Economic Affairs, Vol. 68, No. 02, pp. 1227-1233, June 2023
DOI: 10.46852/0424-2513.2.2023.28

AESSRA

Review Paper

Developing Pathway towards Fraud Prevention in an Organization: The Application of Levers of Control and Fraud Diamond Theory

Noor Hasniza Haron*, Norhayati Alias, Tuan Zainun Tuan Mat and Mazurina Mohd Ali

Faculty of Accountancy, Universiti Teknologi MARA, Cawangan Selangor, Kampus Puncak Alam, Selangor, Malaysia

*Corresponding author: hasniza3330@uitm.edu.my (**ORCID ID:** 0000-0001-5046-3802)

Received: 16-02-2023 **Revised:** 29-05-2023 **Accepted:** 05-06-2023

ABSTRACT

Fraud is a worldwide concern that may jeopardize an organization's reputation and performance. A robust control system may be put in place to prevent the issue. This paper provides a conceptual view of how the levers of control can provide a pathway to preventing fraud in an organization. Understanding the levers of control and control systems from the employee's perspective and how employees would behave in the given situation would be advantageous to guarantee that the established control system can fulfill its intended goal. The presence or absence of employees has an impact, whether positive or negative, on an organization. Organizations can utilize the knowledge of fraud diamond theory when establishing an appropriate setting in the control levers to help prevent fraudulent activities.

HIGHLIGHTS

- This paper is devoted to highlighting the impact of effective levers of control implemented in an organization that is able to influence the behavior of employees. A suggested conceptual framework is presented, whereas the carefully designed levers of control be able to prevent corruption from happening in an organization. The effect of pressure, opportunity, capabilities, and rationalization are discussed, inclusive in the context of levers of control systems. Diagnostic, boundary, interactive, and belief control system is equally important to prevent corrupt activities.

Keywords: Levers of control, fraud diamond theory, management control system

Fraud is an ongoing, global problem for an organization that could put them at risk of profitability and reputational well-being. As a result, many businesses have implemented robust controls system to prevent the prevalent issue. Implementing fraud measures is part of the corporate governance practice, but much is still to be done (KPMG 2013). Despite Malaysian organizations on dealing with fraud making increasing focus, it was disclosed through a crime and fraud survey in 2020 prepared by PWC that the amount of fraud remains high, with almost half of the survey respondents being a victim. In Malaysia, 35 percent of fraud had been committed through collusion between internal and external actors, 33 percent was perpetrated solely by internal perpetrators, and only 24 percent was exclusively due to external perpetrators (PWC, 2020). PWC (2020) report disclosed that the top four most impactful incidents of fraud experienced by Malaysian organizations are asset misappropriation (16 percent), bribery and corruption (18 percent), customer fraud (20 percent), and cybercrime (16 percent). Three key takeaways were highlighted

How to cite this article: Haron, N.H., Alias, N., Tuan Zainun, T.M. and Ali, M.M. (2023). Developing Pathway towards Fraud Prevention in an Organization: The Application of Levers of Control and Fraud Diamond Theory. *Econ. Aff.*, **68**(02): 1227-1233.

Source of Support: None; **Conflict of Interest:** None

in the report, including ensuring that adequate procedures align with section 17A of the MACC Act, promoting speak-up culture, and continuously strengthening their defense. The prevention mechanism could be the first line of defense and a central part of the equation in addressing fraud issues in an organization.

An organization can be seen as a group of managers and subordinates who cooperate to accomplish a joint mission and vision. The vision and mission need to be embraced by the employees and not conflict with individuals' interests. The organization's mission and vision could include the importance of employees working ethically without compromising any fraudulent activities. One approach to achieving these goals is to make sure that the conduct of one's subordinates is moving in the desired direction and may be monitored or attained via management control systems (MCS). MCS can be discussed using specific organizational tools, such as budgeting or activity-based costing. The MCS may also focus on a topic founded on the behavioral premise presented by Simon (1995) and referred to as the four levers of control.

This paper will focus on how MCS can be used for behavioral control, notably grounded by four levers of control introduced by Simon (1995). Despite that, some literature has examined the possibility of the evolution of levers of control in an organization (Martínez Ramos & Gutiérrez Hidalgo, 2003); it is undeniable that the levers of control can be implemented concurrently in the organization to achieve the balance of control in a dynamic environment, whereas creativity and innovation are expected while dealing with uncertainties and deviations. For example, Arjalies and Mundy (2013) discussed how managers utilized a diagnostic control system and an interactive control system to balance the top-down and bottom-up strategies while simultaneously identifying opportunities and managing risk through a belief control system and a boundary control system. The risk needs to manage to prevent any fraudulent activities properly.

Not only that, Simons (1995) brought forward a discussion on how changes in the organization, such as in response to the pressure of the changes in organizations, several managers might have manipulated their financial data to enhance their financial performance. The Big Six accounting firms have observed a substantial increase in errors and fraud over five years as organizations downsized and reduced the resources devoted to internal controls (Simon, 1995). Despite that, the boundary control system allows for monitoring activities, yet the potential for control failure could still exist and give importance to the three other essential levers of control (Simon, 1995). Levers of control are designs for effective strategy implementation based on the notion that a new control concept must balance freedom and constraint, empowerment and accountability, top-down direction and bottom-up creativity, experimentation, and efficiency (Shelleman, 1995). The following sections will discuss the mechanism of fraud diamond theory, levers control systems, and their relation to fraud prevention in an organization.

FRAUD DIAMOND THEORY

Wolfe and Hermanson (2004) developed a Fraud Diamond Theory that is regarded as an expanded version of the Fraud Triangle Theory. Literature often discusses the theory in variations in multiple contexts, such as how it can explain why people are predisposed to engage in fraudulent behavior. For instance, pressure is the first dimension of the theory that plays a vital role in motivating people to commit fraud. The pressures may be related to financial, non-financial, work, or personal (Koomson, Owusu, and Bekoe 2020; Azrina & Ling Lai, 2014) triggered by individuals themselves or others (families, peers, and organizations). Literature often discusses the issues generally or specifically at the individual level; few are discussed due to others, such as at the organizational level, and are limited in the context of the control system.

Some research, like the one done by Oyerogba (2021), used the theory as a foundation while using professionals' perceptions regarding the knowledge and experience required to detect fraud. At the individual level, some studies, such as Kazemian, Said, Nia, and Vakilifard (2019), use individual behavior as the proxy to measure the pressure and rationalization elements in the fraud diamond theory. Meanwhile, the proxy to reflect the opportunity and capability elements are used based on personal perceptions of the department's internal control, such as the clarity of separation of responsibilities, well-documented policies, and

insufficient documents for approval (Kazemian *et al.* 2019).

Meanwhile, at the organizational level, some studies, such as Khamainy, Ali, and Setiawan (2022) and Omukaga (2020), used different indicators to represent the element in the fraud diamond theory. For instance, the ratio of total debt against the shareholder's equity is being used as a measurement to reflect the pressure element of an organization, the nature of the industry as the proxy for the opportunity element, and the change of directors provides as the proxy the capability element and personal integrity factor through an element such as earnings management as the proxy of rationalization element of fraud diamond theory about fraudulent reporting (Khamainy *et al.* 2022).

Different indicators used to explain the elements of fraud diamond theory provide the possibility to examine them in the context of levers control systems. It is undeniable that lever control systems can be essential in providing direction on the expected behavior in preventing fraudulent activities. The following section will discuss how levers of control can pressure individuals to engage in fraudulent activities under certain circumstances. Subsequently, offer a discussion on how the levers of controls carefully designed can mitigate fraud from the perspective of the Fraud Diamond Theory.

LEVERS OF CONTROL

The importance of levers of control in an organization is often discussed in multiple business contexts. For instance, the discussion may be circular in the context of how levers of control can enable managerial performance (Hermawan, 2021), the company's performance (Baird, Su, and Munir, 2019; Baird & Su, 2017; Smith & Marx, 2022; Handoyo & Putri, 2022), its role in the strategic process (Naro & Traville, 2011), value creation (Sheehan, Vaidyanathan, and Kalagnanam 2005), product development (Bellora-Bienengräber, 2019), implementation towards corporate socially responsible activities (Laguir, Laguir, and Tchemenie 2019), performance management (Abdel-Halim & Ahmed, 2021), performance measurement (Pesalj, Pavlov, and Micheli 2018), innovation (Barros & Ferreira, 2021) but only the little discussion had been made on their contribution in behavioral control to prevent the fraudulent activities.

It is unrealistic that managers could achieve control by hiring good people, aligning incentives, and hoping for the best (Simons, 1995). Instead, managers need to initiate the improvements in a controlled way (Simons, 1995; Kopanchuk *et al.* 2021; Dani *et al.* 2022). Expecting the employees to behave ethically without engaging in fraudulent activities may sound too optimistic. Organizations need to provide some directions on what is expected to be performed by the individuals and set the limit of what can be done. These expectations must be communicated to ensure that individuals' perceptions are aligned with the expectations of organizations. Based on this, there is a need to reconcile the creativity and control at hand and give rise to the importance of the four levers of control equally: diagnostic systems, belief systems, boundary systems, and interactive control systems (Simons, 1995).

Diagnostic Control System

These are the essential tools to transform the intended strategies into realized strategies, and to be effective; the focus needs to be made on individual and organizational goals (Martínez Ramos & Gutiérrez Hidalgo, 2003). Deviance from these mutual goals could increase individuals' dissatisfaction and justify why they may opt for fraud practices. To ensure employees do not put their well-being at risk, one solution is to go back to the fundamental of control, where managers tell employees how to do their jobs and monitor them to guard against surprises (Simons, 1995). Though it sounds anachronistic for modern business, it is practical, especially in the context of standardization is critical for efficiencies (Simons, 1995), which allows monitoring against standard of performance and sets level tolerance of possible fluctuations (Martínez Ramos & Gutiérrez Hidalgo, 2003). Including major driving aspects in the diagnostic control system, such as rewarding personnel, is also essential. The term "reward system" refers to the mechanism used to evaluate performance and the administration used to determine remuneration (Flamholtz, 1983).

Boundary Control System

The boundary control system keeps the realized strategies within the expected domain and

ensures that any business practices occur within the acceptable level of risk (Martínez Ramos & Gutiérrez Hidalgo, 2003). In a dynamic environment, employees' initiative could be a bonus that could provide excellent support for the organization to seek new opportunities and respond to client needs. However, adopting opportunities can expose businesses to undue risk or invite behavior that could jeopardize their integrity (Simon, 1995). This control system is essential to limit the experimentation and capabilities of the search for opportunities (Martínez Ramos & Gutiérrez Hidalgo, 2003), which can increase the risk of fraudulent activities.

Some boundary control systems were implemented to prevent a particular pattern of behavior, such as by implementing new rules and procedures. (Simon 1994). Policy compliance is essential to safeguard and reduce business liability. MCS is also used to manage internal risks, such as those associated with unethical behavior, by formalizing and communicating standards, for example, in the form of codes of conduct (Arjaliès & Mundy, 2013). The code of conduct and the whistleblowing process serve as the primary common mechanism in assisting the company to restrict inappropriate behavior and help define appropriate behavior to deter fraud (Arjaliès & Mundy, 2013).

Interactive Control System

An interactive control system functions in such a way as to promote stimulus and continual discussion of underlying facts, particularly in cases where plans might diverge and corrupt practice could emerge as a result of uncertainties or a dynamic environment. It involved a focus on substantial information to warrant frequent and consistent attention from managers at all levels of the organization necessary to guarantee the system's effectiveness (Simon, 1995; Ghani *et al.* 2022; Novatiani *et al.* 2022; Eko, 2022). An interactive process of identifying risks, assessing the impact, and prioritizing actions to control and reduce risks (CIMA 2008) could limit the capability for fraudulent behavior. This process will allow checks and balances to ensure no single person has the utmost authority. The possibility of hiding fraud is reduced using the accuracy of the information and the frequency of them being communicated. In contrast, a person who commits fraud will not have the luxury of covering their tracks for an extended period (Nyakarimi & Karwiwara, 2015) as their activities are interactively discussed among the members.

Belief Control System

The belief system provides the aspirations to accomplish (Martínez Ramos & Gutiérrez Hidalgo, 2003) without conflicting with individual personal beliefs. The belief control system operates in such a way that the essential concepts of the business are often ingrained in the organization's core values and conveyed to all personnel within the organization. The belief control system has to be inspired to foster people's commitment, which is necessary to serve the needs of individuals across the company (Simon, 1995). Belief systems can encourage compliance and serve as a reliable tool for enforcing control through unspoken rules, regulations, and beliefs that affect people's behavior. In contrast, the absence of an ethical belief control system would make people prone to fraudulent activities.

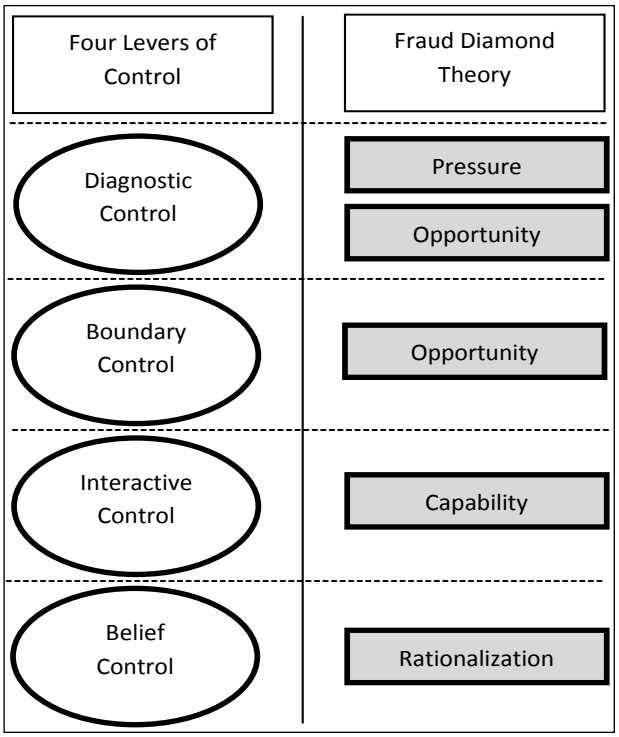

Fig. 1: The interaction between four levers of control and fraud diamond theory

There are many pluses to using levers of control. Nonetheless, when implementing the control system, there may be instances that might negatively affect the organization. Fig. 1 depicts the suggested

Table 1: The cause-effect of fraud diamond theory on four control levers

No	Levers of Control	Fraud Diamond Theory
1	Diagnostic Control System	***Pressure*** Employees may be encouraged, their performance can be tracked, and they can be rewarded with the help of diagnostic control systems (Baird *et al.* 2019). However, the diagnostic control system has the potential to generate pressure that could result in a loss of control or a crisis, particularly in the case that individuals are held accountable for achieving the goals and then left to their own devices to do so (Simons, 1995). Once the targets are set, the performance bar increases, and individuals' rewards are at risk in achieving this (Simon, 1995). The diagnostic method could lessen the risk of people illegally withdrawing funds from business accounts for personal purposes (Ge, Liu, & McVay, 2014). ***Opportunity*** An effective diagnostic control system that is in place has the potential to reduce the number of opportunities in which fraudulent conduct might take place. For instance, planning and monitoring may assist in identifying errors and abnormalities (Agyemang, 2020). The diagnostic method can lessen the risk of people illegally withdrawing funds from business accounts for their purposes (Ge *et al.* 2014), as fraudsters are aware that their actions will be monitored. In the absence of the diagnostic control system, fraudsters may have the opportunity for illegal activities because, firstly, their actions are not being tracked and monitored; secondly, their illicit activities would not be made known to anyone (i.e., colleagues, peers, or supervisors), and therefore there would be no punishment will be sanction on.
2	Boundary Control System	***Opportunities*** Management control failure had made the headline that had allowed employees to engage in fraudulent practices. Opportunities could exist that would enable fraud to occur. The extent of well-documented policies and procedures was one of the proxies used to measure the opportunities elements in the fraud diamond theory (Kazemian *et al.* 2019). In the absence of adequate policies/procedures, fraud may not be prevented, jeopardizing the organization. The fraudster may be confident that they will not be penalized when engaging in prohibited activities as they may perceive that any means of achieving the goals is not violating any policies or procedures. Their peers may also not make any report as it is not against the policies or procedures. The absence of an appropriate boundary control system may provide opportunities for fraud activities. For instance, Kidder, Peabody & Company lost $350 million when a trader allegedly booked fictitious profits; Sears, Roebuck, and Company took a $60 million charge against earnings after admitting that it recommended unnecessary repairs to customers; Standard Chartered Bank was banned from trading on the Hong Kong stock market after being implicated in an improper share support scheme (Simon, 1995).
3	Interactive Control System	***Capability*** Whether or whether fraud occurs is heavily influenced by a person's level of capability (Wolfe & Hermanson, 2004). Many fraud instances in recent years have been perpetrated by inventive, knowledgeable, and experienced criminals who have a strong comprehension of the organization's control (Wolfe & Hermanson, 2004). The interactive control process of providing, sharing, and obtaining information (Nyakarimi & Karwiwara, 2015) is necessary to ensure that no person or department has complete authority over choices, clearly define assigned roles, and compel collaboration in job completion. Complemented with clear job responsibilities, frequent discussion, and supervision will allow better interactive control to be in place. Inadequate supervision, poor separation of duties, and absence of management approval may provide employees with the capability to engage in fraudulent activities (Mohd-Sanusi, Mohamed, Normah, & Mohd-Daniel, 2015).

No	Levers of Control	Fraud Diamond Theory
4	Belief System	***Rationalisation*** Top-level management uses belief control systems to communicate the values and goals they wish to instill in their workforce (Simon, 1993). The Enron belief system exemplifies how an incorrect belief control system could rationalize employee engagement in workplace fraud. Enron's former President and Chief Executive Officer (CEO), Jeffry Skilling, actively cultivated a negative culture that would push limits and instill a belief system that promoted aggression, avarice, and a desire to win at all costs (Sims & Brinkmann, 2003). As a result, an organization's entire set of beliefs ought to center on the promotion of ethical methods of labor.

levers of control concept assimilating the fraud diamond perspective that can be used to understand fraudulent activities in an organization. The Table 1 summarises how an element of fraud might exist at each level of the four control levers.

CONCLUSION

This paper contributes to the management control system field, particularly on the levers of control in preventing organizational fraud. Levers of control can be examined from the perspective of fraud diamond theory in explaining why fraud may occur in an organization. A diagnostic control system ensures that individuals understand the goal and the mechanism for achieving it and monitor progress. However, an organization's poorly designed diagnostic control system may put an individual under extreme stress. Individuals may resort to fraudulent activities as a result of unbearable pressure. The poorly designed diagnostic control system may also give individuals the opportunity to take advantage of the loopholes to engage in fraudulent activities.

A boundary control system is intended to provide limits in guiding individuals as they pursue their goals. Without the appropriate boundary control system, clueless individuals may need adequate knowledge. In that case, naive individuals might not understand the limitations of pursuing the goals, so they might cross certain boundaries. While this is happening, the fraudsters probably are not too worried about it because there is no limitation on what they can do as long as they can achieve their goals.

With the understanding of fraud diamond theory and how it can affect the control system, it is hoped that organizations could provide serious attention when designing an effective control system. The organization has to build efficient control mechanisms to increase its alertness and protect itself against fraudulent actions.

ACKNOWLEDGMENTS

We thank the Faculty of Accountancy, Universiti Teknologi MARA, Malaysia, for encouraging and facilitating the research project. The views expressed here are those of the authors, not those of UiTM or its faculty members.

REFERENCES

Abdel-Halim, A.M.S. and Ahmed, M.N. 2021. Evaluating The Usefulness of Two Proposed Performance Management Frameworks: Evidence from Business Practice. *J. Accounting & Organizational Change,* pp. 1832-5912.

Agyemang, J.K. 2020. Internal Control and Fraud Prevention. *Int. J. Scientific Researchers & Management Stud.*, pp. 1-11.

Arjaliès, D-L. and Mundy J. 2013. The Use of Management Control Systems to Formulate and Implement CSR Strategy: A Levers of Control Perspective. *Manage. Accounting Res.*, **24**(4): 284-300.

Azrina, M.Y.N. and Ling Lai, M. 2014. An Integrative Model in Predicting Corporate Tax Fraud. *J. Financial Crime*, **21**(4): 424–432.

Baird, K. Su, S. and Munir, R. 2019. Levers of Control, Management, Innovation, and Organisational Performance. *Pacific Accounting Review,* **31**(3): 358-375.

Baird, K. and Su, S. 2017. The Association Between Controls, Performance Measures and Performance. *Int. J. Productivity and Performance Management*, **67**(6): 967–984.

Barros, R.S. and Ferreira, A.M.D.S. 2021. Management Control Systems and Innovation: A Levers of Control Analysis in an Innovative Company. *J. Accounting & Organizational Change*, pp. 1832-5912. DOI:10.1108/jaoc-09-2020-0137

CIMA. 2008. Fraud Risk Management. A Guide to Good Practice. Available at: https://www.cimaglobal.com/Documents/ImportedDocuments/cid_techguide_fraud_risk_management_feb09.pdf.pdf

Dani, R.M., Mansor, N., Awang, Z. and Afthanorhan, A. 2022. A confirmatory factor analysis of the fraud pentagon instruments for measurement of fraud in the context of asset misappropriation in Malaysia. *J. Social Economics Res.*, **9**(2): 70–79.

Eko, E. U. 2022. Forensic accounting and fraud management in Nigeria. *J. Accounting, Business and Finance Res.*, **14**(1): 19–29.

Flamholtz, E. 1983. Accounting, Budgeting and Control Systems in Their Organizational Context: Theoretical and Empirical and Empirical Perspectives. *Accounting, Organizations, and Society*, **8**(2/3): 35–50.

Ghani, E.K., Jabal, Z.A., Zandi, G. and Hye, Q.M.A. 2022. Effects of Knowledge, Time Pressure and Personality on Professional Skepticism among Government Auditors. *Int. J. Applied Economics, Finance and Accounting*, **12**(1): 12–20.

Ge, W. Li, Z. Liu, Q. and McVay, S. 2014. The Effect of Internal Control on Corporate: Evidence from China, National Natural Science Foundation of China, Project (71332008). Available at https://silo.tips/download/the-effect-of-internal-control-on-corporate-corruptionevidence-from-china.

Handoyo, S. and Putri, A.S. 2022. Factors Influencing Audit Quality of Banking Business Sector in Indonesia. *Humanities and Social Sciences Letters*, **10**(4): 463–481.

Kazemian, S., Said, J. Nia, E.H. and Vakilifard, H. 2019. Examining Fraud Risk Factors on Asset Misappropriation: Evidence from The Iranian Banking Industry. *J. Financial Crime*, **26**(2): 447-463.

Kopanchuk, V., Kravchuk, O., Torichnyi, V., Metil, A., Kurtsev, O. and Kopanchuk, O. 2021. Anti-Corruption Tools of Financial Risk Management in Public Administration. *Int. J. Innovative Research and Scientific Studies*, **4**(4): 269–277.

Khamainy, A.H. Ali, M. and Setiawan, M.A. 2022. Detecting Financial Statement Fraud Through New Fraud Diamond Model: The Case of Indonesia. *J. Financial Crime*, **29**(3): 925-941.

Koomson, T.A.A. Owusu, G.M.Y. and Bekoe, R.A. 2020. Determinants of Asset Misappropriation at the Workplace: The Moderating Role of Perceived Strength of Internal Controls." *J. Financial Crime*, **27**(4): 1191-1211.

KPMG Malaysia. 2013. KPMG Malaysia Fraud, Bribery, and Corruption Survey 2013. https://assets.kpmg/content/dam/kpmg/pdf/2016/03/fraud-survey-report.pdf

Laguir, L., Laguir, S. and Tchemenie, E. 2019. Implementing CSR Activities through Management Control System. A Formal and Informal Control Perspective. *Accounting, Auditing & Accountability Journal*, **32**(2).

Martínez Ramos, M. and Gutiérrez Hidalgo, F. 2003. From Diagnostic to Interactive Style of Management Control. *Manage. Res. News*, **26**(5):21-31.

Mohd-Sanusi, Z., Mohamed, N., Normah, O. and Mohd-Daniel, M.-N. 2015. Effects of Internal Controls, Fraud Motives and Experience in Assessing Likelihood of Fraud Risk. *J. Economics, Business, and Management*, **3**(2): 32-45.

Naro, G. and Travaillé, D. 2011. The Role of the Balanced Scorecard in the Formulation and Control of Strategic Processes. *J. Appl. Accounting Res.*, **12**(3): 212–233.

Nyakarimi, S.N.N. and Karwiwara, M. 2015. Internal Control System as Means of Fraud Control in Deposit Taking Financial Institutions in Imenti North Sub-County. *Res. J. Finance and Accounting*, **6**(16): 118- 128.

Novatiani, R.A., Afiah, N.N. and Sumantri, R. 2022. Risk Management and other Factors Preventing Fraudulent Financial Reporting by State-Owned Enterprises in Indonesia. *Asian Economic and Financial Review*, **12**(8): 686–711.

Omukaga, K.O. 2020. Is the Fraud Diamond Perspective Valid in Kenya? *J. Financial Crime*, **28**(3): 810–840.

Oyerogba, E.O. 2021. Forensic Auditing Mechanism and Fraud Detection: The Case of Nigerian Public Sector. *J. Accounting in Emerging Economies*, **11**(5): 752–775.

Pesalj, B. Pavlov, B. and Micheli, P. 2018. The Use of Management Control and Performance Measurement Systems In SMEs. A Levers of Control Perspective. *Int. J. Operations & Production Management*, **38**(11): 2169-2191.

PWC Malaysia. 2020. Fraud and Corruption. Malaysia has its say. PwC's Global Economic Crime and Fraud Survey – Malaysia Report 2020. Available at: https://www.pwc.com/my/en/assets/publications/2020/PwC-Global-Economic-Crime-and-Fraud-Survey-2020-Malaysia-report.pdf

Smith, R. and Marx, B. 2022. Corporate Governance Practices in Large and Medium-Sized Auditing Firms in South Africa. *Int. J. Management and Sustainability*, **11**(4): 202–220.

Sheehan, N.T., Vaidyanathan, G. and Kalagnanam, S. 2005. Value Creation Logics and the Choice of Management Control Systems. *Qualitative Research in Accounting & Management*, **2**(1): 1–28.

Shelleman, J.M. 1995. Levers of Control: How Managers Use Innovative Control Systems to Drive Strategic Renewal. Reviewed by Simons, R., Boston, MA; Harvard Business School Press, 1995–215 pages, hardcover, $29.95. *Academy of Management Perspectives*, **9**(2): 82- 84.

Simons, R. 1994. How New Top Managers Use Control Systems as Levers of Strategic Renewal. *Strategic Management Journal*, **15**(3): 169–189.

Simons, R. 1995. Control in An Age of Empowerment. *Harvard Business Review*, **73**(2): 80–89.

Sims, R.R. and Brinkmann, J. 2003. Enron Ethics (or Culture Matters More than Codes). *J. Business Ethics*, **45**: 243-256.

Tessier, S. and Otley, D. 2012. A Conceptual Development of Simons' Levers of Control Framework. *Management Accounting Res.* **23**(3): 171–185.

Tiffani, L. and Marfuah, M. 2015. Deteksi Financial Statement Fraud Dengan Analisis Fraud Triangle Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Akuntansi dan Auditing Indonesia*, **19**(2): 112-125.

Wolfe, D. and Hermanson, D.R. 2004. The Fraud Diamond: Considering Four Elements of Fraud. *The CPA Journal*, **74**(12), 38–42.