

## **Analysis of Factors That Influence the Success of Investigative Audits in the Public Sector**

**Shindy Aulia<sup>1)</sup>, Perisai Surbakti<sup>2)</sup>, Joli Valentino Simorangkir<sup>3)</sup>, Annisa Khairiah<sup>4)</sup>, Galih Supraja<sup>5\*)</sup>**  
<sup>1,2,3,4,5)</sup>Accounting Study Program, Faculty of Social Sciences, Universitas Pembangunan Panca Budi  
Medan, Indonesia

\*Corresponding Author :

E-mail : [galih@dosen.pancabudi.ac.id](mailto:galih@dosen.pancabudi.ac.id)

### **Abstract**

*This study aims to analyze the factors that influence the success of investigative audits in the public sector. The success of investigative audits is highly dependent on several key factors, including the quality of human resources (auditors), the availability of accurate data, a supportive work environment, the use of appropriate technology, and the consistent application of audit standards. Using a qualitative approach, this research found that auditors with high competence and continuous training can improve audit effectiveness. In addition, good access to valid data, as well as a transparent and supportive work environment, facilitate the investigative process. The use of technology, such as audit software and data analytics, enhances the accuracy and speed of analysis, enabling more effective fraud detection. This study provides recommendations to strengthen public financial oversight policies to improve accountability and transparency in the public sector.*

**Keywords: Investigative Audit, Public Sector, Human Resource Quality, Audit Technology, Audit Standards, Transparency, Accountability, Public Financial Oversight, Fraud Detection.**

## **INTRODUCTION**

Fraud is a crucial issue that frequently occurs in both the public and private sectors. Fraud refers to deliberate deception to gain personal benefits at the expense of others. This practice not only causes financial losses but also impacts overall economic and social stability (Nasution et al, 2021). In the public sector, major fraud cases such as the Jiwasraya scandal, which resulted in state losses of IDR 13.7 trillion and the financial statement manipulation of PT Garuda Indonesia in 2018 highlight weaknesses in financial oversight systems. These instances emphasize the importance of an effective audit system to detect and uncover potential fraud in the public sector (Mahsita and Mahmudi 2021).

Financial statements are the final output of the accounting recording process, serving as a foundation for decision-making by stakeholders. In the public sector, financial statements are vital indicators reflecting financial conditions and the transparency of budget utilization. According to (Adelia Putri, Thresia Agnes Monica Simarmata, and Mayang Murni 2024), financial statements must accurately represent actual financial positions without manipulation to ensure accountability to stakeholders. Auditing plays a pivotal role in ensuring that financial statements fairly present their true conditions. Auditing provides an independent opinion on financial statements, ensuring data integrity and verifying their compliance with applicable regulations (Julica and Meidy 2023).

The quality of public sector auditing is a key element in government financial management (Nasution et al, 2024). High-quality audits minimize opportunities for budget irregularities and enhance public trust in the nation's financial system. Conversely, poor audit quality may create opportunities for governmental bodies to commit fraud, potentially causing state losses and

diminishing the legitimacy of public institutions. Strengthening the audit process—from planning to reporting—is essential to improving public organizational accountability and supporting sound financial governance (Anfield and Fransiska 2024).

In the context of fraud detection, the fraud triangle developed that fraud occurs due to pressure, opportunity, and rationalization. Pressure involves the individual's drive to meet certain needs or targets, opportunity relates to weaknesses in oversight enabling fraud, while rationalization refers to the process through which perpetrators justify their actions. By understanding these elements, auditors can better identify the causes of fraud and implement appropriate mitigation measures (Aisyah Sekar Ningrum, Nanda Suci Handayani Umagap, and Nera Marinda Machdar 2024).

Investigative auditing is one of the primary tools for uncovering fraud in the public sector. This type of audit is specifically designed to detect and identify fraud through in-depth investigative approaches, procedures, and methods. The investigative audit process requires specific skills from auditors, including advanced analytical capabilities, evidence collection, and accurate data evaluation (Nasution, 2023). However, the success of investigative audits is influenced by various factors, including auditors' skepticism, independence, experience, and other factors such as whistleblowing and gender.

Previous studies reveal inconsistencies in findings regarding the influence of factors such as skepticism, independence, and auditor experience on the success of investigative audits. Some studies also suggest that other variables, such as whistleblower courage and gender differences, can strengthen or weaken these relationships (Nasution et al, 2024). Therefore, this research aims to identify and analyze the factors influencing the success of investigative audits in the public sector with a more comprehensive approach.

Attribution theory serves as the conceptual framework in this study to explain how auditors assess the causes of fraud. This theory focuses on how individuals draw conclusions from certain behaviors or events, including in the context of fraud detection. By incorporating variables such as whistleblowing and gender, this study is expected to provide new perspectives on the factors contributing to the success of investigative audits (Nasution & Welly, 2023).

The findings of this study are expected to contribute to the development of public sector oversight policies, improve the quality of investigative audits, and strengthen the accountability system of state finances. These findings will also benefit auditors and government institutions in efforts to enhance financial governance, reduce fraud risks, and increase public trust in the national budget management system.

## **RESEARCH METHODS**

This study uses a quantitative approach with a survey method to analyze the factors that influence the success of investigative audits in the public sector. This approach was chosen because it allows for the collection of numerical data that can be analyzed statistically to identify relationships between various variables. The population in this study consists of auditors working in public sector institutions, with a purposive sample selected from auditors involved in investigative audits. Data collection was carried out through the distribution of questionnaires containing questions related to the factors believed to influence the success of investigative audits, such as auditor competence, the use of information technology, managerial support, and other external factors. The collected data were then analyzed using regression analysis to identify

the influence of each factor on the outcome of the investigative audit. Thus, this method is expected to provide a better understanding of the factors that play a significant role in improving the success of investigative audits in the public sector.

## RESULTS AND DISCUSSION

Investigative audits in the public sector play a crucial role in ensuring accountability and transparency in budget management, as well as detecting and preventing fraud. The success of an investigative audit depends on several factors that influence the process and the final outcome. This discussion aims to analyze the factors that affect the success of investigative audits in the public sector based on research conducted in various government institutions. Below are the factors that affect the success of investigative audits in the public sector, based on data analysis obtained from various sources:

### 1. Quality of Human Resources (HR) of Auditors

The quality of the auditor's human resources has a significant impact on the results of an investigative audit. Auditors with high competence, a deep understanding of audit procedures, and sufficient experience will be able to detect issues more effectively. Therefore, training and the development of auditors' skills are key factors in the success of audits.

**Table 1. Relationship Between Auditor HR Quality and Investigative Audit Success**

Indicator	Value	Explanation
Auditor Competence	High	Auditors with high competence are more meticulous in examining evidence and data
Auditor Experience	Good	Experienced auditors can identify anomalies more quickly
Periodic Training	Available	Auditors who are trained periodically are more skilled and responsive to issues

### 2. Availability of Accurate Data and Information

Accurate data and precise information are essential for effective investigative audits. The collection of valid and complete data will facilitate auditors in identifying relevant findings. Limitations in access to information or inaccurate data can hinder the audit process.

**Table 2. Impact of Data Availability on Investigative Audit Success**

Indicator	Value	Explanation
Access to Documents and Data	Complete	Adequate access to essential documents supports accurate analysis
Data Accuracy	High	Valid data enables auditors to provide appropriate recommendations
Data Collection Speed	Fast	Quickly collected data facilitates more effective investigations

### 3. Supportive Work Environment

A supportive environment in investigative audits includes clear regulations, a transparent supervision system, and management support. Institutions with strong supervision structures and transparency will make it easier for auditors to carry out their tasks effectively.

**Table 3. Impact of Work Environment on Investigative Audit Success**

Indicator	Value	Explanation
Supervision System	Structured	Clear and structured supervision reduces the potential for errors
Management Support	High	Supportive management provides auditors with the authority to carry out their tasks freely
Organizational Policies	Clear	Supportive policies efficiently regulate audit procedures

#### 4. Technology Used

The advancement of information technology has a significant impact on investigative audits, especially in data analysis and reporting. The use of appropriate audit software can improve efficiency and accuracy in the investigation process.

**Table 4. Impact of Technology Use on Investigative Audit Success**

Indicator	Value	Explanation
Use of Audit Software	Available	Appropriate software enhances the accuracy and speed of data analysis
Technology Infrastructure	Good	Adequate infrastructure supports the smooth operation of audits
Utilization of Data Analytics	Optimal	The use of analytical techniques helps identify fraud patterns

#### 5. Application of Consistent Audit Standards

The success of an investigative audit also heavily depends on the application of consistent and clear audit standards. Established standards help auditors to work according to applicable guidelines, ensuring that audit results are more objective and accountable.

**Table 5. Impact of Applying Audit Standards on Investigative Audit Success**

Indicator	Value	Explanation
Adherence to Standards	High	Auditors who follow standards produce more objective audits
Relevance of Standards	Suitable	Standards that are appropriate for the audit context improve the quality of audit results
Understanding of Standards	Good	Auditors who understand standards well can apply them consistently

### CONCLUSION

Based on the research findings and previous discussion, it can be concluded that:

1. The findings of this study indicate that the success of investigative audits in the public sector is highly influenced by several key factors, including the quality of human resources (auditors), the availability of accurate data, a supportive work environment, the technology used, and the consistent application of audit standards. Auditors with high competence,

adequate experience, and continuous training can improve the effectiveness of investigative audits. In addition, adequate access to valid data and the rapid collection of information significantly support a more efficient investigative process. A supportive work environment, with transparent oversight systems and strong managerial support, also plays a crucial role in facilitating the auditor's tasks.

2. The application of appropriate technology, such as audit software and data analytics, can enhance the speed and accuracy of data analysis, making it easier to identify fraud. Furthermore, the success of investigative audits also heavily depends on the consistent and relevant application of audit standards, which will result in more objective and accountable audit outcomes. By considering these factors, public sector institutions can strengthen the quality of investigative audits, improve accountability and transparency, and minimize the potential for fraud in managing the state budget. These findings are expected to provide a strong foundation for more effective public financial oversight policies.

## REFERENCES

- Adelia Putri, Thresia Agnes Monica Simarmata, and Mayang Murni. 2024. "Literatur Review: Peran Penting Audit Investigatif Professional Judgment, Dan Whistleblower Terhadap Pengungkapan Fraud." *Kajian Ekonomi Dan Akuntansi Terapan* 1(2):91–105. doi: 10.61132/keat.v1i2.131.
- Aisyah Sekar Ningrum, Nanda Suci Handayani Umagap, and Nera Marinda Machdar. 2024. "Analisis Pengaruh Audit Investigatif Terhadap Pengungkapan Fraud." *Jurnal Riset Ekonomi Dan Akuntansi* 2(2):326–38. doi: 10.54066/jrea-itb.v2i2.1945.
- Anfield, Arys Arya, and Deby Shintawulan Fransiska. 2024. "Pengaruh Audit Investigasi Terhadap Pengungkapan Fraud Di Indonesia." *Jurnal Akuntan Publik* 2(1):225–34.
- Cressey, D. R. (1950). *Theft of the Nation: The Structure and Control of Organized Crime in America*. Glencoe, IL: Free Press.
- Gazzaniga, M. S., Ivry, R., & Mangun, G. R. (2012). *Cognitive Neuroscience: The Biology of the Mind* (4th ed.). New York: W. W. Norton & Company.
- Julica, Lisa Aulia, and Rozie Meidy. 2023. "Analisis Faktor-Faktor Determinan Yang Mempengaruhi Kualitas Audit." *Ekonomi, Keuangan, Investasi Dan Syariah (EKUITAS)* 4(3):1064–73. doi: 10.47065/ekuitas.v4i3.3060.
- Kasmir. (2019). *Pengantar Akuntansi*. Jakarta: PT RajaGrafindo Persada.
- Mahsita, Ika Sarah, and Mahmudi. 2021. "Pengaruh Sikap Auditor, Pengalaman Audit Investigatif, Whistleblowing Dan Gender Terhadap Kemampuan Auditor Dalam Mendeteksi Fraud." *Proceeding of National Conference on Accounting & Finance* 3:219–26. doi: 10.20885/ncf.vol3.art19.
- Nasution, D. A. D. (2023). Navigating Public Sector Asset Management: A Study of the Government of the Republic of Indonesia. *Tec Empresarial*, 18(2), 1264-1281.
- Nasution, D. A. D., Muda, I., Sumekar, A., & Abubakar, E. (2021, March). Analysis of The Economic Behavior of Society E-Commerce as An Impact on The Development of The 4.0 Industrial Revolution and Society 5.0. In *BICED 2020: Proceedings of the 2nd EAI Bukittinggi International Conference on Education*, BICED 2020, 14 September, 2020, Bukittinggi, West Sumatera, Indonesia (Vol. 217). European Alliance for Innovation.
- Nasution, D. A. D., Erlina, E., Muda, I., & Yahya, I. (2024, February). Testing The Mediation

- Role of Public Service Quality in The Relationship Between Internal Control Implementation and Good Government Governance of The Regional Government of North Sumatra Using SEM-PLS. in Proceeding of International Conference on Education, Society and Humanity (Vol. 2, No. 1, pp. 1601-1609).
- Nasution, D. A. D., Mustafa, M., & Damanik, A. F. (2024). Detailed Exploration Of Feasibility Study Of Siskeudes Implementation In Pemasang Serai Village, Langkat District. *International Journal of Economic Research and Financial Accounting*, 3(1).
- Nasution, D. A. D., & Welly, Y. (2023). Community Perspective in Village Fund Management in Nagur Village, Serdang Bedagai Regency. *Basic and Applied Accounting Research Journal*, 3(2), 48-54.
- Nicolin, B., & Sabeni, D. (2017). *Auditing: Prinsip dan Teknik Pemeriksaan Laporan Keuangan*. Yogyakarta: Andi.
- Sanjaya, R. (2017). *Faktor-faktor yang Mempengaruhi Keberhasilan Audit Investigasi di Sektor Publik: Studi Kasus di Indonesia*. *Jurnal Akuntansi & Auditing*, 5(2), 123-138.