



PLS-SEM Analysis: *Tri Nga* Moderates Determinants of Accounting Fraud

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Abstract: *This study aims to investigate the impact of the love of money and the rule of law on accounting fraud, as well as the role of Tri Nga (ngerti, ngrasa, nglakoni) as a moderator. This study used a survey method with a quantitative approach. The data were collected from accounting students in all universities in Indonesia, selected using the snowball sampling method. PLS-SEM analysis was employed for the hypothesis testing using SmartPLS. The results revealed love of money significantly affects accounting fraud. The rule of law has a significant impact on accounting fraud. Tri Nga significantly affects accounting fraud. Tri Nga moderates between the love of money and the pursuit of accounting fraud. But, Tri Nga could not moderate between the rule of law and accounting fraud. This study is expected to contribute to the accounting fraud literature through the fraud triangle theory and provide direction on the importance of strengthening moral values and law enforcement as a preventive measure against accounting fraud.*

Keywords: Accounting fraud; Love of money; Rule of law; Tri Nga

1. Introduction

Fraud in the accounting world is a persistent concern that affects both the public and private sectors (Wijayanti & Setyawan, 2022). In the world of accounting, fraud can take the form of manipulating financial statements, creating fictitious transactions, embezzling assets, or presenting misleading information to financial statement users. In Indonesia, several major cases have shown the adverse effects of accounting fraud. One example is the case of a state-owned construction company that was involved in manipulating financial statements to conceal its actual financial condition (Ulfani & Ernawati, 2024). The company was found to have systematically manipulated its financial statements by recording fictitious revenues from projects that never existed. These projects were fabricated as if they had been carried out through the preparation of fake documents such as work contracts, progress reports, and payment invoices. The aim was to cover up the company's financial condition, which was actually under liquidity pressure, while creating room for embezzlement. This practice was carried out for several years and was only revealed after an investigative audit was conducted. As a result of the fraud, state losses were estimated at Rp2.5 trillion. Several internal company officials have been named as suspects by the Attorney General's Office on charges of corruption and falsification of financial statements. This case illustrates how accounting fraud, in the form of financial reporting manipulation, is employed as a tool to conceal the misuse of funds and deceive stakeholders about the company's performance (Randa & Dwita, 2020).

One of the most significant fraud cases in Indonesia involves corruption and illegal tin mining, with several officials from PT Timah Tbk implicated. This case occurred from 2015 to 2022, during which internal company elements collaborated with outside parties to conduct unlicensed mining through the use of a fictitious company. This illegal activity was disguised as legitimate through the issuance of piecework letters and the diversion of profit funds under the guise of a Corporate Social Responsibility (CSR) program. The main motive in these cases is the drive to pursue excessive personal gain, with disregard for integrity and legal responsibility. As a result of this practice, the state is estimated to have lost up to 271 trillion IDR while also causing severe environmental damage. This case illustrates how fraud can occur when self-interest takes precedence over moral values and adherence to rules, and weak oversight creates loopholes for the abuse of power. This phenomenon emphasizes the importance of understanding the internal drive of perpetrators and the effectiveness of rule enforcement in preventing fraud (Nurfitriyani et al., 2024).

Accounting fraud practices are also found within government agencies. One prominent case involves alleged corruption in an institution under the auspices of the Ministry of Education and Culture. The handling of this case has been followed up by the Yogyakarta Regional Police and the Yogyakarta High Prosecutor's Office through a formal investigation process. According to a report from Jogja Corruption Watch (JCW), in 2020, the accumulated state losses due to corruption cases in Yogyakarta were estimated to be IDR 21.6 billion. This data indicates that fraud in public financial management remains a serious problem, even at the regional level (Asih & Sari, 2021).

The phenomenon of fraud indicates a strong impetus from individual perpetrators who tend to prioritize personal and material interests over ethics and compliance with the law. One of the internal factors widely studied in the context of fraud is the love of money, which is an excessive individual orientation towards money and material as a symbol of success and power (Ayem & Azka, 2024). The love of money in this context reflects a high individual materialistic orientation, which can encourage deviant behavior, including fraudulent acts in accounting (Wardani & Utami, 2022). Individuals with a high level of love of money tend to view money as a primary source of happiness and success, making them more likely to commit unethical acts to obtain financial benefits. Therefore, love of money is an essential variable in understanding the motivation behind fraud behavior and needs to be studied more deeply so that accounting fraud prevention strategies can be designed more effectively (Musli et al., 2024).

On the other hand, an external factor that also plays a significant role is the rule of law, where all individuals and institutions are subject to the applicable laws (Ayem & Oktaviani, 2024). In the context of accounting, a strong rule of law can create legal certainty and a deterrent effect for fraudsters, thereby reducing the likelihood of individuals committing fraud. Conversely, weak law enforcement or legal uncertainty creates a greater space for accounting fraud to occur, as the perpetrator feels less likely to face punishment or sanctions (Ariestina & Wahyuni, 2021). In many cases, the weakness of the rule of law renders the law ineffective, making it no longer a barrier but instead a tool that can be negotiated or exploited for personal interests. Therefore, this research considers the perception of the rule

of law to be an essential aspect that needs to be considered, as it affects the extent to which a person feels compelled to obey the rules or feels free to deviate from them (Marsini et al., 2019).

However, not all individuals with a high orientation towards money or living in a weak legal environment will automatically commit fraud. This is where the value of moderation or self-control that comes from within, as reflected in the concept of *Tri Nga*, is essential. *Tri Nga* is one of the Tamansiswa teachings pioneered by Ki Hajar Dewantara, known as the Father of Indonesian Education, which includes the values of *ngerti*, *ngrasa*, and *nglakoni*, meaning understanding, feeling, and doing, respectively (Wardani & Falna 2024). If a person understands the importance of integrity and honesty in accounting, the probability of accounting fraud will be lower (Wardani & Pawestri, 2024). Awareness of the risks and consequences of fraudulent acts also plays a role. If a person feels (*ngrasa*) the negative impact that may arise from fraud, the intention to do it (*nglakoni*) will be reduced (Prastyatini & Pratama, 2024). *Tri Nga* still needs to be researched because it represents a cultural value that can be an internal control in preventing accounting fraud. Even though someone has a high orientation towards money or is in a weak legal environment, the value of *Tri Nga* can limit the tendency to commit fraud. Previous research also shows that an understanding of this principle is influential in suppressing fraudulent behavior, especially in the context of taxation (Wardani & Pawestri, 2024).

The novelty of this research lies in the integration of local values, specifically the concept of *Tri Nga*, into the framework of accounting fraud behavior analysis as a moderating variable. This approach is a crucial alternative to addressing the limitations of previous methods, which often rely solely on rational or structural factors without considering local cultural and ethical values. By using accounting students as subjects, this study also emphasizes the importance of building character and integrity early on in prospective accounting professionals, considering that they will be the front guard in maintaining financial transparency and accountability in the future. Most previous studies tend to ignore the aspect of local cultural values as a variable that can affect a person's tendency to commit accounting fraud in general. In this context, previous research has discussed the effect of *Tri Nga* on fraud, but it is still limited to the realm of taxation. Meanwhile, this study is broader because it integrates *Tri Nga* as a moderating variable on accounting fraud in general (Prastyatini & Pratama, 2024).

2. Literature Review & Hypotheses Development

2.1. Fraud Triangle Theory

The fraud triangle theory was first introduced by Donald R. Cressey, who identified three primary elements that contribute to a person's decision to commit fraud: pressure, opportunity, and rationalization (Wahyuningsih et al., 2022). Pressure reflects personal drives such as economic needs, lifestyle, or debt pressure that trigger individuals to commit fraud. Opportunity arises when the control system is weak, providing an opening for the perpetrator to act without fear of being caught. Meanwhile, rationalization is the mental process by which the perpetrator justifies their actions morally. This theory is an important

foundation in understanding accounting fraud behavior because it describes the interaction between psychological and environmental factors that encourage individuals to deviate from ethics (Pratiwi & Werastuti, 2021).

2.2. Accounting Fraud

Fraud is an intentional act committed to harm others and is carried out for the benefit of oneself, a group, or other parties in a specific manner (Sari & Musmini, 2022). Accounting fraud itself is a deliberate act of manipulating or falsifying financial information to harm other parties for personal gain (Ayem & Azka, 2024). According to Wijayanti & Setyawan (2022), accounting fraud is an unethical and unlawful act committed intentionally to obtain personal or group benefits by harming other parties through the manipulation of financial statements. This practice includes data manipulation, corruption, and embezzlement of assets, which are generally carried out systematically to generate profits. Typically, companies commit fraud to enhance their financial image and remain attractive to investors (Rahmi & Helmayunita, 2019).

2.3. Love of Money

According to Ayem & Azka (2024), love of money measures how much a person loves money and how this affects their behavior. Individuals who have a high level of love of money tend to see money as a measure of success and the main motivation at work, and can even affect their moral perceptions (Erdawati et al., 2022). People who do not love money excessively usually focus primarily on fulfilling life's basic needs. In contrast, those who love money immensely tend to be more ambitious in pursuing wealth for personal satisfaction (Budiarto et al., 2018). It means excessive love for money can trigger deviant behavior, including potential fraud. Therefore, the love of money not only affects work motivation but also has the potential to erode ethical values in financial decision-making (Sampewai et al., 2022).

2.4. Rule of Law

The rule of law is the principle that all actions of individuals and institutions must be subject to fair, transparent, and impartial laws (Ayem & Oktaviani, 2024). This principle emphasizes that power is exercised based on applicable law and can be legally accounted for. The rule of law, in a broad sense, encompasses all efforts to ensure that the law is obeyed and regulates the life of society and the state. In a narrow sense, it refers to actions taken against violations of the law or illegal acts (Rizky & Fitri, 2017). In the context of accounting fraud, the rule of law plays a crucial role in preventing fraud, as it requires compliance with legal norms by all economic actors. Thus, the existence of a strong rule of law can create a deterrent effect and become an important foundation for maintaining the integrity of accounting practices (Nelpion et al., 2023).

2.5. Tri Nga

According to Wardani & Hurek (2024), *Tri Nga* is one of the main concepts in Tamansiswa teachings, which includes three stages of ethical awareness: *ngerti* (understanding), *ngrasa* (feeling), and *nglakoni* (doing). This concept emphasizes that knowledge must be based on

a complete understanding and followed by real actions that reflect moral values. In the context of accounting, *Tri Nga* serves as a crucial foundation for developing the character of honest and responsible accountants. An individual who is aware of fraud (*ngerti*) will be encouraged to perceive it as wrong (*ngrasa*) and ultimately take action to prevent or reject it (*nglakoni*) (Ayem & Hidayat, 2021). For accounting students, internalizing the values of *Tri Nga* is crucial in forming moral awareness, thereby preventing involvement in fraudulent practices and encouraging the reporting of deviant actions (Wardani and Falna 2024).

2.6. Hypotheses

Based on the Fraud Triangle Theory, love of money affects accounting fraud through the opportunity component (Ayem & Azka, 2024). The belief that money is a symbol of success and a source of happiness encourages individuals to look for opportunities to commit fraud, especially when controls are weak (Wardani & Utami, 2022). Individuals with an excessive love of money are more likely to seek opportunities to commit fraud. The love of money consistently has a significant impact on accounting fraud, as individuals at a low stage of moral development may be more likely to cheat if they prioritize money highly (Nugroho et al., 2024; Reswari & Nirwana, 2023; Meurah et al., 2022). If the nature of love of money increases, the tendency to accounting fraud also increases. Based on the description above, the hypothesis that is proposed is:

H₁: Love of money significantly affects accounting fraud.

Based on the Fraud Triangle Theory, the rule of law variable affects accounting fraud through the pressure component (Retnowati, 2022). A strong legal system creates pressure for individuals not to commit fraudulent acts due to the threat of clear and firm sanctions, such as fines, dismissal, or criminal penalties. However, different findings suggest that the rule of law does not significantly influence accounting fraud, as even when laws are in place, fraudsters may feel that the law is not effectively enforced or is easily evaded (Hayatunnupus & Mandasari, 2020). The rule of law has a significant impact on accounting fraud; therefore, the higher an individual's perception of the importance of the rule of law, the less accounting fraud is likely to occur (Santini & Wati, 2021; Laoli, 2022; Wahyuningsih et al., 2022). Based on this, the proposed hypothesis is:

H₂: The Rule of Law significantly affects accounting fraud.

Based on the Fraud Triangle Theory, rationalization is a self-justification process that allows individuals to justify fraudulent actions as something natural or appropriate (Mardianto & Tiono, 2019). In this context, *Tri Nga*: *Ngerti* (understanding), *Ngrasa* (feeling), and *Nglakoni* (doing) play a crucial role in shaping individual moral awareness rather than seeking justification for deviant behavior. A person who understands that cheating is both legally and ethically wrong will feel that it is against their conscience and will ultimately act honestly by avoiding or even preventing cheating (Nugroho et al., 2024). With the understanding and appreciation of these values, the tendency of individuals to rationalize fraud will decrease. The application of *Tri Nga* values fosters positive attitudes and behaviors, which may potentially influence self-control in accounting fraud (Nufus & Irnawati, 2020). Based on this, the proposed hypothesis is:

H₃: Tri Nga has a significant effect on accounting fraud.

According to the Fraud Triangle Theory, the love of money is an opportunity gap that encourages individuals to commit fraud (Musli et al., 2024). However, the presence of *Tri Nga* can moderate this relationship. The *Ngerti* dimension helps individuals understand that money is only a tool, not the ultimate goal (Prastyatini & Pratama, 2024). *Ngrasa* reminds individuals of the negative social impact of cheating, while *Nglakoni* encourages the implementation of moral values in real life (Wardani & Pawestri, 2024). However, the love of money itself is sometimes not enough to influence accounting fraud, so *Tri Nga* is expected to moderate the impact of financial pressure caused by the love of money (Ramadhan & Wardani, 2024). According to this explanation, the following hypothesis may be proposed:

H₄: Tri Nga moderates between the love of money on accounting fraud.

According to the Fraud Triangle Theory, the rule of law seeks to mitigate pressure for accounting fraud by establishing a clear system of rules and sanctions (Marsini et al., 2019). In this case, *Tri Nga* helps strengthen the effectiveness of the rule of law by adding the dimensions of deep understanding (*ngerti*) of the essence of the law, a sense of responsibility (*ngrasa*) towards society, and concrete actions (*nglakoni*) consistent with the values of justice (Prastyatini & Pratama, 2024). They encourage individuals to obey the law not only for fear of sanctions but also because of their moral integrity. On the other hand, the rule of law alone is not enough to deter accounting fraud, so moderation is needed to provide more influence, such as the implementation of *Tri Nga* (Hayatunnupus & Mandasari, 2020). Based on this, the proposed hypothesis is:

H₅: Tri Nga moderates between the rule of law on accounting fraud.

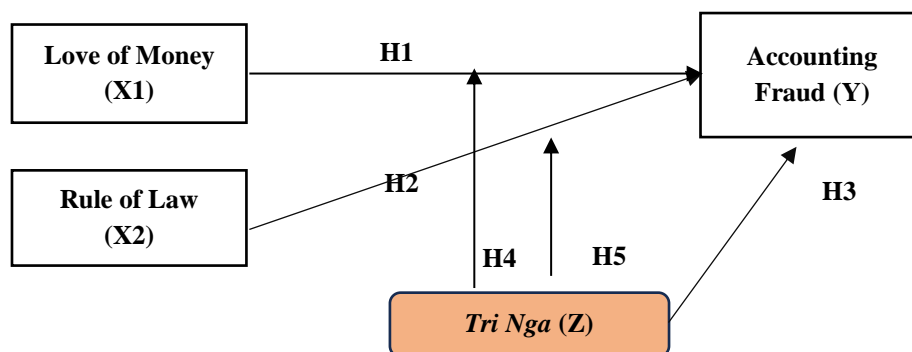


Figure 1. Research Model

3. Method

This study employs a quantitative approach involving the collection, calculation, and presentation of numerical data to present the results of measuring variables and testing hypotheses using statistical techniques. The population of this study consists of college students in Indonesia. Meanwhile, the sample taken is active accounting college students in Indonesia. Snowball sampling was used, a sampling method that resembles a snowball

rolling and growing larger, starting with a few respondents who then recommend the following respondent. This technique is used because the number of initial data sources is still limited, so it needs to be expanded gradually until sufficient data is obtained. The variables are measured using a 5-point Likert scale, with options ranging from "Strongly Agree" to "Disagree Strongly." Partial Least Squares (PLS) Structural Equation Modeling (SEM) analysis was employed to test the hypothesis using SmartPLS Version 3 software. Hypothesis testing is based on the path coefficient value and p-value significance, with significance set at 5%.

Table 1. Research Instrument

Variables	Instrument
Love of Money (Ayem & Azka, 2024)	<ol style="list-style-type: none">1. Money is important2. Money is something valuable in life3. Money represents my achievements4. Money is a symbol of my success5. Money encourages me to commit fraud6. I will make every effort to get more money7. Having a lot of money (being rich) is good8. Life would be more fun if I had a lot of money
Rule of Law (Ayem & Oktaviani, 2024)	<ol style="list-style-type: none">1. Accounting fraud should be resolved with the law as the ultimate guideline2. Strong law enforcement can reduce accounting fraud3. All parties involved in accounting fraud should be treated equally in the eyes of the law.4. In Indonesia, the legal process for accounting fraud has been carried out fairly and impartially
Accounting Fraud (Maulidya and Fitri 2020)	<ol style="list-style-type: none">1. I must record transactions by the actual transaction time2. I manipulate transaction evidence by changing the amount of the nominal amount3. I wrote off or hid the organization's liabilities4. I did not revalue assets or revenues following applicable regulations.5. I have taken the organization's money secretly6. Taking small amounts of money does not affect financial reporting
Tri Nga (Wardani & Pawestri, 2024)	<ol style="list-style-type: none">1. I understand that accounting fraud has an impact on organizational losses and damage to morality.2. If I am suspected of accounting fraud, I will be subject to severe sanctions.3. I feel that by avoiding fraud, I contribute to creating an ethical work environment.4. I support people who commit accounting fraud5. I dare to reprimand the perpetrators of accounting fraud6. I dare to report people who commit accounting fraud

4. Results & Discussion

The respondents of this study were all active accounting college students in Indonesia. The questionnaire was distributed for 30 days, and a total of 253 respondents were collected for analysis in this study. Table 2 provides details of the respondents' characteristics, categorized by university, college year, and area. This is because accounting students are individuals who are directly involved with accounting theory and practice, so they have relevant knowledge about accounting fraud. In addition, collecting data from various backgrounds provides a more comprehensive picture of the phenomenon of accounting fraud occurring throughout Indonesia.

Table 2. Respondent Characteristic

Characteristic	Description	Number	Percentage (%)
University	Universitas Sarjanawiyata Tamansiswa	2	0.8%
	Universitas Sam Ratulangi	1	0.4%
	UPNV Yogyakarta	2	0.8%
	Universitas Negeri Yogyakarta	2	0.8%
	Universitas Gadjah Mada	6	2.4%
	Universitas Sains Al-Qur'an	3	1.2%
	Universitas Bina Bangsa	1	0.4%
	Universitas Diponegoro	18	7.2%
	Universitas Negeri Semarang	5	2.0%
	Institut Pertanian Bogor	1	0.4%
	Universitas Pendidikan Indonesia	2	0.8%
	Universitas Padjajaran	21	8.4%
	Universitas Dr. Soebandi	4	1.6%
	Universitas Agama Islam Negeri	1	0.4%
	Universitas Mulawarman	12	4.8%
	Universitas Trisakti	3	1.2%
	Universitas Kristen Duta Wacana	17	6.8%
	Universitas Nadhlatul Ulama Yogyakarta	35	14.0%
	Universitas Sultan Ageng Tirtayasa	108	43.2%
	STIE Balikpapan	5	2.0%
	Institut Bisnis dan Informatika Kesatuan	1	0.4%
Total		253	1%
College Year	2017	1	0.4%
	2018	1	0.4%
	2019	4	1.6%
	2020	37	14.8%
	2021	111	44.4%
	2022	63	25.2%
	2023	27	10.8%
	2024	6	2.4%
	Total	253	1%
Area	Jawa	134	62.60%
	Sulawesi	54	14.00%
	Kalimantan	17	7.90%
	Nusa Tenggara	27	7.90%
	Sumatera	10	4.70%
	Maluku	5	2.30%
	Papua	3	0.50%
	Total	253	1%

Source: Primary Data, 2025

4.1. Path Analysis

Path analysis in this study employs a structural model because it enables the measurement of constructs through their indicators and the analysis of the relationships between indicator variables and latent variables. By using this approach, it can be seen how much direct and indirect influence between variables in the model being built (Fig. 2).

4.2. Convergent Validity

Convergent validity is used to measure the extent to which indicators in one construct are able to explain the construct consistently. This test aims to ensure that the indicators used

truly reflect the variables being measured. Convergent validity is declared good if the outer loading value of each indicator is > 0.70 . However, in some cases, a loading value between 0.5-0.7 is still acceptable as long as the AVE (Average Variance Extracted) value of the construct is above 0.5. Figure 2 shows that the loading factor value for all variables is > 0.5 (valid).

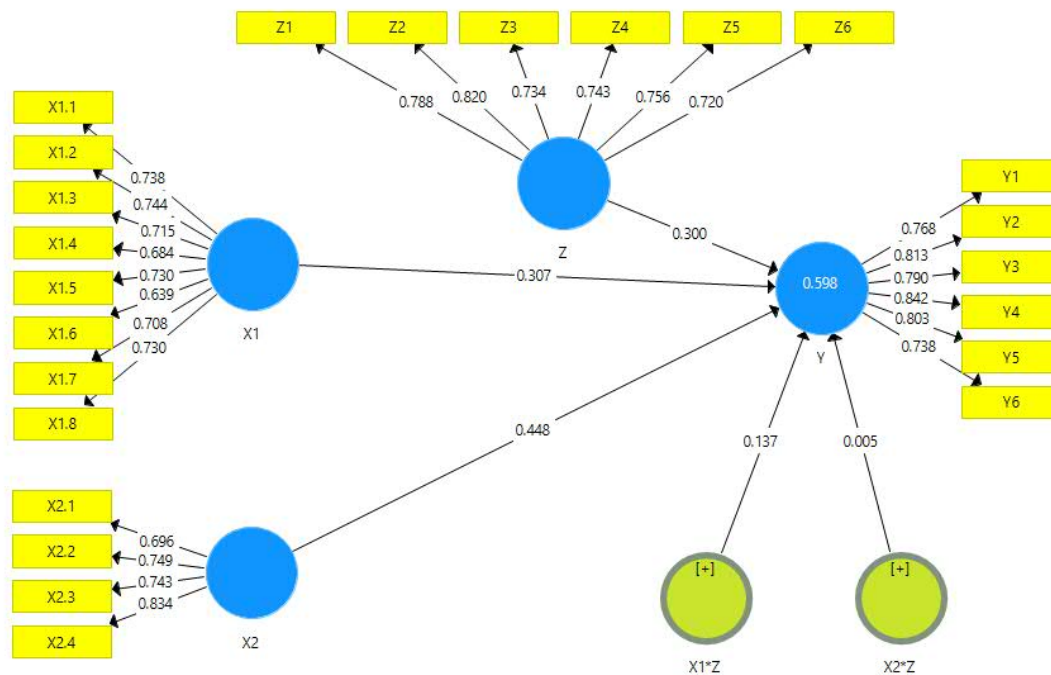


Figure 2. Model Test Result

4.3. Composite Reliability

The composite reliability test is used to assess the reliability of indicators that measure a single latent variable. If the composite reliability value is > 0.7 , then the construct can be said to be reliable. The results of the composite reliability test are shown in Table 3.

Table 3. Reliability Test Result

Variable	Composite Reliability	Explanation
X1	0.891	Reliable
X2	0.843	Reliable
Y	0.910	Reliable
Z	0.892	Reliable

Source: Primary Data, 2025

4.4. Model Testing

Model testing in this study was conducted by examining the adjusted R-squared value obtained from the analysis using SmartPLS. The R-squared value is used to determine how much variation the model can explain in the dependent variable. A high R-squared value indicates that the model has good predictive ability. R-squared value for the independent variable Accounting Fraud (Y) is 0.598, which means that the contribution of the variables Love of Money (X1), Rule of Law (X2), and *Tri Nga* (Z) is 0.598 or 59.8%, while for the remaining 40.2% the contribution of other variables outside this study.

4.5. Hypothesis Testing

Hypothesis testing aims to test whether the relationship between variables proposed in the model is statistically proven. The hypothesis is accepted if the p-value < 0.05 . The results of this test will serve as the basis for determining whether the independent variable has a significant effect on the dependent variable in this study. The significance value will be the basis for determining whether the hypothesis is accepted or rejected.

Table 4. Hypothesis Test Result

Hypotheses	T statistic	P Value	Explanation
X1 -> Y	6.412	0.000**	H ₁ : accepted
X2 -> Y	8.381	0.000**	H ₂ : accepted
Z -> Y	5.717	0.000**	H ₃ : accepted
X1*Z -> Y	2.559	0.011*	H ₄ : accepted
X2*Z -> Y	0.109	0.913	H ₅ : rejected

** sig < 1 %; * Sig < 5%; Source: Primary Data, 2025

Table 4 illustrates that the love of money has a significant impact on accounting fraud, a result that aligns with the Fraud Triangle Theory, particularly in the opportunity component. Individuals with a strong desire for financial gain tend to be more motivated to pursue it. When opportunities arise, such as weak internal controls or a lack of supervision, they are more prone to commit fraud (Mardianto & Tiono, 2019). Money is often perceived as a sign of achievement or power, which can encourage deviant actions in pursuit of financial goals. This is due to the materialistic drive that ignores moral norms and values in the decision-making process. The greater a person's desire for money, the higher their likelihood of committing accounting fraud. This is because money is often considered a symbol of personal achievement, power, and success (Reswari & Nirwana, 2023).

The test results indicate that the rule of law has a significant impact on accounting fraud, thereby supporting the accepted hypothesis. This finding is consistent with the Fraud Triangle Theory, especially the pressure component, where a strict and fair legal system creates pressure for individuals not to commit violations (Retnowati, 2022). The rule of law serves as an external control mechanism, providing a strong signal that fraudulent actions will be subject to consequences, such as fines, dismissal, or criminal sanctions (Marsini et al., 2019). A lack of awareness about the importance of legal compliance and weak law enforcement can facilitate fraud. Thus, effective law enforcement can increase individual awareness of compliance with existing rules, thereby reducing the potential for fraud. In general, the findings of this study reinforce the argument that the rule of law is a crucial element in preventing accounting fraud (Ayem & Azka, 2024).

The results showed that *Tri Nga* has a significant effect on accounting fraud, it means the hypothesis is accepted. This finding supports the Fraud Triangle Theory, especially in the rationalization component, which is the process in which individuals justify fraudulent acts as acceptable (Mardianto & Tiono, 2019). *Tri Nga*, which consists of *ngerti* (understanding), *ngrasa* (feeling), and *nglakoni* (doing), plays an important role in forming moral awareness that prevents individuals from justifying deviant behavior (Wardani &

Farin, 2023). Through *ngerti*, individuals understand that cheating violates the law and ethics. By *ngrasa*, they realize that cheating goes against conscience and social responsibility. Meanwhile, by *nglakoni*, they practice these values in their daily lives. When the value of *Tri Nga* is deeply embedded, individuals tend to refuse to rationalize fraudulent actions, even in situations that provide opportunities or pressure (Rahmi et al., 2024). Therefore, *Tri Nga* can suppress the tendency of accounting fraud because it plays a direct role in shaping ethical attitudes and behaviors (Prastyatini & Pratama, 2024).

The results showed that *Tri Nga* can moderate the relationship between the love of money and accounting fraud, so the hypothesis is accepted. This finding aligns with the Fraud Triangle Theory, particularly in the opportunity aspect, where individuals with a strong desire for money are more likely to commit fraud when an opportunity arises (Ayem & Azka, 2024). However, the values in *Tri Nga* can help individuals resist the urge and still act honestly. *Understanding* (*Ngerti*) helps individuals realize that pursuing money through unethical means carries legal risks and negative consequences, both for themselves and their organization. *Ngrasa* (feeling) fosters empathy and guilt when someone considers acting dishonestly, as they understand that such actions contradict moral values and can harm others (Nadzirroh, 2017). Meanwhile, *nglakoni* (doing) directs individuals to embody integrity values in daily life, not just understand and feel them. Even though a person has a strong drive for money, the values of *Tri Nga* can reduce the likelihood of cheating because individuals have a deeply ingrained sense of ethics. Therefore, it has been proven that *Tri Nga* is significantly able to moderate the relationship between the love of money and accounting fraud (Erawati et al., 2024).

The results showed that *Tri Nga* could not moderate the relationship between the rule of law and accounting fraud, so the hypothesis was rejected. Theoretically, according to the Fraud Triangle Theory, the rule of law serves to reduce pressure for fraud by providing a clear system of rules and sanctions. The values in the *Tri Nga* are expected to strengthen the effect of the rule of law by fostering more profound understanding, moral awareness, and real application of the rule of law (Wardani & Pawestri, 2024). However, the insignificant results suggest that the effect of *Tri Nga* as a moderator on the relationship between the rule of law and fraud has not been statistically proven. This could happen because the rule of law itself is strong enough as an external controlling factor, so the presence of internal values such as *Tri Nga* does not provide a significant additional effect (Fadhilah et al., 2021). In addition, it is possible that the respondents in this study perceived compliance with the law more as a formal obligation rather than a reflection of internal moral values. That is, although they understand and appreciate *Tri Nga*, these values have not fully informed their response to the rule of law, so they are not strong enough to significantly strengthen the relationship (Wardani & Falna, 2024).

5. Conclusions, Implications, Limitations, and Suggestions

This study demonstrates that a love of money has a significant impact on accounting fraud, as a high materialistic drive encourages individuals to take advantage of opportunities to commit fraud. The rule of law also has a significant impact on accounting fraud, as the

existence of a strict legal system creates external pressure that is effective in suppressing fraudulent acts. *Tri Nga* has a significant impact on accounting fraud because the moral values it embodies can inhibit the process of rationalizing deviant behavior. Then, *Tri Nga* moderates the relationship between the love of money and accounting fraud by controlling the urge to cheat by strengthening ethical awareness. However, *Tri Nga* is unable to moderate the relationship between the rule of law and accounting fraud, which suggests that in this context, the rule of law as an external control is strong enough, but is not always reinforced by internal values.

This study makes a theoretical contribution to enriching the literature on the determinants of accounting fraud through the Fraud Triangle Theory approach, considering factors such as the love of money, the rule of law, and local values in *Tri Nga*. Practically, these results are useful for universities in strengthening the integration of ethics education into the curriculum, as well as for organizations in enhancing their ethical work culture and internal control systems. However, this study has limitations in its scope, as it consists only of accounting students and relies on single data in the form of questionnaires, which means the results do not fully describe the real conditions in the professional environment.. Therefore, future studies are recommended to involve a more diverse sample, employ a qualitative approach, and consider additional factors such as digital literacy and the use of accounting technology. to obtain a more comprehensive understanding of accounting fraud. Considering that digital developments have changed the pattern of fraud and have not been studied in depth. This variable is important for understanding how an individual's ability to manage digital systems affects the potential for accounting fraud (Putra et al., 2025).

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