

## INTEGRATING EXEMPT VALUES INSIDE THE FAMILY TO PREVENT FRAUD

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### **Abstract**

*Fraud is a serious problem in the business world. Fraud includes three main things, namely assets misappropriation, fraudulent statement and corruption. Various efforts have been made in the framework of prevention. However, fraud still exists today. On the other hand, the family has the potential and an important role in shaping one's character. There are various positive values that can be instilled in children in family institutions. The problem is, many families are now just a mere formality. In fact, parents can educate their children to become anti-fraud individuals, one of which is by setting an example for their children. Therefore, this article proposes a new concept that combines the previous concepts. The concept is to instill exemplary values in the family to prevent fraud. This study uses descriptive analysis to propose the concept of cultivating exemplary values in the family to prevent fraud. This study uses a library research approach to collect secondary data from journal articles, books, reports, and websites that contain the existing concepts of exemplary values and fraud prevention. It is hoped that this formulation can actually reduce fraud that occurs later.*

**Keywords:** *Fraud, exemplary values, family, fraud prevention*

### **Abstrak**

Fraud termasuk masalah yang serius di dunia bisnis. Fraud mencakup tiga hal utama yaitu penyalahgunaan aset, pelaporan palsu dan korupsi. Berbagai upaya telah dilakukan dalam rangka pencegahan. Namun, fraud masih tetap ada sampai sekarang. Di sisi lain, keluarga mempunyai potensi dan peranan penting dalam pembentukan karakter seseorang. Ada berbagai nilai-nilai positif yang dapat ditanamkan kepada anak-anak dalam institusi keluarga. Permasalahannya, keluarga sekarang banyak yang hanya menjadi formalitas belaka. Padahal, orang tua dapat mendidik anak untuk menjadi pribadi anti-fraud salah satunya dengan

melakukan keteladanan untuk anak-anaknya. Oleh karena itu, artikel ini mengusulkan konsep baru yang menggabungkan konsep-konsep sebelumnya. Konsep tersebut adalah melakukan penanaman nilai-nilai keteladanan di dalam keluarga untuk mencegah fraud. Penelitian ini menggunakan analisis deskriptif untuk mengusulkan konsep penanaman nilai-nilai keteladanan di dalam keluarga untuk mencegah fraud. Penelitian ini menggunakan pendekatan penelitian kepustakaan untuk mengumpulkan data sekunder dari artikel jurnal, buku, laporan, dan website yang memuat konsep nilai keteladanan dan pencegahan fraud yang sudah ada. Diharapkan rumusan ini dapat benar-benar mengurangi fraud yang terjadi nantinya.

**Kata Kunci:** *Fraud, nilai keteladanan, keluarga, pencegahan fraud*

## **Introduction**

In the business world, fraudulent behavior or fraud is still a rife thing to do (Alfian, 2016). Fraud behavior is not only carried out by public or government officials but also penetrates the private sector. Many fraudulent behaviors are found and published in the mass media. However, undetected fraud behavior is believed to be still more. Moreover, fraud behavior will be difficult to recognize in organizations that have weak internal control systems.

Fraud has various definitions according to experts. One of the interesting is the definition of a fraudster Barry Minkow which states that fraud is the disguise of reality with a lie (Kamal, 2017). Meanwhile, the Association of Certified Fraud Examiners (ACFE) defines fraud as a deliberate untruthful or dishonest scheme used to take deliberate and unfair advantage of another person or group of people including in any way, such as deceiving others.

The Association of Certified Fraud Examiners (ACFE) divides the main categories of occupational fraud and abuse into three sections: misappropriation of assets, financial statement fraud and corruption (Association of Certified Fraud Examiners, 2016). Asset misappropriation is a fraudulent scheme in which an employee steals or misappropriates the resources of the organization that employs him. Financial statement fraud is a scheme in which an employee intentionally causes misstatement or omission of material information in an organization's financial statements. Corruption is a fraudulent scheme in which an employee abuses his influence in business transactions in a way that violates his obligations to the employer to gain direct or indirect advantage (Sengur, 2016).

Fraud behavior has a destructive impact on the organization and the perpetrators themselves. The impact of the damage outweighed the financial loss. Other damages include reducing employee work ethic, worsening external business relationships, and worsening the reputation and image of the organization. The impact of damage in the form of declining company reputation can have long-term effects (Alfian, 2016). What is worrying is that organizations do not have long survival.

Various efforts have been made by government and private agencies to reduce fraud behavior. Law enforcement efforts for perpetrators of fraud in the government are still considered weak. As a result, these efforts have not yielded satisfactory results. On the other hand, private organizations also make efforts to prevent and detect fraud. However, many still encounter failures in preventing and detecting fraud. It is evident from various loss reports from companies that have been published. Some major cases of fraud in the manipulation of financial statements include the Toshiba case (2014), Olympus (2011), Satyam (2009), Lehman Brothers (2008), Bernie Madoff (2008), WorldCom (2002) dan Enron (2001) (Bhasin, 2016).

Seeing from the destructive impact caused by fraud behavior raises the question can fraud be eliminated? Gandhi (2015) Expressing the opinion that people cannot expect fraud to disappear completely. The public can only consciously stand guard to ward off fraud and initiate exemplary actions on fraudsters who will serve as a deterrent for intending fraudsters.

Fraud prevention efforts are very important to do considering fraud is a hidden crime. Fraud is not done blatantly. The victim cannot immediately realize that fraud has occurred. Moreover, fraud is a structured crime that destroys governance in both the public and private sectors. Corruption is one example of a form of fraud that damages the order of life. In addition, corruption also makes the people miserable and causes poverty. Therefore, fraud behavior must be eradicated. At the very least, there are concrete steps taken to minimize the emergence of fraud (Alfian, 2016).

Many fraud prevention efforts have been carried out, including those researched by Sinen (2022). Sinen conducted research on Village Government in Adonara Tegah District, East Flores Regency, East Nusa Tenggara Province. The results of the research conducted showed that compliance with accounting rules did not have a significant

effect on preventing village fund fraud in the village government in the sub-district. However, the internal control system has a significant positive influence on the prevention of village fund fraud in the Village Government in Adonara Tengah District, East Flores Regency, East Nusa Tenggara Province.

In addition to the fraud prevention efforts already mentioned, there is a need for earlier prevention efforts. This step is believed to be able to instill values to prevent fraud behavior in the future. This effort is by instilling noble values in the family. The family is the smallest unit of society that has an important role. Unfortunately, many families are just a mere formality where parents only provide physical needs to their children (Sutarmin, Zuchdi and Suardiman, 2014).

Instilling noble values in the family has an important role in preventing fraud. These noble values can be extracted from various sources including religious norms, moral norms, community customs and local culture. None of these sources of value teach bad values to followers. Although the noble values can vary, in essence both hope for the realization of a civilized civil society and far from fraud.

Among the noble values that can be applied in the family is the value of exemplary. Therefore, this paper tries to review in more depth about the internalization of exemplary values in the family to prevent fraud.

## **Methodology**

This study used a qualitative research approach. Library research methods are used to gather all relevant information and data from published documents including journal articles, books, and reports of related institutions and websites. Furthermore, this study uses a descriptive analysis approach to see the concepts of exemplary value and fraud that already exist and then formulated into new concepts.

## **Discussion**

### **The Importance of Exemplary Value**

The rapid development of the times has not escaped the negative problems that follow. The Indonesian nation is one of the people who experience this problem, namely moral decadence. The decline in public morale is influenced by changes in lifestyle,

social environment, modernization currents and system changes in society. As a result, the quantity and quality of crime in general in the community has increased. For example, rampant cases of corruption, collusion and nepotism (KKN), fraud in various ways, fraud, persecution, bullying, theft, destruction of public facilities, rape to murder. Such behavior comes from the low quality of behavior and morals of both individuals and groups of people. Especially when being an early childhood is less instilled noble values in the family by his parents (Sutarmin, Zuchdi and Suardiman, 2014).

Instilling noble values in the family for early childhood has the aim of familiarizing good values so that later when entering the next level of education even until adulthood becomes a person full of good values. Child development, especially at an early age, is the golden age, which is the right time to start instilling good values. This is because they experience tremendous development and growth that includes both the physical and the mind. At an early age, children have not been exposed to negative impacts from the outside environment. Thus, parents can more easily and freely instill noble values in the family to their children (Cahyaningrum, Sudaryanti and Purwanto, 2017).

The golden age is an important moment where children have opportunities and potential to be developed very well. This time is the right time to instill noble values in the family by parents who are expected to form a complete personality for the child. Early age has an important role considering that the human brain develops rapidly to reach 80%. The breakdown is that when a baby is born, his brain development reaches 25%. Then it increased by 50% when he reached the age of 4 years. Furthermore, it increases to 80% when the child enters the age of 8 years. Its development continues until the child reaches the age of 18 years (Cahyaningrum, Sudaryanti and Purwanto, 2017).

Instilling noble values in the family in early childhood is a means to develop children's potential in order to develop optimally. This is in line with Law Number 20 of 2003 concerning the National Education System (*SISDIKNAS*) which states that the cultivation of noble values in early childhood is one way of coaching given to children from birth to the age of six. This effort is carried out by providing educational stimulus to encourage physical and spiritual development and growth so that children have readiness to enter the next stage of education.

Parenting and parental example greatly affect the formation of personality and ethics in early childhood. Couples who have become parents have the obligation to carry out parenting and example to their children, both their own children and the children in their care. The parenting style and example of parents will determine the child's life later. From these activities, it is expected to build children's readiness in order to live their lives independently.

The value of example in the family by parents is important in the formation of children's character or personality. What's more, the togetherness of fathers and mothers with children is more in early childhood. Parents must have various roles and functions according to the needs of children. There are times when parents must be reliable motivators for their children. Another moment, parents are expected to be like a doctor who must analyze and treat children's deviant behavior according to their doses. Parents at other times are also expected to be great communicators who can mediate their children's problems (Kabiba, Pahenra and Juli, 2017).

Education and example of parents become an important factor for human life. The role of education and example is very large in maintaining human dignity, maintaining and preserving cultural values. In other words, when humans were still living in this world, education and example became the main things that were no less important than the other needs of human life. Education and example become an integrated part and related to human life, becoming a basic need and an absolute thing in human life.

### **Theory and Concept of Exemplary Value**

According to the Big Indonesian Dictionary (KBBI), exemplary comes from the word example which means "something enviable or good to be emulated". Therefore, example means something that can be emulated or imitated. The value of example is the most absolute element to encourage change in life, as well as in preparing and structuring children's spiritual and social morals. In other words, it is the best example from the child's point of view that will be emulated in the behavior of daily life. Exemplary counsel is like taking salt to the sea to marinate it. It means a job that does more waste than benefit (Cahyaningrum, Sudaryanti and Purwanto, 2017).

From the point of view of Islam, example is among the most effective ways of leadership. It is a guidance method that has proven its strength. Even Allah Himself asked mankind to emulate the thoughts and deeds of the Prophet of Allah. Allah *Subhanahu wa Ta'ala* said in the Qur'an *Surah Al Ahzab* verse 21 which means "Indeed, in the Messenger of Allah there is a good example for you..." (Rahmadyansyah, 2015).

The Qur'anic verse can also imply that the process of instilling noble values in a good and effective family is by setting an example or example to children not just through words. While example is important to apply in educating and leading adults, it is even more important as a method to guide and educate children to be better. As we all know, the child is like white and clean paper. The task of people around him, especially parents who will help draw with a variety of good and beautiful pictures.

Rahmadyansyah (2015) explains the exemplary values of Muslim parents in Islamic education. He divided the values of Islamic education which include the value of faith, the value of worship, moral values and health values. The details of these values are explained in the following paragraphs.

The value of faith or creed is a combination of various elements of pedagogic activities, the interweaving of children to the points of faith, their approach to the pillars of Islam to learning about the principles of Islamic sharia. The cultivation of faith values has the meaning of maintaining elements of faith from various things that can damage beauty and cause disease for its adherents. In addition, the cultivation of faith values is also expected to form a person with various worship that has been assigned, purify from dirt and beautify with various kinds of various virtues. More than that, the value of faith can also mean guiding children to perform various worship by exploring their spirit and not just formality. In addition, in order to avoid the element of frightening children or forcing them, but through strengthening the feelings that accompany it.

The value of worship complements the cultivation of faith values in children. Worship includes a reflection of the child's *minanan* or creed. The cultivation of worship values is framed in a separate science, namely jurisprudence. Jurisprudence is the science that explains man's relationship both to his God and to his fellow humans. What needs to be underlined is that early childhood is not a time of burdening religious

commandments and prohibitions. However, this period is to instill values, train, and hone so that children will one day be ready to accept the mandate of commandments and prohibitions in Islam. This is important so that children do not encounter obstacles in carrying out obligations as religious people and are ready to live the stages of life steadily, firmly, and confidently. Worship of God has a very amazing influence on the person of the child because he will have a strong bond with Allah subhanahu wa ta'ala. In addition, emotional feelings and passions will be controlled so that children have upright actions and are able to be mystical and not controlled by *shahwat*.

Moral values in Indonesian come from Arabic *akhlaq*. While the plural form of morals is *al-khuluq*. The notion of al-khuluq means something that forms a person's habits in the form of *adab*. In other words, morality is a trait that gives birth to actions such as ethics, behavior, habits that can be good or bad.

Next is the health value. Islam also cares about human health in general as well as the health of children in particular. Islam encourages humans to always maintain their health, both physical, spiritual and environmental health. Health value is an important value because it supports the improvement of the implementation of worship. Instillation of health values must also be done from an early age by habituating to live clean and healthy living behaviors.

### **Application of Exemplary Values in the Family**

In line with the concept of example that has been conveyed in the previous section, the application of exemplary values also follows the concept. The application of exemplary values includes practice ranging from faith values, worship values, moral values to health values.

The cultivation of the value of faith as a whole in children through the example of parents should be based on the guidance and testament of the Prophet of Allah. The Prophet has set an example in conveying the points of faith and the pillars of Islam to children. The steps are as follows. Start the page of the child's life with the pronunciation of *tawhid*, namely *la ilaha illallah*. This is so that the sentences *tawhid* and *shiar* convert to Islam become the first thing that enters the child's hearing. In addition, so that the sentence becomes the first sentence spoken by his mouth and the

first pronunciation learned by the child. This step has an impact on the cultivation of the principles of creed, faith and monotheism in children.

Another exemplary value related to faith is by familiarizing the halal haram law with children from an early age. The goal is for children to recognize God's commandments and prohibitions from an early age. This will help when the child reaches adulthood and will get used to practicing it in his daily life (Rahmadyansyah, 2015).

Instilling the value of worship to children through the example of parents includes prayer and fasting (Basrawi, 2019). The prayer material taught to children includes movements, recitations or prayers to *adab-adab* in prayer. At an early age, which is about three years, children are asked to follow the prayer movement even though it is not strict. The main thing is that children want to imitate the prayer movements performed by their parents. When the child reaches the age of five, the child is taught little by little to recite the Qur'anic recitation. The first letters taught include *Surah Al-Fatihah, Al-Ikhlash, Al-Falaq and An-Nas*. All of them are guided orally in their own homes. Then, after finishing the prayer, the child is taught to participate in remembrance and prayer.

Instilling moral values in children through parental example includes ethical or ethical values. Parents set an example in polite behavior to spouses, parents, siblings, friends and society in general. It is expected that children can imitate and behave politely to parents, siblings, teachers, love playmates. In addition, it is expected that children can behave manners in speech, manners in dress such as placing different clothes according to the atmosphere, to manners in eating and drinking.

Instilling health values in children through the example of parents is by paying attention to cleanliness and neatness. Children should be educated to live clean and healthy lives because Allah *subhanahu wa ta'ala* likes clean people. This is conveyed in the Qur'an *Surah Al-Baqarah* verse 222 which means "... Indeed, Allah loves those who repent and those who purify themselves". Therefore, parents are encouraged to maintain children's health from an early age or since infancy. Other efforts include routine exercise, getting used to miswak or brushing teeth, maintaining body and clothing

hygiene, providing good nutrition, maintaining a place to live so that it is always good and healthy, to doing treatment if needed.

### **The Relationship of Exemplary Value with Fraud Theory and Prevention**

Many researchers have discussed the value of exemplary and fraud prevention. However, no researcher has directly linked the value of exemplary in fraud prevention efforts. In principle, the value of example is one of the noble values that can be applied in the family. This is as has been conveyed by several researchers including Sutarmin, Zuchdi, and Suardiman (2014). They researched the cultivation of basic humanist religious values in early childhood urban families in integrated Islamic kindergartens. Among the important points of his findings was that children's actions at school and at home became better after obtaining the cultivation of basic religious humanist values.

The next research was conducted by Rahmadyansyah (2015). He researched the internalization of parental exemplary values in preschoolers. From the research conducted, it was found that the cultivation of exemplary values in preschool-age children is mandatory because it becomes the initial foundation for children in living their lives later in life.

In line with previous research, Kabiba, Pahenra, and Juli (2017) also stated the same thing. Their research on the example of parents in instilling ethical values in children. From the results of the research conducted, it was found that the description of the example of parents in instilling children's ethical values in Bone Kancitala Village, Bone Kabupaten Muna District is that it can determine a good attitude in accordance with the values that can be applied in the environment in the community,

In the same year, Cahyaningrum, Sudaryanti, and Purwanto (2017) also conducted a similar study. They research the development of early childhood character values through habituation and example. From the results of the study, it was found that habituation and example in character education in PAUD institutions in Ngemplak District can be seen from the emphasis on character in the learning process, namely religious, honest, tolerance, discipline, Relevant learning methods for instilling character values are assignments, case studies, role playing and interesting learning practices so that character education values can be implemented.

In 2019, Basrawi conducted research on the internalization model of moral values in tea plantation workers' families. From the research conducted, it was found that Islamic religious education materials taught by parents to their children include divinity, destiny, rituals and ethics. As for the methods include habituation, example, control and punishment; All of which are applied in simple and easy to understand language.

Furthermore, in 2022, Wuryaningsih & Prasetyo (2022) Conduct research on the relationship of parental example with the development of early childhood moral values. From the research conducted, it was found that the more often parents give exemplary behavior to their children, the development of children's moral values increases. Therefore, in educating their children, parents are not only enough with commands or words, but must provide examples of good behavior for their children, and can be used as figures worthy of example.

In the same year, Sinen conducted research on village fund fraud prevention: analysis of compliance with accounting rules and internal control systems. From the results of the research conducted, it was found that fraud prevention can be pursued, one of which is through improving organizational culture. This means that organizational culture can be in the form of leadership example and the creation of a positive work environment.

### **Exemplary Value Can Reduce Fraud**

Based on the literacy test conducted by the author, the author believes that there is a positive relationship between the value of example and efforts to reduce fraud. However, this idea has not been validated through more empirical research efforts. Therefore, research on the relationship between exemplary values and fraud prevention efforts is very potential to be carried out.

### **Conclusion**

Based on the previous discussion, conclusions can be drawn, among others,

1. Exemplary values have characteristics that deserve to be raised and discussed in fraud prevention efforts.
2. Exemplary values include one of the noble values that can be applied in the family.

3. Exemplary values can be extracted from the norms that exist in society, in this case the author takes from the point of view of Islam. The value of example can be broken back into other values which include faith values, worship values, moral values and health values.
4. There has been no empirical research linking the value of exemplary with fraud prevention efforts. However, the value of example can be applied considering the positive influence that applies to children.

Responding to the conclusions that have been submitted, the author proposes suggestions to be able to complement this idea with more empirical research. Thus, it is hoped that this idea can be compared more objectively.

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