

THE ROLE OF INFORMATION TECHNOLOGY IN FORENSIC INVESTIGATION ANALYSIS PRACTICES FOR FRAUD DISCLOSURE IN THE GOVERNMENT ENVIRONMENT

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ABSTRACT

The Industrial Revolution 5.0 emphasizes interaction and collaboration between humans and machines. However, digital technology supports various types of fraud that occur in the accounting field. Forensic accounting and investigative audits play an important role in uncovering fraud cases in this digital era. This research aims to understand the role of information technology in forensic investigation practices for disclosing fraud in government environments. This research is a type of qualitative research with a case study approach, where the type of data used is primary data, namely the results of in-depth interviews, documentation studies, and observations of several informants, namely structural and functional supervisory officials at the Bengkulu Province Inspectorate, and secondary data obtained through library materials or a literature study. The results of this research indicate that information technology plays an important role in the practice of forensic analysis to detect fraud in government environments. Information technology can help detect fraudulent activities and make it easier for auditors to analyze audit data. Apart from that, information technology can also help internal controls reduce the risk of fraud in the organization. One of the information technologies that can be used in the future by the Bengkulu Province Inspectorate is computer-assisted audit techniques (CATTs). By applying this information technology, it can help produce information that is more accurate, and faster, and has an impact on the process of disclosing fraud in the government environment.

Keywords: Information technology, fraud, forensic accounting, Investigative audit, CATTs

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INTRODUCTION

Technology continues to develop and has a significant impact on human life processes. This impact can be positive, encouraging increased effectiveness and efficiency of human activities, or negative, namely the misuse of technology for personal gain and to the detriment of other organizations. This means that the role of information technology in human activities is currently very large (Meiryani et al., 2023). The parties involved in the accounting process must be able to utilize technology products optimally with the positive aim of improving services to the community. If this is related to technological advances that have reached the current digital level, it can be said that an individual's ability to use digital technology products is not evenly distributed. The reason is that not all business units, including the public sector, have the knowledge and capacity to utilize technology, which will create large opportunities for fraud.

Fraud is classified into three types of actions, namely misuse of assets, financial statement fraud, and corruption (Adieb et al., 2022). Finding effective methods to detect fraud is a priority for many parties, especially the government. Based on ACFE Indonesia's opinion, the fraud that often occurs in Indonesia is corruption. According to the 2021 Corruption Perception Index, Indonesia is ranked 96th out of 180 countries. Based on data from the Central Statistics Agency (BPS) in 2021, the Anti-Corruption Behavior Index is in the range of 3.88%. The KPK assesses that Indonesia is still seen

as a corrupt country because it is not serious and inconsistent in its efforts to eradicate corruption (Safrezi, 2022). This means that the level of corruption in Indonesia is still a big problem.

Fraud as a risk in the development of information technology must be addressed more firmly. Efforts to find new methods for detecting fraud are still a topic and focus of many parties (Adieb et al., 2022). There are many methods for detecting fraud, but in terms of effectiveness and efficiency, there is still no definite answer. The results of research conducted by Arianto (2021) state that forensic audits have an effective and efficient impact on detecting fraud and can even be effective and efficient in preventing and reducing fraud. Apart from that, Akbar M. (2020) agrees, stating that forensic audits are effective and efficient in responding to fraud.

Denmark is one of the countries with the lowest level of corruption. Denmark's efforts to eradicate corruption involve digitizing all aspects of it. Digitalization will be a control challenge that auditors will face to minimize the occurrence of fraud in an agency, especially in government environments. This research seeks to prove the influence of information technology in the practice of forensic investigative analysis for the disclosure of fraud in the government environment." The purpose of this research is to find out that in the current digital era, information technology has many roles in human activities, so it does not rule out the possibility that information technology also has an important role in audit practices to support fraud disclosure in the government environment.

LITERATURE REVIEW

Unified Theory of Acceptance and Use of Technology (UTAUT)

The Unified Theory of Acceptance and Use of Technology (UTAUT) is an integrated model developed by Venkatesh et al. (2003) regarding the acceptance of information technology. UTAUT constructs such as performance expectancy, effort expectancy, social influence, and facilitating conditions influence user behavior. The UTAUT concept can be used to explain the relationship and influence of information technology on fraud disclosure. Previous research has examined the influence of information technology on fraud detection. Research (Bahtiar et al., 2017; Halbouni et al., 2016; Kirkos et al., 2007; Stanton, 2012; Susanto et al., 2019; Widuri & Gautama, 2020) shows that information technology has an impact on fraud detection.

Fraud Pentagon Theory

The Pentagon Fraud Theory is a theory proposed by Crowe Howarth, who presents the theory as an extension of the Fraud Triangle Theory proposed by Donald R. Cressey. In this theory, five types of factors influence the occurrence of fraud, namely, (1) pressure, especially motivation to commit fraud, whether financially motivated as well as non-financial, (2) opportunities, namely opportunities that might occur cheating, someone to commit deception, (3) rationalization, namely someone justify his actions; (4) capacity is the user's ability to pass through internal control, develop concealment and control strategies social situations; (5) arrogance is a lack of consciousness as an attitude of superiority (Agustina & Pratomo, 2019).

Fraud in the Digital Era

Literally, fraud can be interpreted as fraud, fraud, or embezzlement (Said et al., 2018). Fraud is the scope of acts of forgery and lies that are recognized as planned or deliberate fraud (Islahuzzaman in Batubara, 2020). The definition of fraud is also emphasized by the Association of Certified Fraud Examiners Indonesia (2019) in the Fraud Examiners Manual, which explains that fraud is related to the benefits obtained by someone by presenting something that does not follow existing facts. Where there are unpredictable, deceptive, and dishonest elements that harm other people. Most frauds occur in the world of work, especially in agencies that have extensive networks. Therefore, a good work environment will influence fraud intentions (Surantha, 2022). Indications of fraud and corruption are transforming in the digital era. So there is a need for modern competency provisions to detect fraud and potential acts of corruption, which continue to grow.

Forensic Accounting

Forensic accounting focuses on detecting, analyzing, and communicating evidence of financial events and the underlying reports. Thus, forensic accounting is the application of accounting, investigative, criminological, and litigation services skills to identify, analyze, and communicate evidence from potentially reportable incidents.

Furthermore, several studies explain that the implementation of forensic accounting requires various relevant, authentic, and appropriate evidence in the process of searching and collecting evidence. This is because the character of a forensic audit is both proactive and reactive. In this context, proactive is a forensic audit applied to detect the probability of fraud risk. Meanwhile, reactive means that a forensic audit will be applied when there are initial indications or evidence of fraud. Thus, forensic accounting can play a role in detecting fraud. (Arianto, 2021; Claudia, 2018; Mamahit & Urumsah, 2018; Ramlan et al., 2023; Syahputra & Urumsah, 2019).

Investigative Audit

According to the Association of Certified Fraud Examiners (ACFE), investigative audits are a methodology for resolving fraud syndicates from the beginning to follow-up actions. This investigative activity implies obtaining evidence, taking a report, writing up the report, and presenting testimony on findings that help in detecting fraud prevention efforts. This can be done with good governance to reduce the level of fraud (Zega, 2023).

Investigative audits are more in-depth and often extend to auditing matters not touched upon by the audit opinion. Many auditors have experience auditing the financial reports of companies or other institutions, but they are hesitant to carry out fraud audits and investigative audits. Even though the audit techniques they master are sufficient to apply, With adequate internal audits, all deficiencies and other impacts that are detrimental to the agency will be minimized as much as possible. The audit process must be carried out with competence, independence, objectivity, and integrity to produce a quality audit report (Susanti, 2019).

Information Technology in the World of Audit

The role of computerized information technology is very important in audit practice because it supports auditors in creating audit working papers, collecting information related to audit needs, assisting in detecting fraudulent activities, conducting regular monitoring, making reports related to audit activities, making it easier to store audit files, and making it easier for auditors to carry out audit data analysis activities. The increasing demand for audits requires auditors to use more advanced technology to work more effectively. Information technology can be a very effective and efficient way of facilitating audit activities. Fraud in the form of theft of data, equipment, services, property crimes, financial fraud, and sabotage can also be minimized with the help of technology.

In this research, the auditor's perception of the condition of information technology facilities in local governments and inspectorates will influence the auditor's skeptical behavior and sensitivity to symptoms of fraud. Facility condition indicators using the CIA Triad The CIA triad (confidentiality, integrity, and availability) is a well-known model for security policy development used to identify problems and solutions required for information system security.

RESEARCH METHODS

Research Design and Approach

This research uses the method of qualitative. In this research, the selection Research design begins with doing a placement in research fields in a qualitative approach to this type of study case. Next is followed by the process of identifying the research paradigm and providing guidance on selection. Data collection and analysis methods through observation, interviews, and document analysis.

The research approach uses a case study. Case studies make researchers must maintain holistic characteristics and the meaning of the events that happen. The uniqueness of case studies is completely related to various types of evidence, including documents, equipment, interviews, and observations.

Data Types and Sources

This research data is based on a type of qualitative data, where the type of data is qualitative and contains data displayed in the form of Verbal words are not in the form of numbers. Where the type of data used is data qualitative in the form of main data, namely results of in-depth interviews with several informants, namely structural officials and functional supervisors in the Inspectorate Bengkulu Province. Secondary data was obtained through library materials or literature studies, namely, by studying books, laws, and regulations, documents, official documents, results of previous research, scientific journals, and library materials others related to that problem.

Method of Collecting Data

In this research, the interviews were used as an interview technique in-depth, where in-depth interviews are carried out with several people directly related to the process. Step conducted in interviews on this research is as follows:

- a. Organize things that aren't there structured, open interview with Irban, Auditor at the Provincial Inspectorate Bengkulu
- b. Carrying out arrangements and interviews open using audiotape in translating the results interview conducted on the informant.

Documents are data sources obtained directly from the research object. Documents collected for the study Cases include administrative documents, letters, memos, agendas, and mass media articles. This research also uses audio-visual material to explain the physical facts of sources of informants interviewed; collects sounds and recordings from results of interviews with informants; checks the photos and videos in the collection process data from interviews with informants; and conducts video coverage regarding the ongoing interview process with informants.

Technical Data Analysis

Data analysis techniques used In this research, the approach is qualitative. Qualitative analysis is a productive way of researching descriptive data, namely what is stated by respondents in writing or orally, and Also, his actual behavior is examined as something complete. The data obtained is arranged in a form Data preparation is then carried out data reduction or processing, produce data presentations, and so on conclusions are drawn, which are carried out mutually guaranteeing the collection process data. Conclusions are often drawn from the start, even as a researcher stated that it had been processed properly inductively.

RESULT AND DISCUSSION

The role of forensic accounting in fraud prevention

Forensic accounting is a skill used in the fields of accounting and auditing that is complemented by investigative capabilities. The aim is to resolve problems in the form of suspected fraud or financial disputes, with a court decision as the final step. Fraud cases in the digital era need to be analyzed more deeply. The role of various parties is also no less important and very helpful in eradicating fraud, such as the Corruption Eradication Commission, BPK, PPATK, BPKP, independent auditors, ICW, and the wider community, which can participate as whistleblowers in cases that arise in their country.

Fraud prevention can be detected by causal factors using the Pentagon's theory of fraud. It is not financial in nature; it is an opportunity, so it needs to improve the system and rationalize it so that the morals and ethics of each individual can be improved so that they have more integrity, competence, and religious and cultural moral concepts (Putri et al., 2019). Based on interviews

conducted by the author, it can be seen that forensic accounting has an important role in preventing fraud in the government environment. This can be seen in the resulting financial reports. When the financial report has been analyzed based on the findings of the BPK, there are fraudulent practices.

Forensic accounting can help detect and prevent fraud in the public sector (government), find early clues of fraud in an organization or agency, and assist the police in resolving legal cases by collecting evidence for court proceedings. Apart from that, forensic accounting can also help apply forensic accounting audit principles, skills, and procedures to resolve certain legal problems. In research conducted (Jenitra & Prihantini, 2018), forensic accounting is one of the first preventive measures against corruption crimes in Indonesia and can significantly reduce fraud in government. Forensic accounting is developing rapidly in today's digital era. Technology must be developed to help detect increasing fraud. Considering the latest developments in the era of digitalization, forensic accounting needs to be increasingly thoroughly integrated between accountants, auditors, and the world of education.

Information technology is measured through the auditor's perception of facility conditions (enable conditions). Technological facilities are useful in detecting and analyzing fraud in the information and communication technology environment. This is in accordance with the UTAUT theory, which explains that user perceptions of facility conditions can influence user behavior.

The role of investigative audits in fraud prevention

The development of increasingly sophisticated accounting means that forensic accounting has now penetrated the field of auditing. An investigative audit is a series of activities that aim to identify, determine, and examine in detail existing information and facts to find factual events in the form of evidence to support relevant legal processes and allegations of irregularities that are detrimental to the entity's finances.

Based on the results of in-depth interviews, the use of information technology in investigative audits can help reduce risks through the implementation of internal controls. In addition, the use of information technology in investigative audits can increase the effectiveness and efficiency of auditor activities. From the results of these in-depth interviews, it can be concluded that information technology plays an important role in investigative audits in government. The use of information technology can help auditors carry out their duties more effectively and can help minimize risks by implementing internal controls.

APIP plays an important role in maintaining government accountability and transparency. By engaging the public, using technology, and maintaining internal integration, these organizations can lead the way in ensuring a clean, efficient, and accountable government. All stakeholders must work together to support APIP's strategic role in achieving better governance and a more advanced society.

In research by Suryani et al., (2021), forensic audits have a significant effect on fraud detection. In addition, forensic audits can also help apply forensic audit accounting principles, skills, and procedures to resolve specific legal issues. Therefore, forensic audits can help prevent fraud in government environments by providing legal opinions in court and applying investigative techniques to detect fraud.

The role of technology and information in auditing

Technology and information play an important role in audit activities in the government environment. The development of computer systems in the office world has created audit support techniques that make the auditor's work easier. Technology and information can help increase the efficiency and effectiveness of audits in government environments, as well as prevent fraud by detecting fraud in government.

Based on the results of in-depth interviews with the Bengkulu Provincial Inspectorate, the forensic investigation process to detect fraud in government still uses simple information technology such as computers and information and communication technology. This technology uses or exploits electronic computers and other computer software to enable the secure modification, processing, storage, protection, transmission, and collection of information.

The role of computerized information technology is very important in audit activities because it can help auditors more easily create audit working papers and collect information related to their audit needs, carry out regular supervision, prepare reports related to audit activities, create favorable conditions for archiving audit records, and allow auditors to carry out audit data analysis activities more easily. From the results of this audit, we can find out whether the institution is committing fraud or not. The reasons why the Bengkulu Provincial Inspectorate does not use sophisticated information technology are as follows:

- a. Fraud that occurs can still be overcome using conventional tools during investigation.
- b. The urgency of using advanced information technology is still low.
- c. There is a form of cooperation in the process of implementing information technology to facilitate the fraud detection process.
- d. There is no budget for complex information technology. Human resource skills in applying information technology are still low.

However, the Bengkulu Provincial Inspectorate may improve the quality of services and audit work it carries out by utilizing information technology to minimize cases of fraud. Based on the results of the interview, it can be ascertained that the future direction of the Bengkulu Provincial Inspectorate will be to prepare digital information technology, especially digital forensic models. This digital forensic approach will provide an alternative process for tracking evidence that is difficult to find, such as searching for audit evidence in the form of deleted or changed transaction data files. Information technology has become a major driver of government activities, making a major contribution to fundamental changes in organizational structure, operations, and management. Therefore, information technology plays a very important role in determining the competitiveness of a unit and its ability to increase operational efficiency in the future.

CONCLUSIONS

The research results show that information technology plays an important role in the practice of forensic analysis to detect fraud in government environments. Information technology can help detect fraudulent activities and make it easier for auditors to analyze audit data. Apart from that, information technology can also help internal controls reduce the risk of fraud in the organization. However, forensic auditors must have an understanding of the legal system and be aware of the various legal situations, documents, and evidence required. Therefore, the use of information technology in forensic investigation practices must be carried out carefully and pay attention to applicable legal aspects.

The hope is that in the future, the Bengkulu Provincial Inspectorate can apply digital-based information technology. One information technology that can be used is computer-assisted audit techniques (TABK) or computer-assisted audit techniques (CATTs). TABK is the use of computers in audit activities that assist auditors in achieving audit objectives, which refer to audit procedures that specialize in testing data and software. The limitations of this research are the scope and time of the research. Therefore, broader and more in-depth research is needed to obtain results that are more accurate and can be generalized to government environments in other regions.

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