

**WHISTLEBLOWING AND PREVENTION OF FRAUDS: TESTING THE EFFECT OF
FORMAL RETALIATION MODERATION**

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Abstract

This study aims to empirically examine the determinants of internal auditor behavior in whistleblowing and its effect on fraud by formal retaliation as moderating. The population in this study was 735 internal auditors from all state-owned companies in Indonesia. Data collection uses the census method and the number of research samples used in the data analysis is 197. Testing the hypothesis using the Structural Equation Model (SEM) with the help of WarpPls 5.0.

The results of the study prove that whistleblowing intention has a positive effect on whistleblowing behavior. Formal retaliation weakens the relationship between whistleblowing intentions and whistleblowing behavior. Whistleblowing behavior has a positive effect on fraud prevention.

Keywords: Intention of whistleblowing, whistleblowing behavior, formal retaliation, fraud