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PREVENTING *FRAUD* WITH FORENSIC AUDITS, COMPETENT AUDITORS AND *WHISTLEBLOWING SYSTEMS*: THE ROLE OF AN ORGANIZATION'S ETHICAL CULTURE

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Abstract

Fraud prevention is a crucial effort in strengthening accountability and integrity within public sector organizations. This study aims to examine the effect of forensic audit, auditor competence, and whistleblowing system on fraud prevention through organizational ethical culture as a mediating variable at the East Kalimantan Provincial Inspectorate. This research employed a quantitative approach with a causal research design. The population consisted of 81 auditors working at the East Kalimantan Provincial Inspectorate. Using a purposive sampling technique, 81 questionnaires were distributed, 78 were returned, and 63 valid responses were analyzed, resulting in a response rate of 77.8%. Data were collected through questionnaires and analyzed using Structural Equation Modeling-Partial Least Squares (SEM-PLS). The results indicate that forensic audit, auditor competence, and whistleblowing system have a positive and significant effect on organizational ethical culture. Furthermore, forensic audit, auditor competence, and organizational ethical culture have a positive and significant effect on fraud prevention, whereas the whistleblowing system does not have a significant direct effect on fraud prevention. Organizational ethical culture was found to mediate the relationship between forensic audit, auditor competence, and whistleblowing system and fraud prevention. These findings suggest that strengthening forensic audit practices, enhancing auditor competence, and fostering an ethical organizational culture are essential strategies for improving fraud prevention within public sector organizations.

Keywords: *forensic audit, auditor competence, fraud, ethical culture*

Abstrak

Pencegahan kecurangan merupakan upaya penting dalam memperkuat akuntabilitas dan integritas dalam organisasi sektor publik. Studi ini bertujuan untuk meneliti pengaruh audit forensik, kompetensi auditor, dan sistem pelapor pelanggaran terhadap pencegahan kecurangan melalui budaya etika organisasi sebagai variabel mediasi di Inspektorat Provinsi Kalimantan Timur. Penelitian ini menggunakan pendekatan kuantitatif dengan desain penelitian kausal. Populasi terdiri dari 81 auditor yang bekerja di Inspektorat Provinsi Kalimantan Timur. Dengan menggunakan teknik purposive sampling, 81 kuesioner didistribusikan, 78 dikembalikan, dan 63 tanggapan valid dianalisis, menghasilkan tingkat respons sebesar 77,8%. Data dikumpulkan melalui kuesioner dan dianalisis menggunakan Structural Equation Modeling-Partial Least Squares (SEM-PLS). Hasil penelitian menunjukkan bahwa audit forensik, kompetensi auditor, dan sistem pelapor pelanggaran memiliki pengaruh positif dan signifikan terhadap budaya etika organisasi. Lebih lanjut, audit forensik, kompetensi auditor, dan budaya etika organisasi memiliki pengaruh positif dan signifikan terhadap pencegahan kecurangan, sedangkan sistem pelapor pelanggaran tidak memiliki pengaruh langsung yang signifikan terhadap pencegahan kecurangan. Budaya etika organisasi ditemukan memediasi hubungan antara audit forensik, kompetensi auditor, dan sistem pelaporan pelanggaran dengan pencegahan kecurangan. Temuan ini menunjukkan bahwa penguatan praktik audit forensik, peningkatan kompetensi auditor, dan pemb fostering budaya organisasi yang beretika merupakan strategi penting untuk meningkatkan pencegahan kecurangan dalam organisasi sektor publik.

Keywords: Audit Forensik, Kompetensi Auditor, Kecurangan, Budaya Etika

INTRODUCTION

The transformation of clean and accountable local governance is now facing increasingly complex challenges, especially in strategic areas that are experiencing accelerated development. This phenomenon is clearly seen in East Kalimantan Province, which currently plays a crucial role as the main buffer area of the Nusantara Capital City (IKN). The surge in budget allocation and massive infrastructure projects in the region have linearly increased the risk of vulnerability to corruption and fraud in the public sector. Although the government has integrated various monitoring instruments, the effectiveness of fraud prevention systems in local government agencies is often still hit by various bureaucratic loopholes and weaknesses in internal control. In the architecture of regional supervision, the Provincial Inspectorate has a vital position as a *third line of defense* fortress that is fully responsible for overseeing corporate and bureaucratic accountability and carrying out early mitigation of all forms of financial and administrative irregularities. Therefore, testing the effectiveness of supervisory instruments within the Inspectorate is very important to ensure the sustainability of regional development with integrity.

The central issue in *fraud prevention* in the public sector generally relies on the capacity of the audit apparatus and the firmness of the reporting system implemented. Forensic audits are present as an investigative methodology that is no longer just detecting, but preventively mapping fraud risk patterns through rigid evidence. However, the implementation of forensic audits will not run optimally without being supported by the quality of human resources, namely auditor competence, which includes technical expertise, professional skepticism, and a deep understanding of state financial governance regulations. In addition to these repressive and technical approaches, the existence of *a whistleblowing system* (WBS) is a crucial early detection instrument to facilitate the reporting of violations safely and confidentially. The combination of forensic audits, auditor competence, and WBS is seen as the main pillar in building a strong defense fortress to narrow the space for fraudsters.

Several previous studies (*state of the art*) have tested many fraud prevention determinants. The majority of the literature agrees that the implementation of accurate forensic audits and the improvement of auditors' technical competence directly contribute to a decrease in the rate of fraud in the public sector. Likewise, the use of *the whistleblowing system* is considered effective as a secret communication channel in dismantling administrative irregularities. However, there is a real *research gap* in these literatures. Previous studies have reported inconsistent findings regarding the determinants of fraud prevention. Several studies found that forensic audit significantly improves fraud prevention (Rahmawati & Kuntadi, 2022; Arifin et al., 2023), while others reported no significant effect (Sari & Mulyani, 2021). Similarly, auditor competence has been found to positively influence fraud prevention (Pratiwi & Kuntadi, 2022), but other studies suggest that competence alone is insufficient without organizational support and ethical standards (Putra & Yuliana, 2021).

Mixed results are also found in whistleblowing system research. Some studies showed that whistleblowing systems significantly support fraud prevention (Bastian et al., 2025; Nugroho et al., 2023), whereas others found no significant impact due to employees' reluctance to report violations (Maulidi et al., 2024). These inconsistent findings indicate a research gap in understanding the relationship between forensic audit, auditor competence, whistleblowing systems, and fraud prevention. In addition, limited studies have examined the mediating role of organizational ethical culture. Therefore, this study investigates organizational ethical culture as a mediating variable in the relationship between forensic audit, auditor competence, whistleblowing systems, and fraud prevention at the East Kalimantan Provincial Inspectorate.

Based on the inconsistent findings reported in previous studies and the limited empirical evidence regarding the mediating role of organizational ethical culture, this study aims to examine the influence of forensic audit, auditor competence, and whistleblowing systems on fraud prevention through organizational ethical culture at the East Kalimantan Provincial Inspectorate. This study is expected to contribute to the literature by providing a more comprehensive understanding of the mechanisms through which fraud prevention can be enhanced within public sector organizations.

The novelty of this research lies in the integration of organizational ethical culture as a mediation variable that links forensic audits, auditor competence, and *whistleblowing systems* to *fraud* prevention. Based on *the Theory of Planned Behavior* (TPB), this study argues that individual compliance not to commit fraud is not just a determination of the existence of legal sanctions or strict supervision (control factors), but is shaped by subjective norms and normative attitudes that live in the work ecosystem. The ethical culture of the organization is positioned as a bridge that strengthens the influence of structural technical instruments into a collective consciousness. This study aims to analyze and empirically test the direct influence of forensic audits, auditor competence, and *whistleblowing system* on *fraud prevention*, as well as test their indirect influence through the mediation of organizational ethical culture at the East Kalimantan Provincial Inspectorate.

The theoretical contribution of this research is to expand the treasures of public sector accounting and auditing literature, especially in enriching the application *of the Theory of Planned Behavior* to explain the phenomenon of bureaucratic fraud through an approach to strengthening the ethical climate. Practically, this research provides strategic contributions and recommendations for the East Kalimantan Provincial Inspectorate and the Financial and Development Supervisory Agency (BPKP) in formulating internal supervision policies. The results of this study are expected to convince policymakers that the effectiveness *of fraud* prevention cannot be achieved simply by updating surveillance software or adding technical certifications, but must be accompanied by a restructuring of the organization's culture and solid ethical commitment within the country's civil apparatus.

THEORY OVERVIEW

Theory of Planned Behavior **(TPB)**

The Theory of Planned Behavior (TPB) is a theory developed by Icek Ajzen in 1991 which explains that individual behavior is influenced by intentions (*behavioral* intentions) formed from three main factors, namely *attitude toward behavior*, *subjective norms*), and perceived behavioral control. In this study, TPB was used to explain fraud prevention behavior in auditors within the East Kalimantan Provincial Inspectorate. Forensic audits represent attitudes towards behavior because they form a positive view of auditors regarding the importance of fraud prevention, auditor competence represents perceived behavioral control because auditors who have high abilities and knowledge will be more confident in preventing fraud, while the whistleblowing system represents subjective norms because the system creates a social and moral incentive for individuals to report violations. In addition, the organization's ethical culture acts as a mediating variable that strengthens the relationship between forensic audits, auditor competence, and the whistleblowing system to fraud prevention, because an ethical organizational culture is able to create a work environment that upholds integrity, honesty, and responsibility in the organization

Audit Forensics

Forensic audit is an investigative audit method that is carried out to uncover and prove the existence of indications of fraud that can be used as evidence in legal proceedings. Forensic audits do not only focus on examining financial statements in general, but rather focus on finding evidence, tracing transactions, and identifying fraudulent modes committed by individuals and organizations. Forensic audits are carried out proactively to prevent fraud and reactively when indications of irregularities are found. In the context of public sector organizations, forensic audits play an important role in increasing transparency, accountability, and effectiveness of internal supervision so that it can support fraud prevention efforts optimally.

Auditor Competencies

Auditor competence is the ability that an auditor possesses which includes knowledge, skills, experience, and a professional attitude in carrying out audit tasks effectively. Competent auditors are able to understand audit standards, accounting principles, investigative techniques, and have good analytical and communication skills. The competence of auditors is an important factor in determining the quality of audit results because auditors who have high competence will be better able to detect, prevent, and uncover fraud. In addition, auditor competence is also related to the level of professionalism and independence of auditors in carrying out supervisory duties.

Whistleblowing System

Whistleblowing system is a whistleblowing system provided by an organization to allow individuals to report fraudulent acts, violations of the law, or unethical behavior that occur within the organization. This system aims to detect fraud early and create a transparent and accountable organizational environment. The whistleblowing system provides protection to whistleblowers through the guarantee of identity confidentiality and protection from retaliation. The existence of an effective reporting system can increase the courage of employees to report fraudulent acts so as to support fraud prevention efforts in the organization.

Ethical culture of the organization

An organization's ethical culture is a set of values, norms, and beliefs that are shared by members of the organization that serve as a guideline for ethical behavior. The ethical culture of the organization reflects the organization's commitment to integrity, honesty, and responsibility in carrying out the organization's activities. Organizations that have a strong ethical culture tend to be able to create a work environment that is transparent, disciplined, and with integrity so that it can reduce the chance of fraud. An organization's ethical culture can also strengthen the implementation of forensic audits, auditor competence, and whistleblowing systems in support of fraud prevention.

Fraud Prevention

Fraud prevention is a series of efforts made by organizations to reduce the chances of fraud through the implementation of internal control systems, supervision, organizational policies, and improving work ethics. Fraud prevention aims to protect organizational assets, improve the reliability of financial statements, and ensure compliance with applicable regulations. Fraud prevention is an important part of organizational governance because fraud that is not prevented can cause financial losses and reduce public trust in the organization.

Conceptual Framework

The conceptual framework in this study is as follows:

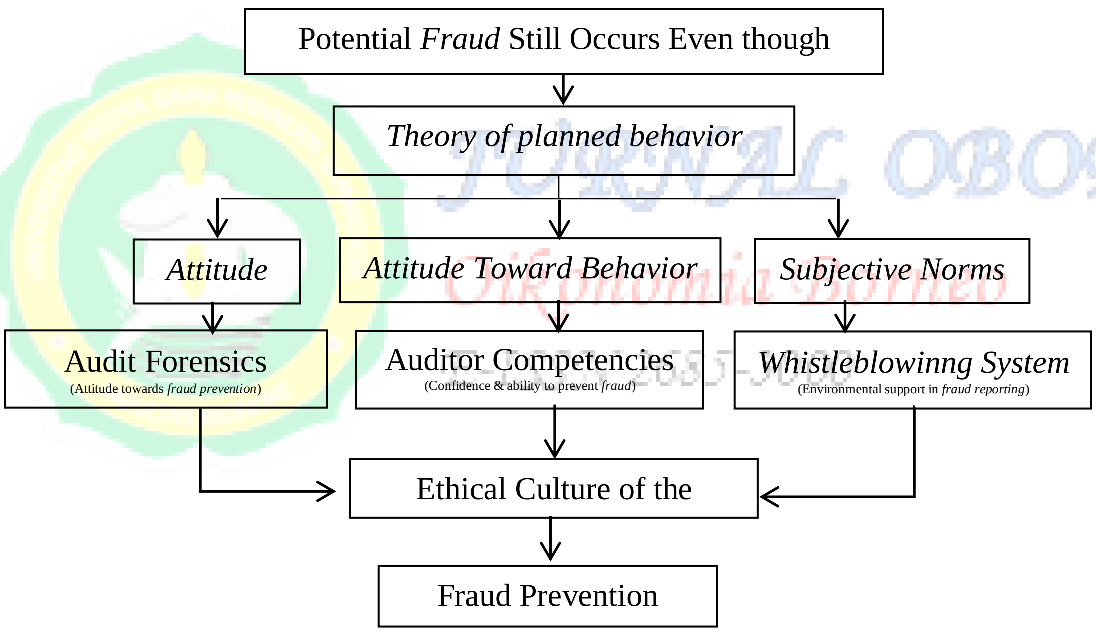

Figure 1 Conceptual Framework

Research Model

The research model in this study is described as follows:

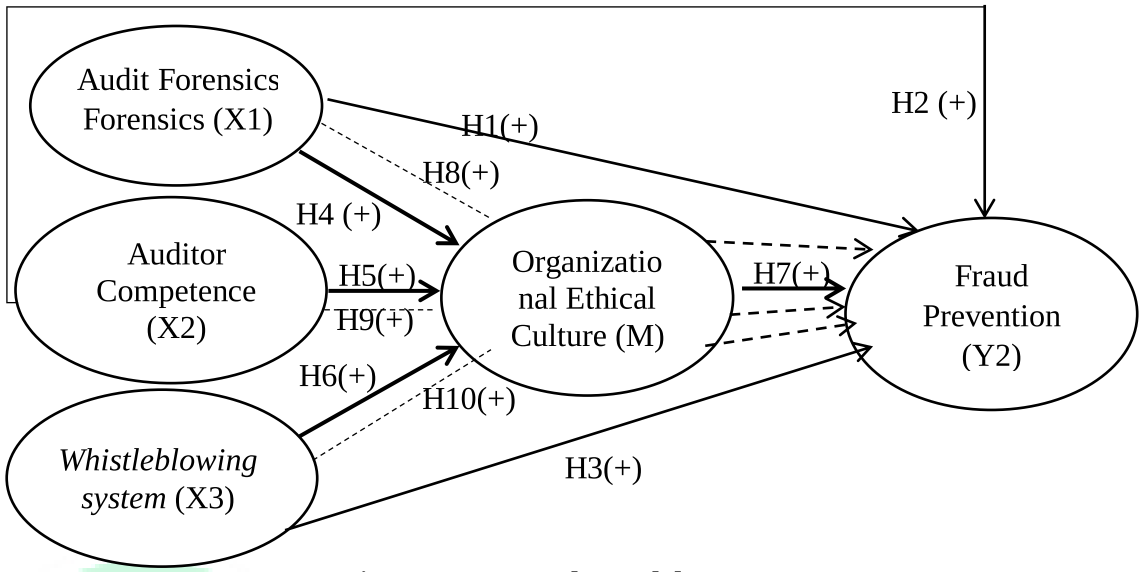

Figure 2 Research Model

Hipotesis:

H1: Forensic audits have a positive and significant effect on prevention *fraud*

H2: The auditor's competence has a positive and significant effect on prevention *fraud*

H3: *Whistleblowing system* positive and significant to prevention *Fraud*

H4: Forensic audits have a positive and significant impact on the ethical culture of the organization

H5: The auditor's competence has a positive and significant effect on the ethical culture of the organization

H6: *Whistleblowing system* has a positive and significant effect on the ethical culture of the organization

H7: An organization's ethical culture has a positive and significant effect on prevention *Fraud*

H8: Forensic audits have a positive and significant effect on prevention *Fraud* through the ethical culture of the organization

H9: The auditor's competence has a positive and significant effect on prevention *Fraud* through the ethical culture of the organization

H10: *Whistleblowing system* have a positive and significant effect on prevention *Fraud* through Ethical Culture of the Organization

RESEARCH METHODS

This study employed a quantitative research approach with an explanatory design to examine the influence of forensic audit, auditor competence, and whistleblowing system on fraud prevention through organizational ethical culture as a mediating variable. The research was conducted at the East Kalimantan Provincial Inspectorate.

The population of this study consisted of 81 auditors and employees involved in supervisory activities at the East Kalimantan Provincial Inspectorate. The sampling technique used was purposive sampling, in which respondents were selected based on predetermined criteria, including involvement in audit or supervisory activities and understanding of forensic audit and whistleblowing system practices.

Data were collected using a structured questionnaire distributed to respondents. A total of 81 questionnaires were distributed, and 78 questionnaires were returned. However, 15 questionnaires were excluded because they did not meet the research criteria. Consequently, 63 valid questionnaires were used in the final analysis, resulting in a response rate of 77.8%.

The measurement of research variables used a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5). Data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS software. The analysis included evaluation of the measurement model (outer model) through validity and reliability testing, as well as evaluation of the structural model (inner model) to test the proposed hypotheses and mediation effects.

RESULTS OF RESEARCH AND DISCUSSION

Testing Measurement Model (Outer Model)

AVE Test Results

Table 1
AVE Test Results

Variabel	*Average Variance Extracted* (AVE)
Audit Forensics (X1)	0,870
Auditor Competence (X2)	0,922
***Whistleblowing system* (X3)**	0,872
Ethical Culture of the Organization (Z)	0,937
Fraud Prevention (Y)	0,890

Source: primary data processed smartpls, 2026

Based on table 1, the convergent validity analysis using *the Average variance Extracterd* (AVE) method shows that all latent variables meet the validity standard.aian the AVE value for each variable exceeds the critical value of 0.50 which reflects the strong ability of each construct to explain the variance of its measurement indicators

Composite Reliability & Cronbach Alpha Test Results

Table 2
Composite Reliability & Cronbach Alpha Test Results

No	Variable Leave	*Composite Reliability*	*Cronbach Alpha*	Ket
1	Audit Forensics (X1)	0,984	0,981	Reliabel
2	Auditor Competence (X2)	0,984	0,982	Reliabel
3	*Whistleblowing system* (X3)	0,986	0,985	Reliabel
4	Ethical Culture of the Organization (Z)	0,991	0,989	Reliabel
5	Fraud Prevention (Y)	0,993	0,992	Reliabel

Source: primary data processed smartpls, 2026

Based on Table 2, the results of the reliability test show that all research variables have an excellent level of internal consistency. The composite reliability value is in the range of 0.984–0.993 and Cronbach's Alpha is 0.981–0.992, so that all variables are declared reliable because they exceed the minimum limit of 0.60. In addition, the AVE value of all variables has also qualified above 0.50, which shows that the construct is able to explain the variance of the indicator well so that the research instrument is declared reliable to measure the research variable.

Internal Model Testing

Hasil Path Coefficient (β)

Table 3
Path Coefficient *Test Results*

	(X1)	(Z)	(X2)	(Y)	(X3)
Audit Forensics (X1)		0.296		0.249	
Ethical Culture of the Organization (Z)				0.459	
Auditor Competence (X2)		0.306		0.229	
Fraud Prevention (Y)					
***Whistleblowing system* (X3)**		0.411		0.075	

Source: primary data processed smartpls, 2026

Based on the results of the path coefficient test in Table 3, all variables showed a positive relationship. Forensic Audit (X1), Auditor Competency (X2), and Whistleblowing system (X3) have a positive effect on Organizational Ethical Culture (Z) and Fraud Prevention (Y). Organizational Ethical Culture (Z) has the greatest influence on Fraud Prevention (Y) with a coefficient value of 0.459, thus showing the important role of ethical culture in improving fraud prevention. Meanwhile, the Whistleblowing system (X3) has the greatest influence on the Ethical Culture of the Organization (Z) with a coefficient value of 0.411.

Determination Coefficient Test Results (R2)

Table 4
Determination Coefficient Test Results (R2)

	R-Square	Adjusted R-Square
Ethical Culture of the Organization (Z)	0,957	0.955
Fraud Prevention (Y)	0,967	0,964

Source: primary data processed smartpls, 2026

Based on Table 4, the results of the determination coefficient (R^2) test showed that the Organizational Ethical Culture (Z) could be explained by Forensic Audit, Auditor Competence, and Whistleblowing system by 95.7%, while the remaining 4.3% was influenced by other factors outside the research. Meanwhile, Fraud Prevention (Y) can be explained by all research variables of 96.7%, and the remaining 3.3% are influenced by other factors outside the research model. A high R-Square value indicates that the research model has an excellent ability to explain the relationships between variables.

Effect *Size* Test Results (*f2*)

Table 5
Effect *Size* Test Results (*f2*)

	(X1)	(Z)	(X2)	(Y)	(X3)
Audit Forensics (X1)		0.321		0.222	
Ethical Culture of the Organization (Z)				0.272	
Auditor Competence (X2)		0.324		0.176	
Fraud Prevention (Y)					
***Whistleblowing system* (X3)**		0.302		0.010	

Source: primary data processed smartpls, 2026

Based on Table 5, the results of the effect size (f^2) test show that Forensic Audit (X1), Auditor Competency (X2), and Whistleblowing system (X3) have a moderate category influence on the Organization's Ethical Culture (Z). In addition, the Ethical Culture of the Organization (Z) also has a moderate influence on Fraud Prevention (Y). However, the Whistleblowing system

(X3) has only a very small effect on Fraud Prevention (Y). Overall, most variables had an influence contribution to the moderate category in the research model.

Goodness of Fit **(*GoF*)**

Table 6
Goodness of Fit *Test Results* (Model Fit)

	Model Jenuh (Saturated)	Model Estimates
SRMR	0,026	0,026
d_ULS	0,706	0,706
d_G	9,895	9,895
Chi-square	1853,499	1853,499
NFI	0,747	0,747

Source: primary data processed smartpls, 2026

Based on Table 6, the results of the Goodness of Fit (GoF) test showed that the SRMR value of 0.026 was below the limit of 0.08, so the research model was declared to have a good fit. The NFI value of 0.747 also shows that the model is quite good at explaining the relationship between variables. In addition, the d_ULS, d_G, and Chi-square values indicate that the research model is feasible to use in hypothesis testing.

Hypothesis Testing

Results of the Hypothesis Test Direct Test

Table 7
Results of the Hypothesis Test Direct Test

No	Hipotesis	t Statistics	P Value	Criteria
1	Forensic audit of *fraud prevention*	3,127	0,002	Signifikan
2	Auditor's competence in *fraud prevention*	2,734	0,006	Signifikan
3	*Whistleblowing system* for *fraud prevention*	0,702	0,483	Insignificant
4	Forensic audit of the organization's ethical culture	3,592	0,000	Signifikan
5	Auditor's competence towards the ethical culture of the organization	4,125	0,000	Signifikan
6	*Whistleblowing system* on the ethical culture of the organization	3,519	0,000	Signifikan
7	Organizational culture towards *fraud prevention*	3,186	0,001	Signifikan

Source: primary data processed smartpls, 2026

Based on Table 7, the test results show that Forensic Audit (X1) and Auditor Competency (X2) have a significant positive effect on Fraud Prevention (Y), so H1 and H2 are accepted. Meanwhile, the Whistleblowing system (X3) had no significant effect on the Fraud

Prevention (Y), so H3 was rejected. In addition, Forensic Audit (X1), Auditor Competency (X2), and Whistleblowing system (X3) have a significant positive effect on the Organization's Ethical Culture (Z), so that H4, H5, and H6 are accepted. Organizational Ethical Culture (Z) also had a significant positive effect on Fraud Prevention (Y), so H7 was accepted.

Mediation Influence Test

Table 8
Indirect Hypothesis Test Results

No	Mediation Pathway	t Statistics	P Value	Criteria
1	Forensic audit mediated by an organization's ethical culture towards *fraud prevention*	2,099	0,036	Signifikan
2	Auditor competence mediated by the organization's ethical culture towards *fraud prevention*	2,702	0,007	Signifikan
3	*Whistleblowing system* mediated by the organization's ethical culture towards *fraud prevention*	2,456	0,014	Signifikan

Source: primary data processed smartpls, 2026

Based on Table 4.18, the results of the indirect influence test show that the Organization's Ethical Culture is able to mediate the influence of Forensic Audit, Auditor Competency, and Whistleblowing system on Fraud Prevention. All mediation pathways had a t-statistical value of > 1.96 and a p-value of < 0.05, so that H8, H9, and H10 were declared accepted. These findings suggest that Organizational Ethical Culture plays an important role in strengthening the influence of independent variables on Fraud Prevention.

Discussion

The Influence of Forensic Audits on Fraud Prevention

The results of the study show that Forensic Audit has a positive and significant effect on Fraud Prevention, so that the better the implementation of forensic audits, the higher the fraud prevention efforts at the Regional Inspectorate of East Kalimantan Province. Forensic audits are able to narrow the chances of fraud through evidence tracing and an in-depth investigation process, so that individuals feel that fraudulent acts are easier to detect and have a high risk. From the perspective of TPB, this condition forms a negative attitude towards fraud and strengthens organizational supervision. The results of this study are in line with the research of Bastian et al. (2024) and Tambunan (2024) which stated that forensic audits have a positive effect on fraud prevention.

The Influence of Auditor Competence on Fraud Prevention

The results of the study show that Auditor Competence has a positive and significant effect on Fraud Prevention, which means that the higher the auditor's competence, the more effective the fraud prevention carried out. The auditor's competencies in the form of knowledge, technical skills, investigative experience, and professional attitude help the auditor detect indications of fraud and evaluate the weaknesses of internal control more optimally. In the perspective of the SDGs, competent auditors create the perception that fraud has a high risk of detection so that individuals tend to avoid deviant behavior. These findings are in line with the research of Rahmat et al. (2023) and Anggrastuti & Mayangsari (2022) which states that auditor competence has a positive effect on fraud prevention.

The Influence of the Whistleblowing System on Fraud Prevention

The results of the study show that the Whistleblowing System does not have a significant effect on Fraud Prevention, so the existence of a reporting system in the Regional Inspectorate of East Kalimantan Province has not been able to have a direct impact on fraud prevention efforts. Although reporting channels are well available, implementation still faces obstacles such as lack of whistleblower protection and low employee confidence in report follow-up. From the perspective of TPB, this condition causes subjective norms and perceived behavioral control to not be formed optimally so that the intention of individuals to report fraud is still low. The results of this study are different from the research of Widyawati (2019) and Rahmat et al. (2023) which stated that the whistleblowing system has a significant effect on fraud prevention.

The Influence of Forensic Audits on Organizational Ethical Culture

The results of the study show that Forensic Audit has a positive and significant effect on the Ethical Culture of the Organization, so that the better the implementation of forensic audit, the stronger the ethical culture formed in the organization. Transparent and objective investigation procedures are able to shape employee awareness to uphold integrity and compliance with rules. From a CSR perspective, forensic audits shape organizational norms and increase oversight of unethical behavior, encouraging the formation of a more ethical work culture. These findings are in line with the research of Tambunan (2024) and Bastian et al. (2024) which stated that forensic audits play a role in building an organization's ethical culture.

The Influence of Auditor Competence on the Ethical Culture of the Organization

The results of the study show that Auditor Competence has a positive and significant effect on the Ethical Culture of the Organization, so that the higher the auditor's competence, the stronger the organizational ethical culture that is formed. Auditors who have high experience and professionalism are able to be role models in applying the values of ethics, integrity, and transparency in the work environment. In the perspective of SDGs, auditor competence strengthens subjective norms and perceived behavioral control so that individuals are encouraged to behave according to organizational values. These findings are in line with the research of Elisabeth et al. (2023) and Widyatama & Kusumah (2022) which states that competence has a positive effect on the ethical culture of organizations.

The Influence of the Whistleblowing System on the Ethical Culture of the Organization

The results of the study show that the Whistleblowing System has a positive and significant effect on the Ethical Culture of the Organization, so that the better the implementation of the reporting system, the stronger the ethical culture of the organization that is formed. The existence of a secure and easily accessible reporting channel is able to foster a sense of moral responsibility, transparency, and anti-fraud commitment in the work environment. In the perspective of the SDGs, the whistleblowing system establishes subjective norms that support honest behavior and provide opportunities for individuals to report violations. The results of this study are in line with the research of Widyawati (2019) and Pramudyastuti (2021) who stated that the whistleblowing system contributes to the formation of an ethical organizational culture.

The Influence of Organizational Ethical Culture on Fraud Prevention

The results of the study show that the Ethical Culture of the Organization has a positive and significant effect on Fraud Prevention, so the stronger the ethical culture in the organization, the higher the effectiveness of fraud prevention. A work environment that upholds integrity, transparency, and anti-fraud commitment is able to shape individual awareness to reject fraudulent behavior. From the perspective of the SDGs, the ethical culture of the organization forms a negative attitude towards fraud as well as social norms that support honest and rule-abiding behavior. These findings are in line with the research of Aprilliyanti (2018), Elisabeth et al. (2023), and Bastian et al. (2024) which states that organizational ethical culture has a positive effect on fraud prevention.

The Influence of Organizational Ethical Culture Mediates the Influence of Forensic Audits on Fraud Prevention

The results of the study show that the Ethical Culture of the Organization is able to mediate the influence of Forensic Audit on Fraud Prevention. Professionally conducted forensic audits not only have a direct impact on supervision, but also form a work culture that upholds ethical and anti-fraud values. From the perspective of TPB, forensic audits form subjective norms and perceived behavioral control which are then strengthened through the ethical culture of the organization so as to encourage anti-fraud behavior. These findings are in line with the research of Tambunan (2024) and Bastian et al. (2024) which stated that organizational ethical culture is able to strengthen the influence of forensic audits on fraud prevention.

The Influence of Organizational Ethical Culture Mediates the Influence of Auditor Competence on Fraud Prevention

The results of the study show that the Ethical Culture of the Organization is able to mediate the influence of Auditor Competence on Fraud Prevention. High auditor competence will be more effective in preventing fraud if supported by an organizational culture that upholds integrity and transparency. Professional auditors are able to build ethical awareness and increase employee compliance with organizational rules. In the perspective of the SDGs, the auditor's competence shapes the supervision and norms of the organization which are then strengthened by the ethical culture of the organization. This finding is in line with the research of Elisabeth et al. (2023) which states that

The Influence of Organizational Ethical Culture Mediates the Influence of the Whistleblowing System on Fraud Prevention

The results of the study show that the Ethical Culture of the Organization is able to mediate the influence of the Whistleblowing System on Fraud Prevention. These findings show that the whistleblowing system cannot directly prevent fraud, but will be effective if it is able to form an ethical organizational culture first. The existence of a safe and credible reporting channel is able to increase transparency and anti-fraud awareness in the work environment. In the perspective of TPB, the whistleblowing system forms subjective norms and perceived behavioral control that is strengthened through the ethical culture of the organization so as to encourage anti-fraud behavior. The results of this study are in line with the research of Rahmat et al. (2023), Widyawati (2019), and Bastian et al. (2024) which stated that the effectiveness of the whistleblowing system is influenced by ethical organizational culture.

CONCLUSION

Based on the results of the research, it can be concluded that forensic audits and auditor competence have a significant positive effect on fraud prevention, while the whistleblowing system does not have a significant effect directly on fraud prevention. In addition, forensic audits, auditor competence, and whistleblowing systems have proven to have a significant positive effect on the ethical culture of organizations. The ethical culture of the organization also has a significant positive effect on fraud prevention. The results of the study further showed that the ethical culture of the organization was able to mediate the influence of forensic audits, auditor competence, and whistleblowing systems on fraud prevention. Thus, the ethical culture of the organization is an important factor in strengthening the effectiveness of fraud prevention in the organizational environment.

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