

ABSTRACT

This study analyzes the factors influencing asset misuse with internal control as a moderating variable. This research adopts a quantitative approach utilizing primary data as a questionnaire. The population of this study is employees of the Regional Secretariat of NTT Province. The method used to select the sample was a census with a sample of 231 employees. Data analysis uses path analysis with Smart PLS 3.2.9 with a bootstrapping approach and statistical testing. The findings show that pressure and rationalization significantly positively affect asset misuse. Meanwhile, opportunity and arrogance do not affect asset misuse. The results of the moderating variable analysis show that internal control moderates the relationship between pressure and rationalization of asset misuse. In addition, internal control does not have a moderating effect that weakens the ties of opportunity and arrogance to asset misuse.

Keywords: *Pressure, Rationalization, Opportunity, Arrogance, Internal Control, Asset Misuse.*