht, 1983, 2002; Sparberg, 2000; Khan, 2006; Vovchenko et al, 2017). Also, with helpful to regulators considering the more explicit role of external auditors in fraud risk- corruption risk assessment, which based the prior research on political corruption, and the client risk management strategies which are used by external auditor to enhance role of auditing as level of accountability (see Mihret, 2014; Jeppesen, 2018). Even, with last manner, such with monitoring performance as prevention manner and various methods an approach others which has been applied to reduce corruption, has included with the law enforcement manner to avoid fraud practices related to the corruption, in fact, all these efforts does not really give yet deterrent effect, where the level corruption is still high (see Minkova, 2016; Kelly, 2017; Isgiyata, et al, 2018; AFA, 2018; Jeppesen, 2018). In fact, existing indicators shows the size of losses caused by this fraud that has increased. Described, that organizations lose 5 percent of their income each year due to fraud. The association also estimates a global economic loss of US \$ 3.5 trillion. In addition, the level of dishonesty in society tends to increase (KPMG, 2010; Wilson, 2013; Mihret, 2014).

A number of previous studies related to the contingency factors of the role of financial audits and the role of auditors at the level of accountability. They show the results that have not been concluded. A number of studies have shown aspects of accountability such as audit opinions, audit findings and follow-up on audits. They does not have effect in reducing the level of corruption (Heriningsih and Ruserlistyani, 2013, Heriningsih and Mahrita, 2013, Husna, et al (2015); Azhar and Setyaningrum (2015). Din, et al, (2017), describes, that follow-up of financial investigation reduces the level of financial losses, thereby increasing the accountability of local government financial reporting. Meanwhile, other research shows a positive relationship of audit opinion that can exert an influence on the level of corruption. Related to facts, they show that irregularities found by BPKP fraud audits affect the level of corruption in the Indonesian provinces (Rosyadi and Budding, 2017). Also, search by Utomo, et al (2018) shows a significant audit opinion on the level of corruption. The results of this study indicate that an "unqualified opinion" represents the good governance of an organization. Referring to various previous studies, it can be stated, for conditions that cannot be concluded from some research intended, that is an unqualified opinion, does not necessarily guarantee that the institution is free from potential corruption. The reason is that the "Supreme Audit Body" audit was not designed to detect corruption, but rather to determine "the fairness" of the information presented in the financial statements. The results of quantitative testing conducted during the study also confirm the results of qualitative testing, and thus it can be affirmed that an unqualified opinion is not significantly related to the level of corruption (Tehupuring, 2018). Other empirical fact shows positive effect between auditor quality and follow-up of audit recommendation. This indicates that high quality auditor is able to produce appropriate recommendations, that can be easily followed up by the auditee (Setyaningrum, et al, 2013).

various studies have been carried out with various variables as level of accountability towards the level of corruption in Indonesia, we continue this scientific tradition. First, our scientific tradition in this study contrast to some studies, such as the GONE theory directly as an explanatory tool for Fraud events (Isgiyata, et al, 2018). This study uses GONE theory only as grand theory, while for application theory uses contingent factors from role of auditing as level of accountability (Bastian, 2009; 2014; Jeppesen, 2018) with culture accountabilty (Khan, 2006) in behavioral perspective. Different from the study of Tehupuring (2018) that examines specifically for the relationship between audit opinion and level of



corruption in Indonesia that measured as total corruption cases in Local Gov. X 100%. as total population (10,000) . Also, different with Masyitoh et al (2015), that uses 3 (three) contingent variables. Further, this study was approached by continuing to assess the contingent factors that have an un-concluded, or still as research gap, namely audit opinion, audit findings, follow-up the audit findings, but with adding variable for rank of Local Government Implementation Report (LGIR). For dependent variable level of corruption, this research uses number of handling cases of corruption in the Indonesian Attorney General's Office as level of corruption.

This research uses contingent factors in context of accountability culture, with ethical intelligence, human development-moral development approach, within organizational development manner for strategic, socio, technic, and administrative (Albrecht, 1983; 2002; Chenhall, 2003; 2008; Hofstede and Hofstede, 2005; Khan, 2006; Belohlavek, 2007; Schein, 2014; Lokanan, 2015; Kelly, 2017). Through this research, we distinguish the substance of existing studies previously by adding contingent variables, and then, it uses the results to build academic ideas by modeling the formal side of accountability into the behavioral model (from the level of accountability to the culture of accountability).

Therefore, based on the background of research, we have stated the aims of research are:

- (1) To measure contingent factors of accountability culture in accounting and auditing facet, namely, audit opinion, audit findings, follow-up on audit, and rank of Local Government Implementation Report towards the levels of corruption in Indonesian Province Government;
- (2) To describe contingent factors from accountability culture, ethical intelligence, human-moral development and organizational development to strengthen the model of prevention for corruption with behavioral approach.

LITERATURE REVIEW

Fraud Triangle and GONE Theory

Fraud phenomena and corruption that are one form of fraud was explained through "fraud triangle" with background of actions, namely, pressure (motivation or incentive to commit fraud), opportunity (the knowledge and ability to carry out fraud), and rationalization (justification of dishonest actions). Such GONE theory is developed from the previous model, as the triangle fraud theory. Fraud Triangle explains the three factors that are present in every situation of fraud which include Pressure, opportunity, Rationalization. Element GONE can be corresponded with perspective how the corruption as a world wide problem that disproportionately affects those with the fewest personal, and economic resources appear. Refer to the theoretical perspective, that the fraud triangle is considered inadequate to explain the fraudulent behavior occur. Fraud is a multifaceted phenomenon, whose contextual factors may not fit into a particular framework. Therefore, the fraud triangle should not be seen as a sufficiently reliable model for antifraud's professionals (Lokanan, 2015). Further perspective extends the fraud Triangle concept to GONE theory. Hence, for the fraud diamond model has been added with aspect "capability" as the fourth element to complement the existing three elements, namely, pressure, opportunity, and rationalization (Wolfe and Hermanson, 2004; Albrecht, et al, 2012). Fraud diamond model as explanatory model also has been developed (see Bologna, 1993) with GONE theory. In accordance with this theory, the elements that cause fraud are stated, consists of, Greed, Opportunities, Needs and Exposure (GONE)..

Human – Organizational Development: Ethical Intelligence

Human development to limit its corruption, and where the magnitude of such an effect of corruption that appear is determined by contingent factors upon the conditions of national culture (see Chenhall, 2004; Hofstede and Hofstede, 2005; Sims, et al, 2011; McLeod, 2013). Human development and organizational development with ethical intelligence as coherence of concepts refers to post-conventional level as Kohlberg's stages moral development model (McLeod, 2013). This level consists of first, as stages 5 of model, namely "social-contract orientation" since the world is viewed as holding different opinions, rights, and values. This perspectives should be mutually respected as uniqueness and



harmony to each person, or with community, in line with organizational development with strategic, technic, socio, and administrative (Albrecht, 1983;2002). Therefore, Laws are regarded as social contracts rather than rigid edicts. Second, as stages 6, “universal ethical principal orientation”, which moral reasoning is based on abstract reasoning using universal ethical principles. Generally, the chosen principles are abstract rather than concrete and focus on ideas such as equality, dignity, or respect. Laws are valid only insofar as they are grounded in justice, and a commitment to justice carries with it an obligation to disobey unjust laws. People choose the ethical principles that they want to follow, and if they violate those principles, they feel guilty (see Belohlavek, 2007; McLeod, 2013). This level as the ultimate of complex stages of moral development. Based on stages of post-conventional individuals, would elevate their own moral evaluation of a situation over social conventions, their behavior, especially at stage universal ethical principal orientation. Although, some theorists have speculated that many people may never reach this level of abstract moral reasoning. The theoretical framework approach can be put forward through human development with ethical intelligence (Belohlavek, 2007; McLeod, 2013), in the context of organizational development (Albrecht, 1983; 2002). This is also in accordance with the culture of accountability in building anti fraud, corruption policy and contingency plans of organization (see Kelly, 2017).

Relation between human development and corruption is moderated by power distance and individualism (Sims, et al, 2012). Hence, implication for policy making to reduce corruption can use ethics as an intelligence that supports the capacity to adapt to the environment. As the research of human evolution made by The Unicist Research Institute (Belohlavek, 2007), this concept describes, for the results that can be applied to future, to forecast in the individual, institutional and social fields. Ethical intelligence is the basis for Individuals influence on the environment. As Human development with intelligence levels, intelligence works, showed the use of 3 (three) layers to support human adaptive behavior. These three layers can be described as: 1) Reactive Intelligence which has direct contact with the environment. 2) Active Intelligence which sustains reactive intelligence when there is a need for a planning process. 3) Ontointelligence which sustains active intelligence when the “apprehension” of the essence of a certain reality is required (see Belohlavek, 2007). Such of types of ethical intelligence that is used to enhance the integrity plans and integrity management systems in implement corruption prevention (see Minkova, 2018). The role of individual ethical intelligence and organizational ethical intelligence can be linked to prevent levels of corruption, be stated, consists of (i) individual ethical intelligence which is formed by key attributes, such: social intelligence, emotional intelligence, cognitive intelligence, and ethical maturity, and, (ii) organizational ethical intelligence is formed by attributes, such as: organizational infrastructure, Human Resources Management, strategy, policies and procedures, ethical climate (O’Donohue and Wickham, 2010, Weinstein, 2011). All of concept in ethical intelligence perspective can be used as responsible of individual as member of organization for preventing, and compliance of policies and to avoid fraud in form corruption (see AFA, 2018).

Perspective of Accountability Culture

According to Ismail (2010), this aspect is related to contextual factors with external environment, and culture, that may affect personal and organizational effort to implement corruption prevention an local levels (Minkova, 2018). Human development to restricts corruption, hence, can be explained through by the level of culture (Schein, 2014). The magnitude of such an effect is contingent upon the underlying assumption. It can be justified within relationships between ultimate senses, of values and action, and espoused beliefs and values, to create socio-technical control artefacts as financial control structures and process to produce financial reports. Transform, from accountability level (Jeppesen, 2018) headed for culture accountability (see Khan, 2006) is needed to prevent condition of corruption behavior that appear, and which impressed to have become culture refers the organization in national culture (see Berry, 2009; Sims, et al, 2011; Schein, 2014).



We can theorize and view that different countries and different organisations will cause different cultural characteristics. Culture can be grouped either as national or organisational culture. Therefore, through this research we use contingency theory basic assumption that there is no universally appropriate system applying equally to all organisations in all circumstances. Different cultural values may influence the choice of system in organisations. Therefore, for taking the best manner to manage fraud and corruption risks for country (Moritz, 2016), there is a need to examine the effectiveness of these practices in different countries, including Indonesia and develop accountability culture (see Sousa and Voss, 2008). As described, Hofstede and Hofstede (2005), the defined of culture as “the collective programming of the mind which distinguishes the members of one category of people to those of another”. Culture is classified into four categories, namely: power distance, individualism, masculinity, and uncertainty avoidance. It was in line with proposition of levels of culture, as Schein (2014) has described within relationships between underlying assumption, unconscious taken for granted beliefs, perceptions, thoughts and feelings with level of espoused beliefs and values towards artifacts, as something that visible in appearance but hard to be deciphered. Therefore, culture has meaning for context of contingent, that if we can not enhancement for level of accountability headed for the culture for accountability, it possible, that corruption as phenomenon would be appear to become the culture strongly. Further, that culture represent as artifacts which can be viewed, and be argued. Finally, it can help to explain some of the more seemingly incomprehensible and irrational aspects of what goes in groups and organizations (Schein, 2014; Moritz, 2016; Kelly, 2017). Hence, as theoretical view, culture is in line with ethical intelligence (Belohlavek, 2007) for human being context which has relation with moral development (McLeod, 2013), refers to anti fraud and corruption policy, culture were formed based on espoused values (Schein, 2014;) that refer in fundamental public service values, which include, accountability, integrity, efficiency, impartiality, honesty, loyalty, equity and delivering values (see Kelly, 2017).

Contingent Theory: Level of Accountability Headed to Culture Accountability

Proposition of "level accountability" with financial reporting and financial audit as mechanism for public sectors (see Mahsun, 2006; Bourn, 2007, Bastian, 2009; 2014; Jeppesen, 2018) headed to form accountability culture (see Khan, 2006; Kelly, 2017), can be explained through by the agency theory (Jensen and Meckling, 1976). It means that local government as agent has responsibility to communicate a mandate that is managed to stakeholders as the principals which are more than only compliance for laws and regulations. This relationship explains the main thoughts related to "agency relationships". This theory confirms the social contractual, universal ethics in moral development (McLeod, 2013) in relationship between agent and principals, conflicts within the organization, and information of economic value. This concept describes the attitude tendencies of behavior in specific actions to meet their own interests such as Managerial opportunism (see GONE theory, with opportunity) which hinders the prosperity of society on the main goals to be achieved by the organization.

Theoretical implications are used through the needs of organizations in implementing reforms from upstream to downstream which includes reforms in the fields of planning and budgeting, budget execution, treasury, revenue and payment systems, cash management, receivables, state property, government obligations, accounting, reporting and accountability, inspection and control systems (Manao, 2009). Local government implementation report realizing refers to the accounting regulations (GAS, 2010) directed, which requires to achieve the level of usefulness of information in the decisions of users (users) and reduce the imbalance of information or information asymmetry, conflicts in the form of moral hazard and adverse selection, maintaining management and principal alignment, and a good governance approach (Smith and Bushman, 2001; Scott, 2006; Bastian, 2009; Linda and Nuraini, 2011).

A level of accountability towards a culture of accountability is needed to meet the objectives of good governance, such socio technical control artifact (Berry, et al, 2009). Also for the development of human being in line within the organizational development, which they will deal with



stages of different levels of moral development (McLeod, 2013). It can be interpreted, with contingency theory (Chenhall, 2003; 2008), that ethical intelligence (Belohlavek, 2007) and implementation contingent factors, upon the contextual factors, such as human development with moral development stages (McLeod, 2013), is to built pattern of organizational culture (Schein, 2014), and national culture (see Sims, 2011), that will explain the accountability culture, and if this manner does not appear, it would be related to tend corruption (see Svensson, 2005; Kelly, 2017). Hence, contingent factors can be linked with behavioral aspects to the affect of level of corruption which may well be accepted at the adoption stage as antecedent, but they are not guaranteed to be relevant as explaining tool at the implementation stage (Minkova, 2018). Furthermore, if applying only contingency theory, it may not be adequate to fulfil explanation tool. This is because the implementation stage to enhance good government governance with implement corruption prevention manner is more affected by organizational factors rather than contextual factors. Moreover, in the current competitive environment, the relationships between organizational culture and organizational and individual behavior are more complicated than assumed by contingency theory. For review the theorizing of contingencies (Chenhall, 2008) in research, as stated, there has been relatively little research on control and risk or upon control and culture. The Contingency theory perspective explains how phenomena, such complexity of state financial control structure and process are present at different times and places (see Chenhall, 2003; 2008; Berry, et al, 2009). Therefore, the nature of universality is needed present in line with the perspective of this theory. Like a culture of accountability, with human and organizational development, with ethical intelligence, which it depends on situational and conditional, at least for a country's culture (Segon, 2010; Sims, 2011). As Chenhall (2003;2007) asserted that there is no such "contingency theory", but 'rather a variety of theories may be used to explain and predict the conditions', in which a particular system or technique may increase the performance of the organization. Based on theories, this design of research model is designed to fulfil requirement of contingent theories or of other existing theories with accountability culture, although it is not to fulfil of all of the elements for the application for level of accountability.

Framework to Thought Process and Research Model

Based on the description in the introduction and review of the literature which consists of a review of theories and references to previous research, the framework for thought process is proposed. The framework for thought process is as a theoretical and empirical review and its synthesis determine variables of research and the basis developing hypotheses and analyze the discussion of research results. Framework for thought process (see Imenda, 2014) which links theory with phenomena and uses application theories, as contingent factors to fulfill design and implement corruption prevention model for Indonesia Provinces Government, is presented in the following figure.

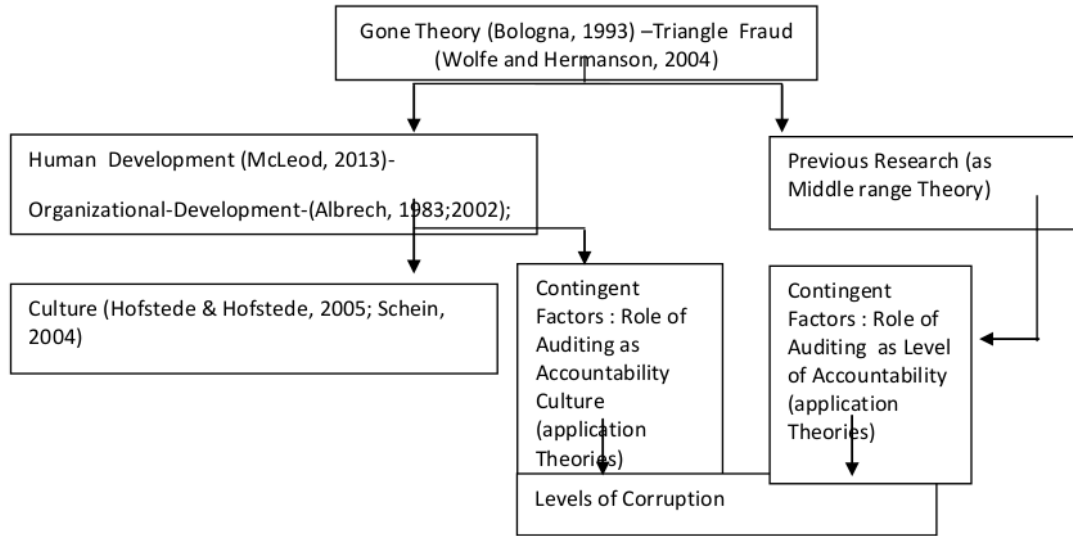
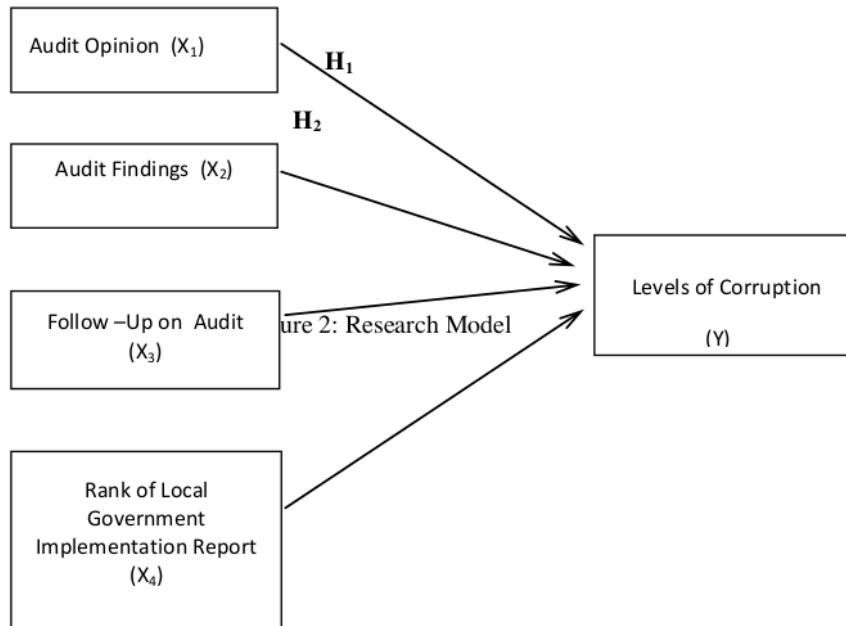


Figure 1: Thought Process Framework for Research Model

The research model uses contingent factors-behavioral perspective with accountability culture and level of accountability as in the following figure:



This research models consists of the following variables: X1 = Audit Opinion (indicators, (1) Disclaimer opinion, (2) Adverse opinion, (3) Qualified Opinion, (4) Unqualified Opinion with Explanation Paragraph, and (5) Unqualified Opinion); X2 = Audit Findings (indicators, number of



findings on SPI weaknesses and non-compliance with regulations and by law), X3 = Follow-up on Audit (indicators, Number of recommendations that have been followed up in accordance with recommendations / total number of recommendations); X4 = Local Government Implementation Report (indicators, Ranking of Local Government Implementation Reports for Provincial governments); Y = Level of Corruption, the research hypothesis is proposed (indicators, Number of handling cases of corruption in the Indonesian Attorney General).

Hypothesis Development

Based on the theoretical view, the though process framework <IR> and research model, supported by previous related studies, the following hypotheses (Ho₁- Ho₄) are presented, as follows:

An audit opinion on the level of corruption in local government

Research Rini & Liska (2017) examination of financial statements conducted to provide an opinion opinion / opinion on the fairness of financial information presented in the financial statements. Research by Masyitoh, et al (2015), Husna, et al (2017) shows that audit opinion has a negative effect on the perception of corruption. The better the audit opinion obtained shows the lower the potential for corruption in the local government environment (Rai, 2010). Empirical fact that the audit opinion variable negatively influences the perception of corruption (Afif, 2014; Tehupuring, 2018). In contrast to previous research by Utomo, et al (2018), that partially audit opinion variables have a positive effect on the level of corruption that occurs in institutions / ministries in Indonesia. Therefore, the hypothesis in this study was formulated as follows: H01: Audit opinion has no affect towards the level of corruption.

Audit findings on the level of corruption in local government

Audit findings are important (material) problems that were discovered during the audit and these issues are appropriate to be raised and communicated with the entity being audited because they have an impact on the improvement and improvement of work-economy, efficiency, and effectiveness of the audited entity (Rai, 2010). Some previous research which has coherence with hypothesis (H02), such as: Masyitoh, et al, (2015); Rini and Liska (2017), give empirical facts, that audit findings do not affect the level of corruption. Meanwhile, empirical fact (Rosyadi and Budding, 2017) that shows irregularities found by BPKP fraud audit influences the level of corruption in the Indonesia Provinces. Therefore, the hypothesis in this study was formulated as follows:

H02: Audit findings do not have affect towards the level of corruption

Follow-up on audit of the level of corruption in local government

The importance of the follow-up to the audit is mentioned in articles 20 and 21 of Law Number 15 Year 2015 concerning the Audit of State Financial Management and Responsibility. Both articles regulate penalties and fines for parties who do not follow up on the auditor's recommendation. Follow-up audit is the step that must be taken by the auditor after the audit report submitted by the auditee. Audit follow-up is an activity to identify and document the progress of the auditee in implementing audit recommendations (Rai, 2010). The previous research which has coherence with hypothesis (H3), such as empiric fact that the next action for the result of audit influences negative to the level of corruption (Masyitoh, et al, 2015; Rini and Liska, 2017). Therefore, the hypothesis in this study was formulated as follows: H03: Follow-up on audits do not have affect to the level of corruption.

Rank of Local Government Implementation Report on the level of corruption in local government

Previous research Heriningsih (2015) assessed that the high IKK index indicates the effective and efficient performance of local government (LPPD) which associated with corruption. If the IKK index results are good, the level of corruption will be low. The evaluation of LPPD is in the form of score, rank and performance status. Therefore, the hypothesis in this study is formulated as follows:



H04: Rank of Local Government Implementation Report does not have influences towards levels of corruption.

METHOD

Research Design

This research is a quantitative research, as Quantitative Approach to Social Research (Neuman, 2014). Contingent factors are derived from the behavior approach, as measurers by cross sectional of the phenomenon for the levels of corruption, by using multiple linear regression model to analyze the measurement data, with secondary data to analyze the effect of audit opinion, audit findings, follow-up on audits, and rank of local government implementation report towards the level of corruption in Indonesia for the 2014 and 2015 as observation periods. The research also used qualitative approaches, and amethodical manner with interpretation results of research in using logic intervention of behavioral aspects to develop the role model of behavior approaches in preventing corruption.

Unit of analysis

The unit of analysis used in this study is the Summary of Semester Examination Results (IHPS) from the Indonesian Supreme Audit Board and list of the recapitulation of provincial government corruption cases in Indonesia by the Attorney General's Office of the Republic of Indonesia nationally for 2014 and 2015.

Population and Sample

Population of Provincial governments in Indonesia for the period of 2014 and 2015 with a total of 34 provinces is 60 samples because 4 provinces are still new that they have not been able to report opinions and assessments. The population in this study is based on the number of provinces according to observations. Sampling refers to Masyitoh, et al (2015), namely purposive sampling with sample selection criteria, as follows: a. Provincial governments that received opinions from BPK RI in 2014 and 2015; b. The provincial government which has audit findings data in the form of weaknesses in the internal control system and non-compliance with regulations in 2014 and 2015; c. Provincial governments that have "inspection Reports" are follow-up reports on audit results in the form of auditor recommendations in 2014 and 2015; d. The provincial government is included in the list of ratings / scores of regional government implementation determined by the Ministry of Home Affairs in 2014 and 2015; e. Provincial governments included in the ranking list of recapitulation of corruption cases by the Indonesian Attorney General's Office in 2014 and 2015.

Table 1.
Sampling Criteria

No	Description	Amount
1	Amount of Provincial Governments in Indonesia	34
2	Multiplied by number of years (2)	68
3	Provincial Governments that cannot obtain for LGIR (2 Years)	8
4	Number of cases to be sampled	60

Source: Data processed (2019)

Samples that have data completeness criteria used in this study are 34 provinces with research data in 2014 and 2015. Because there are 4 (four) provinces that do not get opinions from BPK and new provinces that have not been recorded in 2014 and 2015. Samples will be grouped into the part of the province that receives Unqualified opinions, Qualified opinions, Disclaimer, and Adverse opinions. Then they are added to the sample level of corruption in the province in the form of the number of cases that occur.



Data collection technique

Data collection techniques in this study are secondary data obtained from the Summary of Semester Examination Results (IHPS) II in 2014 and 2015. List of audit opinions, audit findings and audit follow-up. Report refers to regulation from Ministry of Domestic Affairs Kepmendagri (Number 800-35 year of 2016) concerning The Ranking and Status of Performance of the Organization in year 2014, and Number 150-10421 year of 2016 concerning The ranking and status of the performance of the organization in year 2015. Data from the 2014 and 2015 annual reports are in the form of data on corruption cases from Indonesian Attorney General's Office (Attorney General's Office L. T., 2016).

Data and Variable Definitions

Table 2
Operating Definition of Variables

No.	Research Variables	Variable Measurement	Scale
1.	Levels of Corruption The development of the amount that occurs in one year to the next year from "Abuse of public office for personal gain in contradiction with the law, Improper or un-authorized use of fund and /or assets, the illegal sale of government property, bribery for government projects, and embezzlement of government funds, include leaking of confidential information which may directly or indirectly influence the action of any person (Svenson, 2005; Liu & Lin, 2012, Kelly, 2017).	Number of handling cases of corruption in the Indonesian Attorney General's Office (Developed by Author)	Ratio
2.	Audit Opinion As a representation of the statement of the professional auditor rendered by auditors on an entity's financial report, concerning the levels of fairness in presentation of the state's finances or regional's finance in financial statement, categories within Unqualified opinion; Unqualified opinion with explanation paragraph; Qualified opinion; Adverse ; and Disclaimer (Law number 15, 2004; SPKN, 2017)	Unqualified opinion =5; Unqualified opinion with explanation paragraph=4; Qualified opinion =3; Adverse =2, and Disclaimer=1 (Utomo, et al, 2018)	Interval
3.	Audit Findings As Audit evidence in criteria the audit findings that refers to the ineffectiveness of internal control in form Behavior of systems and processes in financial statement, and with non-compliance, fraud, and / or material non-compliance, which does not directly refers to the the purpose, but affects the fairness of the presentation of financial statements that result in state losses, in its linked of the examination (Masyitoh, et al, 2015; SPKN, 2017)	Number of findings on the weaknesses of the Internal control system, and non-compliance with laws and regulations	Ratio
4.	Follow up on Audit As the form of follow-up audits which is based on the number of provinces reporting "non-follow-up audit results" by depositing state losses. Follow-up audit results by the provincial government must always be monitored, and monitored by reports, so that the elimination of audit findings by improving the assessment with follow-up audit results (Masyitoh, et al, 2015; SPKN, 2017).	Number of recommendations from the Supreme Audit Agency (BPK) that have been followed up in accordance with recommendations / the total number of	Ratio



recommendations.

<p>5 Rank of Local Government Implementation Report Rank of the performance of local government administration that refers to the Local Government Implementation Report, which is assessed based on field performance evaluation on the performance of provincial government agencies' performance scores (Adapted, SPKN, 2015)</p>	<p>LGIR ranking is the relevant data issued by the Ministry of Home Affairs every 2 years giving a score, which is 4-3 (very high), value 2 (high), and 1 (low). Interval</p>
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(Sources, Reproduced, 2019)

Analysis Model

We analyze the independent variables separately and it is needed a testing approach for each of the independent variables towards dependent variable, with some analysis model of classical assumption Ttesting.

-Regression analysis test

Data analyzed with interval scale, and processed follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where: Y = Dependent variable (predicted value); X1, X2, X3, X4, = Independent variable

a = Constant (value of Y 'if X1, X2, X3, X4, = 0); b = regression coefficient (value increase or decrease); e = disturbance error. Based on: Y = Levels of Corruption; OA = Audit Opinion; TA = Audit Findings; TLHA = Follow-Up on Audit Results, LPPD = Local Government Implementation Report, and Y = Levels of Corruption refer to the model = a + b1 OA + b2TA + b3 TLHA + b4LPPD + e

(3) Hypothesis testing

Coefficient of Determination (R²)

The coefficient of determination R² essentially measures how far the model's ability to explain the dependent variables (Ghozali I., 2016).

Partial Test (t test)

The t test was used to see the effect of each independent variable partially on the dependent variable with the following assessment procedure : H0 = partially independent variables or individuals that do not have effect on the dependent variable. Comparing the t value with t table with the following criteria: 1. If t-count < t-table, then the independent variables individually do not have effect on the dependent variable (H0 is accepted); 2. If t-count > t-table, then the independent variables individually affect the dependent variable (H0 is rejected). Test Criteria: 1. If the significance level > 0.05 then Ho is rejected and H1 is accepted, it means that there is no influence between the independent variable and the dependent variable, and 2. If the significance level < 0.05 then Ho is accepted and H1 is rejected, it means that there is an influence between the independent variable and the dependent variable.

RESULTS AND AND DISCUSSION

4.1. Descriptive Statistics of Research Variables

The independent variables used in this study consisted of audit opinions, audit findings, audit follow-up, and Local Government Implementation Report scores towards the number of



corruption cases in provinces throughout Indonesia. The results of descriptive statistical analysis in this study describe the Minimum, Maximum and Mean values. General description of descriptive statistical analysis results be described according the following table:

Table 3
Descriptive statistics
Statistics

	OA	TA	TLHA	LPPD	TK
N Valid	60	60	60	60	60
Missing	0	0	0	0	0
Mean	4.400	50.183	71.850	2.601852	50.517
Mode	5.0	46.0	56.0	1.8534 ^a	.0
Std. Deviation	.9242	41.2912	60.9970	.3003551	36.5910
Minimum	1.0	10.0	10.0	1.8534	.0
Maximum	5.0	242.0	328.0	3.1802	154.0

a. Multiple modes exist. The smallest value is shown

Source: Output SPSS, 2019

Table 3 above shows that the mean (average) value of the audit opinion (OA) is 4,400 or close to 5 which is reinforced by the mode (mode) value is 5. This shows that more provinces have a fair audit opinion unqualified opinion (score 5) compared to other opinions (score 1-4). The mean value for audit findings (TA) is 50.183, meaning that on average each province in Indonesia has 50.183 audit findings. While the follow up of audit results in each province in Indonesia has an average of 71,850 cases per year. The average performance of the government in terms of the score of rank of local government implementation report (LPPD) of 2.601852. As well as the average corruption (TK) that occurred as many as 50,517 cases.

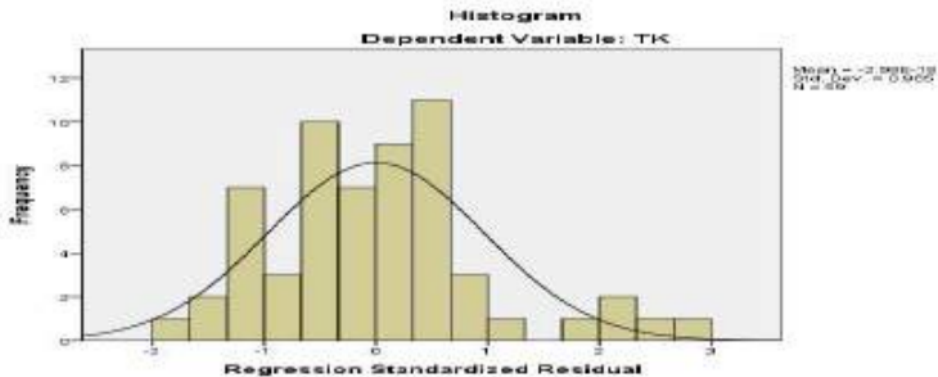
Maximum audit opinion value of 5 means the highest score is 5 (unqualified opinion), and minimum 1 which means the lowest score is 1 (no opinion or disclaimer opinion). The maximum value of audit findings (TA) of amount 242 means that the highest audit findings (TA) during 2014-2015 are amount of 242 cases and the lowest (minimum) from 10 audit findings. The maximum value of the follow-up on audit results means that the most audit results were followed up during 2014-2015 with 328 recommendations and the lowest (minimum) of 10 recommendations. The maximum score for rank of local government implementation report (LPPD) is 3.1802, and the minimum is 1.8534. While the highest level of corruption (TK) was 154 cases and the lowest was 0 cases.

Classic assumption test

Before multiple linear regression testing is carried out, the regression equation used must pass the classic assumption test first. Here are the results of the classic assumption test conducted:

(i) Normality Test

Normality test is done to test the normality of the data. The results of the normality test are known through the histogram graph and the normal probability plot.



Source: Output SPSS, 2019

Figure 3. Graph Histogram

The graph above shows the curve does not go left or right. This means that the data is normally distributed. This test is also strengthened by the following results of the Normal Probability Plot test:

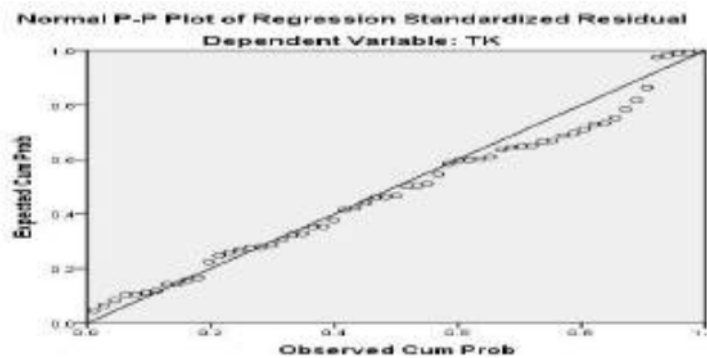


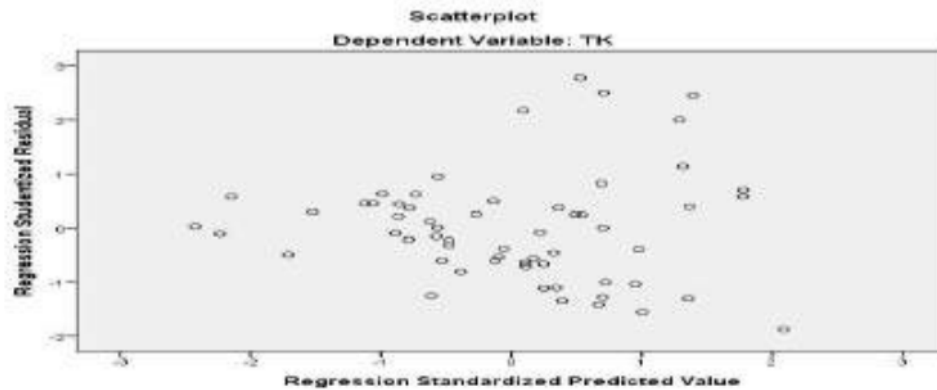
Figure 4. Normal Probability Plot

Source: Output SPSS, 2019

The picture above shows the data distributed around the diagonal line. This means that the data is normally distributed. That is the difference between the predicted value and the actual score or error that will be distributed symmetrically around the means equal to zero. So one manner of detecting normality is through observing residual values. (Ghozali, 2016).

Heteroscedasticity Test

Heteroscedasticity test is performed to test whether the data is heterogeneous or homogeneous. A good regression model is if heteroscedasticity does not occur. The test was carried out using scatterplot. Here are scatterplot graph:



Source: Output SPSS, 2019

Figure 5. Scatterplot Graph

The figure above shows that the data points do not accumulate or form certain patterns. It means that there is no heteroscedasticity. If the variance from one observation to another is the same, it is called heteroscedasticity. A good regression model is homoscedasticity. One way to find out whether there is heteroscedasticity in a simple regression model is to look at a scatterplot graph (Ghozali, 2016).

Autocorrelation Test

Autocorrelation test is done to test whether there are interruptions among years, by looking at the Durbin Watson values. No autocorrelation occurs if Watson's Durbin Value meets the $DU < DW < 4 - DU$ requirements. The following autocorrelation test results:

Table 4. Model Summary

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.580 ^a	.337	.287	31.0500	1.556

a. Predictors: (Constant), Ln_LPPD2, Ln_TA2, Ln_OA2, Ln_TLHA2

b. Dependent Variable: TK

Source: Output SPSS, 2019

The table above shows the value of Durbin Watson of 1.556. Based on the Durbin Watson table with an Alpha level of 0.05, the number of independent variables (k) 4 and sample 60 obtained a DU value of 1.73. This means that autocorrelation occurs because the Durbin Watson value of 1.556 $< DU$ of 1.73 does not meet $DU < DW < 4 - DU$. To treat autocorrelation, a Runs Test is performed. Here are the results of Runs Test:

Table 5. Runs Test Result



Runs Test

	Unstandardized Residual
Test Value ^a	-2.57798
Cases < Test Value	29
Cases ≥ Test Value	30
Total Cases	59
Number of Runs	29
Z	-.392
Asymp. Sig. (2-tailed)	.695

a. Median

Source: Output SPSS, 2019

The test results above show the Asymp value. Sig (2-tailed) of 0.695 > 0.05. This shows that autocorrelation did not occur. Autocorrelation Test refers to a good regression model that is a regression model that is free from authentication. The way to detect the presence or absence of autocorrelation is the Run Test.

Multicollinearity Test

Multicollinearity test in testing whether between independent variables influence each other, shown through the value of VIF and tolerance. Multicollinearity does not occur if the VIF value <10 and tolerance > 0.1. The following multicollinearity test results:

Table 6. Multicollinearity Test Results

		Coefficients ^a						Collinearity Statistics	
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF	
		B	Std. Error	Beta					
1	(Constant)	-47.714	39.866		-1.197	.237			
	Ln_OA2	7.918	27.661	.033	.286	.776	.925	1.081	
	Ln_TA2	16.203	44.027	.059	.366	.714	.347	2.880	
	Ln_TLHA2	58.929	37.101	.301	1.588	.118	.343	2.915	
	Ln_LPPD2	107.166	32.232	.385	3.325	.002	.914	1.094	

a. Dependent Variable: TK

Source: Output SPSS, 2019

The table above shows the VIF value of each independent variable <10 and tolerance value > 0.1. This means that there is no multicollinearity and the classical assumption tests which are met. A good regression model may not occur multicollinearity.

Hypothesis testing

Determination Coefficient Test

The coefficient of determination test is used to test how much the independent variables together can explain the dependent variable. The coefficient of determination test is done by looking at the value of R Square. Here are the results of the coefficient of determination test:



Table 7. Determination Coefficient Test Results

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.580 ^a	.337	.287	31.0500	1.556

a. Predictors: (Constant), Ln_LPPD2, Ln_TA2, Ln_OA2, Ln_TLHA2

b. Dependent Variable: TK

Source: Output SPSS, 2019

The table above shows the value of R Square is only 0.337 or 33.7%. This means that the independent variable in this study was only able to explain the dependent variable by 33.7%, while the remaining 67.3% was explained by other variables outside this study. This shows that the ability of the independent variable can only explain the variance of the dependent variable by 33.7%. A small R2 value means that the ability of the independent variables in explaining the variation of the dependent variable is very limited. A value close to one means that the independent variables provide almost all the information needed to predict variations in the dependent variable (Ghozali, 2016).

Regression Equation

Based on table 6 above can be made a regression equation as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

$$Y = -47,741 + 7,918 OA + 16,203 TA - 58,929 TLHA + 107,166 LPPD + e$$

The interpretation of the above regression results is as follows: Constants (a), this means that if all independent variables have a constant value, the value of the variable Y will decrease by 47,714. Audit Opinion (X1) on Corruption (Y). The regression coefficient value of the audit opinion variable is 7,918, this means that every 1% increase in audit opinion will increase 7.918% corruption. Audit Findings (X2) Against Corruption (Y). The regression coefficient value of the audit findings variable is 16,203, this means that each addition of the audit findings 1% will reduce corruption by 16.203%. Follow-Up Audit Results (X2) Against Corruption (Y). The regression coefficient value of the audit findings variable is -58,929, this means that every increase in follow-up to the audit result by 1% will reduce corruption by 58.929%. Ranking of Local Government Operations (X2) against Corruption (Y). Regression coefficient of the regional administration ranking variable 107,166 this means that every 1% increase in the regional administration ranking will increase corruption by 107.166%.

Hypothesis Test Results t

Refers to the table 6 above, it shows that the significance value for Audit Opinion (OA) is 0.776 > 0.05. This means that hypothesis 1 which states that Audit Opinion influences Corruption (TK) is not proven. The significance value of the Audit Findings (TA) is 0.714 > 0.05. This means that hypothesis 2 which states the audit findings (TA) affect the act of corruption (TK) is not proven. The significance value of the Follow-up on Audit Results (TLHA) is 0.118 > 0.05. This also means that hypothesis 3 which states that the Follow-Up Audit Results have an effect on Corruption (TK) is also not proven. While the significance value for the Regional Government rating is 0.002 < 0.05. This means that hypothesis 4 which states that the ranking of the Regional Government has an effect on Corruption (TK) is supported and can be verified.

Discussion

The Effect of Audit Opinion on the Level of Corruption

The first hypothesis (H01) in this study show, that audit opinion not affect on the level of corruption. Table 6 above shows the significance value for Audit Opinion (OA) of 0.776 > 0.05. This



means that hypothesis 1 which states that audit opinion influences the level of corruption is not proven. The results of this study are in line with the research of Afif (2014), Masyitoh, et al (2015), Husna, et al, (2017), and Tehupuring (2018). Meanwhile, this result different with research previously from Heriningsih and Mahrita (2013), Utomo, et al (2018). Differences in the results of studies from previous research with this research and (see Rai 2010; Rini and Liska, 2017) shows an un-concluded of role of the audit opinion in suppressing corrupt behavior.

The results which show the absence of the role of audit opinion in reducing towards level of corruption, although, more provinces have a fair audit opinion unqualified opinion (score 5) compared to other opinions (score 1-4) (see Table 3), shows, still the weak formal role of the state financial audit in Indonesia. Because the unqualified opinion given by the Supreme Audit Board on auditing financial statements is a formal representation of: (i) compliance of local governments in managing state / regional finances that are in line with the legal aspects of state financial laws, (ii) comply with internal controls, (iii) refer to governmental accounting standards , and (iv) transparency (elements of good governance). In fact, according to the SPKN (2017), audit opinions provided from state financial audit activities are also based on relationships with audits directed to be able to find indications of fraud (Jeppesen, 2018). Furthermore, this condition can be explained more substantially, from a behavioral point of view, that it is acceptable, for several reasons, first, the deterrent behavior and effect does not exist, why ?, because the phenomenon of legal action for corruptors is less weight (Isgiyata, 2018) tend to be mild, and even free from punishment (be explained by revealing "Expose" from GONE theory). Second, it can be seen that the potential for acts of corruption continues to grow in the bureaucracy in accordance with the explanation in "The Fraud Triangle: Pressure, Opportunity, Rationalization) because there has been a high financial burden in obtaining political position in the government, such for position of governor, regent, and mayor in Indonesia.

The Effect of Audit Findings on the Level of Corruption

The second hypothesis (H2) in this study is the audit findings on the level of corruption in the provincial government in Indonesia. According to Table 6 above, it shows that the significance value for the audit findings is $0.714 > 0.05$. This means that hypothesis 2 which states the audit findings affect the level of corruption is not proven. The results of this study are in line with the research of Heriningsih and Mahrita (2013), Rini and Liska (2017), Masyitoh, et al, (2015). This findings research is not in line with research conducted by Rosyadi and Budding (2017).

The data shows the mean value for audit findings (TA) is 50.183 meaning that on average, each province in Indonesia has 50.183 audit findings. The results of the descriptive statistical analysis showed the mean (average) value of the provincial government in Indonesia which obtained audit findings showed a value of 50,183. The maximum value is 242.0 and the minimum value is 10.0. The average number of corruption cases was 50,517 cases. Central Kalimantan Province in 2014 with 37 audit was found with 31 corruption cases, then in 2015 there were 17 audit findings but the corruption cases rose to 39 cases. West Java Province in 2014 with 150 audit was found with 106 corruption cases, then in 2015 the number of audit findings was 64 but the corruption cases rose to 110 cases. This means that the audit findings have little effect on the level of corruption in the provincial government in Indonesia.

In terms of behavior, the audit findings are shown by the ineffectiveness of internal control, in the form of behavior of systems and processes in performance of a financial statement. Also, refers to non-compliance, fraud, and / or material non-compliance, which does not directly refer to the purpose, but Affects the fairness of the presentation of financial statements that results in state losses, in its linked of the examination (see Masyitoh, et al, 2015; SPKN, 2017). The absence of a positive relationship from audit findings shows the lack of self-development (McLeod, 2013), with internal control processes in terms of the control environment or process, plan's policies, compliance for the laws, (see KPMG, 2013; AICPA, 2019; GR, No. 6, 2008). Auditee's organization needs good governance according to established criteria, so as not to violate the laws and regulations and the internal control system (SPI) in



matter the audit findings (see Masyitoh, et al, 2015). The audit findings must be followed up by the auditee in accordance with the identification recommended by the auditor (SPKN, 2017). Further, these findings can be classified as fraud in corruption as intended, when there has been caused for violating state financial laws. Although corruption and audit Evidence (Khan, 2006) can be described, the auditors should remain aware of the limitations of their professional work with financial audit.

Audit findings refers to the problem characteristics refers to internal control systems in accounting, and with non-compliance for laws and regulations that affect the fairness of the presentation of financial statements that result in state losses (SPKN, 2017; Masyitoh, et al, 2015). It was appeared due to the behavior, in moral development of human with systems and processes, such in internal control or information technology systems or entities in reporting systems (see Musa, et al, 2012; McLeod, 2013). The value of government organizations with bureaucratic control has a typical managerial control in organizations, with characteristics referring to the formal level, standards, khirarki, and legitimate authority (Hifni, 2017). Hence, It needs to fulfil works best manner where tasks are certain for human that are independent with social contract, universal ethics as accountability culture (Khan, 2006; McLeod, 2013).

Effect of Follow-Up on Audit Results Against the Level of Corruption

The third hypothesis (H3) in this study is the follow up on audit findings on the level of corruption in the provincial government in Indonesia. Table 6 above shows that the significance value for the follow-up of audit results is $0.118 > 0.05$. This means that hypothesis which states that the follow-up of audit results has an effect on the level of corruption is not proven. The results of this study are in line with research by Masyitoh, et al (2015), but they are not in line with research conducted by Heriningsih & Mahrita (2013) and Utomo, et al (2018). The importance of the follow-up to the audit is mentioned in articles 20 and 21 of Law Number 15 Year 2015 concerning the Audit of State Financial Management and Responsibility. Both articles regulate penalties and fines for parties who do not follow up on the auditor's recommendation. Follow-up on audit is the steps that must be taken by the auditor after the audit report submitted by the auditee. Audit follow-up is an activity to identify and document the progress of the auditee in implementing audit recommendations (Rai, 2010). Audit follow-up is the steps that must be taken by the auditor after the audit report is submitted to the auditee with the aim of improving planning and evaluating performance. The communication of audit findings serves as a medium between the auditor and the auditee, namely the agency the government in updating information and explanations to auditors (Rai, 2010). Masyitoh, et al (2015) in implementing the auditor's recommendations. The provincial government has tried to correct mistakes in the accountability of state administration to create public financial accountability.

Refers to the results of the descriptive statistical analysis showed the mean (average) of the provincial government in Indonesia that followed up on the audit results showing a value of 71,850. The maximum value is 328.0 and the minimum value is 10.0. The average number of corruption cases was 50,517 cases. In 2014, DKI Jakarta Province followed up with 326 recommended with 34 cases of corruption, then in 2015 there were 317 followed up but 34 cases of corruption remained. In the province of West Nusa Tenggara in 2014, there were 112 follow-up cases that were recommended with 25 cases of corruption, then in 2015 there were 62 follow-up cases, but the corruption cases rose to 36 cases. This means that even though the audit follow-up has little effect on the level of corruption in the provincial government in Indonesia, it is needed to view Behavioral aspects that are applied in explaining the phenomenon of follow-up on audit findings. First, the form of follow-up audits is based on the number of provinces reporting "non-follow-up audit results" by depositing state losses. Follow-up audit results by the provincial government must always be monitored and monitored by reports, so that the elimination of audit findings is improving the assessment with follow-up audit results (Masyitoh, et al, 2015; SPKN, 2017). Second, for the manager of organizational reporting, it requires a perspective of self-development through post conventional morality to internalize behavior driven by the mind of social order and individual right and to fulfill the values of universal ethics in the form of behavior driven by internal

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