

ABSTRACT

There have been several cases of financial statement fraud that occurred in companies and involved employees in tertiary institutions. Of course, the question is about the tendency of employee fraud in private tertiary institutions to minimize similar incidents in the future. The purpose of this study is to obtain empirical evidence about employee fraud tendencies which are influenced by several internal auditor factors, namely compensation satisfaction, information asymmetry, work commitment, and position. In addition, this study also aims to determine the moderating role of the oversight factor, namely the internal auditor. The population of this study were employees who worked at Palembang Private Higher Education. Determination of the sample using purposive sampling and obtained 216 respondents from 9 PTS. Primary data collected through the distribution of google forms were then tested using Moderated Regression Analysis (MRA). The results of this study conclude that compensation satisfaction, information asymmetry, and position have a significant effect on employee fraud tendencies. The role of perceived internal auditor effectiveness is proven to moderate the effect of work commitment, information asymmetry and position on employee fraud tendencies, but internal auditors' perceived effectiveness is not able to moderate the effect of compensation satisfaction on employee fraud tendencies.

Keywords: Compensation Satisfaction, Information Asymmetry, Work Commitment, Position, Perceptions of the Effectiveness of Internal Auditors, Employee Fraud Tendency