

The Effect of Human Resource Competence and Internal Control System on Fraud Prevention with Information Technology as a Moderating Variable at Bahteramas Regional General Hospital, Kendari City

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Abstract

This study aims to analyze the effect of human resource (HR) competence, the internal control system, and information technology on fraud prevention, and to analyze the role of information technology in moderating the effect of HR competence and the internal control system on fraud prevention at Bahteramas Regional General Hospital (RSUD Bahteramas), Kendari City. The study uses a quantitative approach with a sample of 296 respondents drawn from the hospital's staff. Stewardship Theory is used as the theoretical basis. Data were analyzed using Partial Least Squares (PLS) to test the measurement model and the structural model. The results show that (1) HR competence has a positive and significant effect on fraud prevention; (2) the internal control system has a positive and significant effect on fraud prevention; (3) information technology has a positive and significant effect on fraud prevention; (4) information technology positively and significantly moderates the effect of HR competence on fraud prevention; and (5) information technology does not moderate the effect of the internal control system on fraud prevention. The R-square value of 0.852 indicates that about 85.2% of the variation in fraud prevention is explained by the variables in the research model.

Keywords

HR Competence; Internal Control System; Information Technology; Fraud Prevention.

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1. INTRODUCTION

Fraud in the public service sector causes substantial losses; according to a 2018 report to the Association of Certified Fraud Examiners (ACFE), healthcare fraud accounts for about 5% of total healthcare spending (Wicaksono & Khasanah, 2024). The ACFE similarly estimates that organizations lose about 5% of their annual revenue to occupational fraud (Association of Certified Fraud Examiners, 2024). Hospitals are public service institutions with large operational and financial activities, which exposes them to a high risk of irregularities and fraud. Although financial statement fraud cases are fewer in number, they deserve serious attention because they can damage the integrity of, and trust in,



an entity's financial information (Ghaisani & Supatmi, 2023). Such cases can in turn erode the credibility of institutions and public confidence in the quality of public services, including hospitals (Wicaksono & Khasanah, 2024).

The government, as the principal, entrusts hospital management, as the agent, with managing resources and delivering health services for the benefit of the public. This relationship creates a need for oversight and control mechanisms so that hospital management remains aligned with organizational goals and the public interest (Jensen & Meckling, 1976). Government hospitals are expected not only to provide quality health services but also to manage resources, finance, the procurement of goods and services, and pharmaceutical supplies effectively, transparently, and accountably. However, the complexity of operations and the large volume of resources managed can create risks of fraud that may harm both the organization and the public (Bancin & Sari, 2023). By contrast, stewardship theory assumes that managers and employees act as stewards who place organizational interests above self-interest when the organizational context supports such behavior (Davis et al., 1997; Hernandez, 2012). Fraud prevention mechanisms in public-sector and government-linked organizations have therefore received sustained research attention (Omar & Bakar, 2012; Othman et al., 2015), including in small and medium enterprises (N'Guilla Sow et al., 2018).

One theory that explains fraud is the Fraud Hexagon Theory. The fraud hexagon extends the fraud triangle (Cressey, 1953), the fraud diamond (Wolfe & Hermanson, 2004), and the fraud pentagon by adding further elements, giving six elements in total. The theory was introduced by Vousinas, who added collusion as the sixth element (Vousinas, 2019). The elements of the fraud hexagon are therefore pressure, opportunity, rationalization, capability, arrogance/ego, and collusion. Vousinas argued that people with a persuasive personality can more easily influence those around them to commit fraudulent acts (Vousinas, 2019).

The hospital studied is RSUD Bahteramas, Kendari City, the referral hospital of Southeast Sulawesi Province, which holds plenary (five-star) accreditation from the Damar Husada Paripurna Hospital Accreditation Institute (LARS DHP) and serves as a Class B Teaching Hospital. RSUD Bahteramas has operated since 21 November 2012 at Jalan Kapt. Pierre Tendean No. 50, Baruga, Kendari. For oversight and control, the hospital has an Internal Audit Unit (Satuan Pengawas Intern, SPI) and a Supervisory Board that represents the Southeast Sulawesi Provincial Government.

Fraud remains a serious challenge for public organizations, including regional hospitals. At RSUD Bahteramas, Kendari, fraud-related incidents occurred in 2025 and 2026, as summarized in Table 1.

Table 1. Fraud Incidents at RSUD Bahteramas, Kendari City

Year	Incident
2025	Drug theft at RSUD Bahteramas, recorded three times during 2025. Source: DetikSultra.com
2026	Alleged corruption in the procurement of cleaning services and security services for Fiscal Year 2026 at Bahteramas General Hospital (RSU), Kendari. Source: https://penafaktual.com/

Source: Processed data, 2026

Table 1 shows that fraud still occurs at RSUD Bahteramas in several forms. In 2025, drug theft was recorded three times, while in 2026 there were allegations of corruption in the procurement of cleaning and security services. These incidents indicate that fraud risk lies not only in the management of assets and inventory but also in the procurement of goods and services. They also suggest that fraud prevention at RSUD Bahteramas still faces challenges that require serious attention from management. This study is therefore important for analyzing the factors that influence fraud prevention, so that the findings can inform more effective strategies to minimize opportunities for fraud in the hospital. Fraud prevention in hospital procurement has also been examined in other Indonesian regional hospitals (Hadi et al., 2021).

One factor suspected of influencing fraud prevention is human resource (HR) competence. Good HR competence encourages employees to carry out their duties in line with applicable standards, procedures, and codes of ethics. Employees with adequate knowledge, skills, and abilities tend to understand fraud risk better and to carry out their responsibilities professionally. Conversely, low competence can weaken oversight, cause errors in task execution, and open opportunities for irregularities that lead to fraud. Improving HR competence is therefore an important aspect of supporting effective fraud prevention at RSUD Bahteramas (Kuntadi et al., 2022; Pratama et al., 2024).

According to Masruroh et al. (2023), competence is the ability to carry out a job or task based on skills and knowledge and supported by the work attitude that the job demands. Competence is a person's ability to perform their work so that the goals of the task are achieved well. Cahyanto et al. (2025) describe competence as a person's ability to produce at a satisfactory level in the workplace, including the ability to transfer and apply skills and knowledge in new situations and to enhance agreed benefits. Hasana (2021), meanwhile, defines competence as an observable ability that covers knowledge, skills, and attitudes in completing a job or achieving a set objective.

In addition to HR competence, the internal control system is a very important factor in fraud prevention. An effective internal control system helps an organization oversee operational activities, safeguard assets, ensure the reliability of information, and ensure compliance with applicable regulations (Committee of Sponsoring Organizations of the Treadway Commission, 2013). The drug

theft and the alleged procurement corruption suggest potential weaknesses in the control mechanisms in place. With strong internal control, opportunities for fraud can be minimized through segregation of duties, clear authorization, adequate supervision, and periodic evaluation of all work processes. Internal control has accordingly been studied as a primary instrument for strengthening fraud prevention (Hadi et al., 2021; Rustandy et al., 2020).

Control is a process of regulating organizational activities so that the targeted elements of performance remain within acceptable limits. At a given point, control indicates whether the organization's actual performance in terms of finance, productivity, or other elements has deviated from the original plan. Control provides a mechanism for the organization to adjust when performance has exceeded acceptable limits (Griffin, 2004, p. 162).

Several previous studies have directly examined the effect of employee competence and the internal control system on fraud prevention, yet their results remain inconsistent, as shown in Table 2. For example, apparatus competence was found not to influence fraud prevention in one study (Chairi et al., 2022), whereas a positive and significant effect of both internal control and HR competence was reported in another (Pratama et al., 2024).

Table 2. Research Gap

Research Gap	Researchers	Research Findings
There are inconsistencies in research findings on the effect of HR competence on fraud prevention	• Kuntadi et al. (2023) • Hidayat & Afriyenti (2023)	Significant effect
	• Nur'aini & Arismutia (2024) • Widyawati (2022) • Rahmadani et al. (2023)	Not significant
There are inconsistencies in research findings on the effect of the internal control system on fraud prevention	• Rahman (2020) • Nisak & Rochayatun (2023) • Rahmadani et al. (2023)	Significant effect
	• Zhafira & Khamisah (2025) • Widyawati (2022)	Not significant

Source: Processed data, 2026

Given the inconsistency of previous findings, this study considers information technology (IT) as a moderating variable. This consideration rests on the role of IT in improving the effectiveness of oversight, data processing, and control of organizational activities in a more accurate, fast, and transparent manner. The use of IT allows the HR competence that employees possess to be applied optimally through integrated systems, so that errors and fraud can be minimized. IT can also strengthen the effectiveness of the internal control system through automation, real-time transaction monitoring, and audit trails that facilitate the detection and prevention of fraud. IT is therefore expected to

strengthen the relationship of HR competence and the internal control system with fraud prevention, which can explain the differences in earlier findings and offer an alternative way of addressing the research gap in the literature.

Theoretically, IT can strengthen the effect of HR competence on fraud prevention because employees' knowledge and skills are more effective when supported by systems that provide fast, accurate, and traceable information, enabling them to monitor and detect activities that may lead to fraud. For the internal control system, IT can strengthen control implementation through procedural automation, access restrictions, transaction monitoring, and audit trails. Accordingly, the better IT is used, the more optimally HR competence and the internal control system support fraud prevention.

Information technology is technology used to process data, including processing, obtaining, compiling, storing, and manipulating data in various ways to produce quality information that is relevant, accurate, and timely, which is used for personal, educational, business, and government purposes and serves as strategic information for decision making. The use of IT brings significant changes to hospital financial and administrative management, particularly in improving efficiency, data accuracy, and process transparency. With IT, competent staff can monitor data in real time, speed up the audit process, and broaden the scope of examinations.

Furthermore, applying IT within the internal control system strengthens oversight mechanisms through applications such as the Hospital Management Information System (SIMRS), e-procurement, and computer-based accounting systems that help detect irregularities (Lestari et al., 2025). IT thus acts as a moderating variable that strengthens the relationship of HR competence and the internal control system with fraud prevention. Without effective IT support, HR competence and the internal control system cannot operate optimally because of limited data access and delays in reporting examination results.

Accordingly, this study aims to (1) analyze the effect of HR competence on fraud prevention, (2) analyze the effect of the internal control system on fraud prevention, (3) analyze the effect of IT on fraud prevention, and (4) analyze the role of IT in moderating the effect of HR competence and of the internal control system on fraud prevention at RSUD Bahteramas, Kendari City. The results are expected to contribute to the development of more transparent, accountable, and technology-based internal oversight policies in hospitals, thereby reducing the potential for fraud in public institutions.

2. METHODS

This study is quantitative research with a verification approach that aims to test the effect of HR competence and the internal control system on fraud prevention, with information technology as a moderating variable. The study was conducted at RSUD Bahteramas, Kendari City, from June to July

2026. The population comprised 1,134 staff members, consisting of medical personnel, nursing paramedics, non-nursing paramedics, and non-medical personnel. The sample of 296 respondents was determined using the Slovin formula with a 5% margin of error and proportionate stratified random sampling, so that every professional group was represented proportionally. Table 3 shows the proportional allocation of the sample.

Table 3. Proportional Sample of Staff at RSUD Bahteramas

No.	Job Group	Population (N _i)	Calculation	Sample Size (n _i)
1	Medical Personnel	117	$(117/1,134) \times 296$	30
2	Nursing Paramedics	462	$(462/1,134) \times 296$	120
3	Non-Nursing Paramedics	278	$(278/1,134) \times 296$	72
4	Non-Medical Personnel	277	$(277/1,134) \times 296$	72
Total		1,134		296

Primary data were collected through a closed-ended questionnaire using a five-point Likert scale and were supported by secondary data in the form of documentation and interviews (Sekaran & Bougie, 2016). Data analysis began with a validity test using Pearson Product Moment correlation and a reliability test using Cronbach's alpha, followed by descriptive analysis to describe the characteristics of respondents and the research variables. The study then used Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3.0 (Ghozali & Latan, 2015; Hair et al., 2022) to evaluate the measurement model (outer model) and the structural model (inner model), including convergent validity, discriminant validity, construct reliability, and the relationships among the research variables. Moderating effects were tested by adding interaction terms to the structural model (Henseler & Fassott, 2010).

3. FINDINGS AND DISCUSSION

Findings

Outer Model Analysis

1. Convergent Validity

The data in this study were processed using SmartPLS 3.3. The calculated information was compiled in CSV (Comma Separated Values) format. The purpose of this processing was to evaluate the model and to determine the significance of the loadings of each latent variable, and thereby to assess validity and reliability.

Evaluation of the measurement model, or *outer model*, is an important stage of the analysis because it ensures the validity and reliability of the latent constructs studied. At this stage, the indicators are assessed to determine whether they accurately reflect the latent constructs. Without adequate validity and reliability, the results cannot be relied upon because the latent constructs may not be measured correctly. Outer model evaluation focuses on the relationship between latent variables and their indicators, ensuring that the data truly represent the intended concepts. The outer model, also called the measurement model, defines how each block of indicators relates to its latent variable. A validity test examines whether an instrument measures what it is supposed to measure (Hair et al., 2019).

a) HR Competence (X₁)

The indicators of HR competence are (1) knowledge, (2) understanding, (3) ability, (4) values, (5) attitude, and (6) interest. The *loading* factor of each indicator is shown in Table 4.

Table 4. HR Competence (X₁)

Indicator	Outer Loading
Knowledge	0.812
Understanding	0.796
Ability	0.840
Values	0.834
Attitude	0.853
Interest	0.862

Source: PLS data analysis, 2026

Table 4 shows that all six indicators of the HR competence variable have *outer loading* values above 0.70 and are statistically valid. The six indicators therefore adequately reflect HR competence (Hair et al., 2019).

b) Internal Control System (X₂)

The indicators of the internal control system are (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities, following the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission, 2013). The *loading* factor of each indicator is shown in Table 5.

Table 5. Internal Control System (X₂)

Indicator	Outer Loading
Control Environment	0.834
Risk Assessment	0.899
Control Activities	0.919
Information and Communication	0.890
Monitoring Activities	0.935

Source: PLS data analysis, 2026

Table 5 shows that all five indicators of the internal control system have *outer loading* values above 0.70 and are therefore valid. The five indicators adequately reflect the internal control system.

c) Fraud Prevention (Y)

The indicators of fraud prevention are (1) instilling fraud awareness, (2) participation, (3) transparency and accountability, (4) orderly reporting administration, and (5) mutual trust. The *loading* factor of each indicator is shown in Table 6.

Table 6. Fraud Prevention (Y)

Indicator	Outer Loading
Instilling fraud awareness	0.751
Participation	0.713
Transparency and accountability	0.751
Orderly reporting administration	0.794
Mutual trust	0.733

Source: PLS data analysis, 2026

Table 6 shows that all five indicators of the fraud prevention variable have *outer loading* values above 0.70 and are therefore valid. The five indicators adequately reflect fraud prevention.

d) Information Technology (Z)

The indicators of information technology are (1) use of information systems, (2) speed of data access, (3) system reliability, (4) data security, and (5) ease of use. The *loading* factor of each indicator is shown in Table 7.

Table 7. Information Technology (Z)

Indicator	Outer Loading
Use of information systems	0.865
Speed of data access	0.709
System reliability	0.823
Data security	0.729
Ease of use	0.816

Source: PLS data analysis, 2026

Table 7 shows that all five indicators of the information technology variable have *outer loading* values above 0.70 and are therefore valid. The five indicators adequately reflect information technology.

2. Discriminant Validity

Discriminant validity tests the extent to which a latent construct is truly distinct from other constructs. A high discriminant validity value indicates that a construct is unique and captures phenomena that other constructs do not.

a. Square Root of AVE

Discriminant validity can be assessed by comparing the square root of the AVE ($\sqrt{\text{AVE}}$) of each variable with the correlations among variables. If the $\sqrt{\text{AVE}}$ is greater than the inter-construct

correlations, the variable has good discriminant validity (Fornell & Larcker, 1981). Table 8 presents the *average variance extracted* (AVE) and $\sqrt{\text{AVE}}$ values.

Table 8. Square Root of AVE

Variable	Average variance extracted (AVE)	$\sqrt{\text{AVE}}$
HR Competence (X₁)	0.694	0.833
Internal Control System (X₂)	0.561	0.748
Fraud Prevention (Y)	0.803	0.896
Information Technology (Z)	0.625	0.790

Source: PLS data analysis, 2026

Table 8 shows that every latent construct has good *discriminant validity*, because the $\sqrt{\text{AVE}}$ of each construct is greater than its correlations with the other constructs. In addition, the AVE of every variable is above the 0.50 threshold (Hair et al., 2019).

b. Reliability Test

Reliability is tested to demonstrate the precision, consistency, and accuracy of an instrument in measuring a construct (Ghozali & Latan, 2015). In PLS, reliability can be tested using *composite reliability*. As a general rule, *composite reliability* should be greater than 0.70 (Hair et al., 2019). The *composite reliability* results are presented in Table 9.

Table 9. Composite Reliability Values

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Remarks
HR Competence	0.912	0.913	0.932	Reliable
Fraud Prevention	0.804	0.804	0.864	Reliable
Internal Control System	0.938	0.939	0.953	Reliable
Information Technology	0.848	0.854	0.892	Reliable

Source: PLS data analysis, 2026

Table 9 shows that all variables have *composite reliability* values above 0.70. In other words, the *composite reliability* requirement is met, and all indicators used to measure the variables satisfy the reliability criterion.

c. HTMT Ratio

The Heterotrait-Monotrait (HTMT) ratio is used to test and confirm discriminant validity in the research model (Henseler et al., 2015).

Table 10. HTMT Ratio

	HR Competence	Fraud Prevention	Internal Control System	Information Technology	Information Technology × HR Competence	Information Technology × Internal Control System
HR Competence						
Fraud Prevention	0.790					
Internal Control System	0.785	0,753				
Information Technology	0.672	0.682	0.693			
Information Technology × HR Competence	0.462	0.413	0.469	0.201		
Information Technology × Internal Control System	0.374	0.336	0.427	0.126	0.769	

Source: PLS data analysis, 2026

Table 10 shows that all HTMT ratios are below 0.90, so it can be concluded that discriminant validity is satisfied (Henseler et al., 2015).

Inner Model Analysis

Coefficient of Determination (R^2)

The coefficient of determination (R^2) shows the percentage of variance in the dependent variable that is explained by the independent variables (Ghozali & Latan, 2015). R^2 measures the model's ability to explain variation in the dependent variable. R^2 ranges from zero to one; the closer it is to one, the more the independent variables provide all the information needed to predict the dependent variable, and vice versa. The R-square value is shown in Table 11.

Table 11. R-Squared Values

Variable	R-square	R-square adjusted
Fraud Prevention (Y)	0.852	0.844

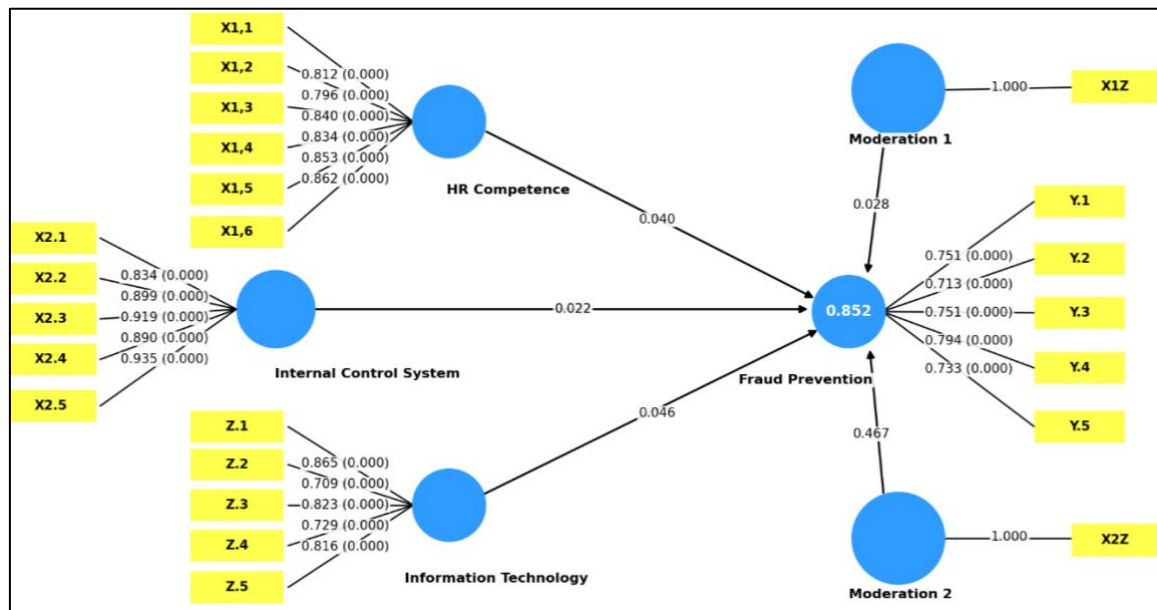
Source: PLS data analysis, 2026

The R-square value of 0.852 indicates that about 85.2% of the variation in fraud prevention is explained by the variables in the research model, namely HR competence, the internal control system,

information technology, and the two interaction terms. The remaining 14.8% is explained by factors outside the model that were not studied. By common guidelines, an R^2 of this size is considered substantial (Chin, 1998; Hair et al., 2019).

This value shows that the variables studied have a strong influence on fraud prevention. The closer the value is to 1 (100%), the better the model explains the variation in the dependent variable.

Path Coefficient Results (Direct Effects)



The test statistics used to assess significance are presented in Table 12.

Table 12. Path Coefficient Results (Direct Effects)

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	
HR Competence (X ₁) → Fraud Prevention (Y)	0.368	0.344	0.179	2.056	0.040	Accepted
Moderation 1 (X ₁ Z) → Fraud Prevention (Y)	0.121	0.118	0.055	2.191	0.028	Accepted
Moderation 2 (X ₂ Z) → Fraud Prevention (Y)	0.034	0.032	0.047	0.727	0.467	Rejected
Internal Control System (X ₂) → Fraud Prevention (Y)	0.402	0.412	0.175	2.298	0.022	Accepted

Information Technology (Z) → Fraud Prevention (Y)	0.168	0.187	0.084	2.000	0.046	Accepted
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Source: PLS data analysis, 2026

Discussion

1. The Effect of HR Competence on Fraud Prevention

HR competence influences fraud prevention at RSUD Bahteramas, Kendari City. The effect of HR competence on fraud prevention is positive and significant ($\beta = 0.368$, $t = 2.056$, $p = 0.040$). A positive effect means that the two variables move in the same direction: when HR competence increases, fraud prevention also increases. Conversely, if HR competence declines, fraud prevention declines accordingly.

This result can be explained through Stewardship Theory, which views employees as stewards who tend to put organizational interests ahead of personal interests (Davis et al., 1997). Competent employees are better able to perform their duties professionally and responsibly and to protect the interests of the organization. The finding can also be explained through the Fraud Hexagon Theory, particularly the *capability* element (Vousinas, 2019). A person's abilities, knowledge, skills, and position can determine their capacity both to commit and to detect fraud. In the context of prevention, adequate competence can be directed toward recognizing control weaknesses, identifying signs of irregularities, and taking preventive action. Improving HR competence at RSUD Bahteramas, Kendari City, can therefore strengthen employees' ability to anticipate and prevent fraud.

These results are consistent with the finding that HR competence has a positive effect on fraud prevention (Kuntadi et al., 2023), and with Hidayat and Afriyenti (2023) and Puspitanisa and Purnamasari (2021), who likewise show a positive effect of HR competence on fraud prevention. They are also in line with studies that treat competence and internal control as determinants of fraud prevention (Adhivinna et al., 2022; Inawati & Sabila, 2021; Komalasari & Annisa, 2023; Sujana et al., 2020; Utama & Astawa, 2021). They differ, however, from a study that found no competence effect (Chairi et al., 2022), which underscores the inconsistency identified in the research gap.

2. The Effect of the Internal Control System on Fraud Prevention

The internal control system influences fraud prevention at RSUD Bahteramas, Kendari City. The effect of the internal control system on fraud prevention is positive and significant ($\beta = 0.402$, $t = 2.298$, $p = 0.022$). A positive effect means that the two variables move in the same direction: when the internal control system improves, fraud prevention also increases. Conversely, if the internal control system deteriorates, fraud prevention declines accordingly.

This finding can be explained through Agency Theory, which holds that the relationship between principal and agent can create differences of interest and information asymmetry, so that oversight mechanisms are needed to ensure the organization is managed in line with its goals (Jensen & Meckling, 1976). The internal control system functions as a monitoring mechanism that limits abuse of authority and reduces opportunities for fraud. The finding is also relevant to the Fraud Hexagon Theory, particularly the *opportunity* element. Weak internal control can create gaps for fraud, whereas segregation of duties, authorization, access restrictions, checks, and monitoring can narrow those opportunities. This matches the phenomena at RSUD Bahteramas, Kendari City, namely three drug thefts in 2025 and the alleged corruption in the procurement of cleaning and security services in 2026. These incidents show that fraud risk exists in the management of pharmaceutical supplies as well as in the procurement of goods and services. Consistent controls are therefore needed to narrow the opportunities for drug theft and for abuse in the procurement process. The results are consistent with Rahman (2020), who found that the internal control system has a positive effect on fraud prevention, as well as with Nisak and Rochayatun (2023) and Rahmadani et al. (2023).

3. The Effect of Information Technology on Fraud Prevention

Information technology influences fraud prevention at RSUD Bahteramas, Kendari City. The effect of information technology on fraud prevention is positive and significant ($\beta = 0.168$, $t = 2.000$, $p = 0.046$). A positive effect means that the two variables move in the same direction: when the use of information technology increases, fraud prevention also increases. Conversely, if the use of information technology declines, fraud prevention declines accordingly.

This result is in line with Stewardship Theory, which emphasizes the importance of organizational support in helping employees achieve organizational goals effectively (Davis et al., 1997). The use of information technology makes data management and oversight easier and provides accurate and timely information, which improves transparency and accountability in every work process. These conditions support employees in carrying out their duties more professionally and responsibly, so that fraud prevention efforts can run more optimally.

These results are consistent with Wiguna and Sofie (2023), who found that information technology has a positive effect on fraud prevention. Setyabudi et al. (2021) and Zanaria (2017) likewise show that the use of technology influences fraud prevention.

4. Information Technology Moderates the Effect of HR Competence on Fraud Prevention

The test results show that information technology moderates the effect of HR competence on fraud prevention at RSUD Bahteramas, Kendari City ($\beta = 0.121$, $t = 2.191$, $p = 0.028$). The results also show that

the moderation model in this study is a quasi moderation. Quasi moderation occurs when the moderating variable not only interacts with the independent variable in influencing the dependent variable but also has a direct effect on the dependent variable (Sharma et al., 1981). In this study, information technology has a direct effect on fraud prevention while also strengthening the relationship between HR competence and fraud prevention.

This finding can be explained through the Fraud Hexagon Theory, particularly the *capability* element. HR competence reflects the knowledge and skills that employees can use to understand procedures, recognize risks, and detect indications of fraud. When that competence is supported by information technology that provides fast, accurate, and traceable information, employees' ability to monitor and detect unusual activities becomes even more effective. Information technology thus strengthens employees' ability to use their competence to prevent fraud. This also supports Stewardship Theory, because adequate technological facilities help employees carry out their responsibilities and put organizational interests first.

These findings show that the higher the HR competence supported by good information technology, the more effective fraud prevention is at RSUD Bahteramas, Kendari City. Information technology helps employees access, manage, and monitor information faster and more accurately, so that their competence can be used optimally to detect and prevent potential fraud. In addition, the use of information technology improves transparency, data accuracy, and the ease of overseeing work activities, so that opportunities for fraud can be minimized. Information technology is therefore an important factor that reinforces the contribution of HR competence to creating a more accountable, fraud-free organizational environment.

5. Information Technology Moderates the Effect of the Internal Control System on Fraud Prevention

The test results show that information technology does not moderate the effect of the internal control system on fraud prevention at RSUD Bahteramas, Kendari City ($\beta = 0.034$, $t = 0.727$, $p = 0.467$). This indicates that the presence of information technology at RSUD Bahteramas has not been able to strengthen or weaken the relationship between the internal control system and fraud prevention. In other words, the effectiveness of fraud prevention is determined mostly by the quality of the internal control system itself, namely the control environment, risk assessment, control activities, information and communication, and monitoring activities. Although information technology is already used to support organizational activities, its role has not yet increased the effectiveness of the internal control system in preventing fraud. The success of fraud prevention therefore still depends on the consistent implementation of good internal control by all parties in the organization.

Information technology does not moderate the effect of the internal control system on fraud

prevention because it is essentially only an operational support tool, whereas the effectiveness of fraud prevention is determined more by other factors such as the quality of policies, procedures, supervision, and the people who carry out internal control. Sophisticated technology will not have an optimal impact if it is not accompanied by appropriate use, adequate supervision, and user compliance with applicable rules. In addition, fraud can still occur even when an organization uses information technology if there are weaknesses in control implementation, a lack of supervision, or abuse of authority by certain parties. Information technology has thus not yet become a factor that strengthens the relationship between the internal control system and fraud prevention at RSUD Bahteramas, Kendari City.

The inability of information technology to moderate the relationship between the internal control system and fraud prevention may occur because the use of technology has not been fully integrated with the control mechanisms in place. There may be *redundancy* between manual and automated controls, that is, procedures that are already available in the system are still performed manually, so that technology adds little to the effectiveness of internal control. In addition, applications may still contain gaps for *management override* when authorized parties can change, approve, or bypass certain procedures in the system. These conditions show that information technology does not automatically strengthen internal control unless it is supported by access restrictions, segregation of authority, monitoring, and adequate supervision. Information technology alone is therefore not enough to strengthen the effect of the internal control system on fraud prevention.

This result can be explained through Agency Theory, which views control as a mechanism for overseeing agents so that they act in the interest of the organization (Jensen & Meckling, 1976). Information technology can support monitoring, but it does not automatically increase the effectiveness of control if policies and procedures are still weakly implemented. From the perspective of the Fraud Hexagon Theory, this condition relates to the *opportunity* element, because opportunities to commit fraud can still arise when controls cannot close all gaps for irregularities (Vousinas, 2019). Sophisticated technology does not have an optimal impact unless it is accompanied by access restrictions, segregation of authority, supervision, and user compliance.

4. CONCLUSION

This study set out to analyze the effect of HR competence, the internal control system, and information technology on fraud prevention, and to examine whether information technology moderates the effects of HR competence and the internal control system on fraud prevention at RSUD Bahteramas, Kendari City. The results show that HR competence, the internal control system, and information technology each have a positive and significant direct effect on fraud prevention. Fraud prevention at the hospital therefore improves as employees become more knowledgeable, skilled, and

committed to professional standards, as the control environment, risk assessment, control activities, information and communication, and monitoring are implemented more effectively, and as information systems are used more widely, reliably, and securely.

With respect to the moderating role of information technology, the findings differ across the two relationships examined. Information technology significantly moderates the effect of HR competence on fraud prevention; because it also affects fraud prevention directly, it acts as a quasi moderator, which means that competent employees prevent fraud more effectively when they are supported by fast, accurate, and traceable information systems. In contrast, information technology does not moderate the effect of the internal control system on fraud prevention, which indicates that the technology currently used at the hospital has neither strengthened nor weakened the contribution of internal control, most likely because it is not yet fully integrated with control mechanisms. Taken together, the model explains 85.2% of the variation in fraud prevention ($R^2 = 0.852$), leaving 14.8% to factors outside the model. In sum, fraud prevention at RSUD Bahteramas depends on competent personnel, a well-functioning internal control system, and supportive information technology, with technology serving mainly to amplify the value of competent people rather than the control system itself.

Based on the limitations of this study, future research is advised to use objective data and to combine interviews and documentation in order to reduce the perceptual bias of questionnaires. Future studies could also add variables that may influence fraud prevention, such as tone at the top and a whistleblowing system. Tone at the top reflects leaders' role modeling and commitment to integrity, whereas a whistleblowing system supports the safe and structured reporting of suspected irregularities. Adding these two variables is expected to give a broader picture of the organizational factors that play a role in fraud prevention.

Future research is also advised to extend the object of study to several hospitals and to use more specific information technology indicators, such as system quality, security, integration, and monitoring capability. This could help explain why information technology strengthens the effect of HR competence but does not moderate the effect of the internal control system on fraud prevention.

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