



Pressures in public sector fraud: Theoretical perspectives and implications for public sector accounting

Rahmat Aiman^{1,*}, Aisyah Zarkasi¹

¹ Department of Accounting, Faculty of Economics and Business, Universitas Negeri Makassar, Makassar 90245, Indonesia.

*Correspondence: rahmat.aiman@unm.ac.id

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ABSTRACT

Background: Fraud in the public sector is often examined through weaknesses in internal controls and opportunities for misconduct. However, such approaches tend to overlook the structural and institutional dimensions of public bureaucracy. This study aims to reconceptualize pressure within the Fraud Triangle by integrating it with General Strain Theory, providing a deeper understanding of fraud dynamics in government organizations. **Methods:** A qualitative-descriptive approach using a literature review was employed to conceptually analyze pressure as a driver of public sector fraud. Secondary data from scholarly journals, books, and institutional reports were synthesized through thematic-conceptual analysis to develop a theoretical framework linking various forms of pressure to public sector accounting systems. **Findings:** The study identifies multiple forms of pressure in the public sector—including occupational lifestyle, institutional, structural-career, socio-cultural, and hierarchical pressures—that operate simultaneously, generating systemic strain that constrains individuals' ability to achieve valued goals through legitimate means. **Conclusion:** Consequently, fraud may serve as a maladaptive coping mechanism in response to the imbalance between organizational demands and structural capacity. Effective fraud prevention thus requires a shift from detection-focused approaches to proactive strategies that mitigate structural and bureaucratic pressures as primary sources of strain. **Novelty/Originality of this article:** This study contributes to the public sector accounting literature by framing pressure as a governance instrument that can be managed through accounting system design. Its originality lies in emphasizing structural and institutional pressures as key determinants of fraud and highlighting the proactive role of accounting systems in mitigating systemic strain.

KEYWORDS: pressure; triangle fraud; general strain theory; public sector accounting.

1. Introduction

Fraud in the public sector remains a chronic issue that erodes public trust in government institutions and undermines the effectiveness of state governance. Practices such as corruption, budget manipulation, and irregularities in procurement demonstrate that fraud not only causes financial losses but also distorts public policy and perpetuates social injustice. Public sector fraud is widely regarded as a serious threat to governmental accountability and legitimacy (Rose-Ackerman & Palifka, 2016; Transparency International, 2021). The complexity of fraud increases with the discretion exercised by public officials, political pressures, and high bureaucratic performance demands, making fraud prevention a structural challenge in governance (Klitgaard, 1988).

Fraud remains a significant threat to organizational effectiveness and integrity, including in the public sector. According to the 2024 Occupational Fraud Report by the

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Association of Certified Fraud Examiners (ACFE, 2024), analysis of 1,921 cases across 138 countries revealed total losses exceeding IDR 48 trillion, with organizations losing an average of approximately 5 % of annual revenue. The median loss per case reached IDR 2.25 billion, an increase from previous reports, while in the public sector the median loss per case was around IDR 2.325 billion, indicating that public entities are equally vulnerable. Asset misappropriation was the most common type of fraud (89 % of cases), although its median loss was lower than that of financial statement fraud. Approximately 43 % of cases were uncovered through employee tips, with an average detection period of about 12 months. These findings indicate that fraud—including asset misappropriation, financial statement manipulation, and corruption—is a systemic phenomenon requiring more effective prevention and detection mechanisms in the public sector.

Previous studies have tended to analyze public sector fraud through the lens of internal control weaknesses that create opportunities for misconduct within bureaucratic systems (Achmad et al., 2024; Lubis et al., 2024; Supriadi et al., 2024; Henk, 2020). This perspective aligns with the Fraud Triangle theory, which considers opportunity as the factor most easily controlled by organizations through improved monitoring systems, administrative procedures, and internal controls (Cressey, 1953). Empirical research in government institutions also shows that implementing mechanisms such as whistleblowing systems, anti-fraud awareness programs, and ethics education can reduce fraud, particularly asset misappropriation in local government agencies (Aiman et al., 2025). Nonetheless, the dominance of internal-control-based approaches tends to frame fraud primarily as a compliance and oversight issue, while the pressures faced by public officials are often treated as background factors that are insufficiently elaborated.

The narrow focus on opportunity creates a conceptual gap regarding the role of pressure as a driving factor of misconduct. In the Fraud Triangle, pressure is understood as a latent internal drive, often non-shareable by the individual (Cressey, 1953). Conceptually, this positions pressure as a personal, private condition, such as financial difficulties or individual needs. However, in the government context, pressure does not arise solely from personal needs; it is also structurally and institutionally produced through performance design, power relations, and bureaucratic norms that govern public officials' behavior. General Strain Theory explains that pressure arises when there is a gap between institutionalized goals and legitimate means to achieve them, triggering stress, frustration, and potential deviant responses (Agnew, 2006). Despite this, structural and institutional dimensions of pressure remain relatively underexplored in public sector fraud literature, particularly concerning accounting system design and governance mechanisms.

Addressing this conceptual gap, this article examines pressure in public sector fraud from a theoretical perspective by integrating the Fraud Triangle with General Strain Theory. This integration allows pressure to be understood not merely as an individual drive but as a phenomenon shaped by organizational structures, institutional mechanisms, and bureaucratic norms embedded in government systems. The main contribution of this article is to reconceptualize pressure as a structural and institutional phenomenon and position it as a key dimension in the design of public sector accounting systems and integrity-based governance. Consequently, this study aims to broaden anti-corruption discourse from an internal control-focused approach to a more comprehensive understanding of systemic pressures within public bureaucracy.

2. Methods

This study employs a qualitative-descriptive approach using a literature review to analyze the role of pressure in public sector fraud from a theoretical perspective. This approach was chosen because the study does not aim to empirically test causal relationships, but rather to develop and deepen a conceptual understanding of pressure as a driving factor of fraud in government contexts. The literature review method allows the researcher to synthesize findings and arguments from multiple sources to construct a comprehensive theoretical framework (Snyder, 2019).

This is a conceptual paper that integrates the Fraud Triangle framework with General Strain Theory. The study relies on secondary data collected from national and international scholarly journal articles, classical and contemporary textbooks, and institutional reports from official organizations such as Transparency International, the Audit Board of Indonesia, and the Corruption Eradication Commission. Literature was selected purposively based on its relevance to public sector fraud, theoretical contribution, and source credibility, as recommended in conceptual literature reviews (Tranfield et al., 2003).

The literature search was conducted through the ScienceDirect and Google Scholar databases using the search string: ("*Fraud triangle*" OR "*Corruption*") AND ("*Public Sector*" OR "*Indonesia*") AND ("*General Strain Theory*" OR "*Pressure*"). The timeframe focuses on contemporary empirical articles published between 2019 and 2026, while incorporating classic literature as the primary theoretical foundation. The initial search identified approximately 120 relevant articles based on titles and specific keywords. Through the first stage of screening at the title and abstract levels, the selection was narrowed down to 65 articles. Subsequently, a full-text selection was performed by applying strict exclusion criteria, which omitted articles focused on the private sector without public sector relevance, papers lacking a robust theoretical basis, and publications from non-peer-reviewed sources. Consequently, 39 final references were obtained and synthesized in this study, comprising journal articles, fundamental textbooks, official institutional reports, and supporting data on corruption cases.

Data analysis was conducted through thematic-conceptual analysis by identifying types of pressure, the structural and institutional mechanisms that generate pressure within bureaucracy, and their implications for public sector fraud behavior. Findings from various literatures were then synthesized to build a conceptual framework explaining the relationship between pressure and public sector accounting systems. The validity of the review was maintained through source triangulation and the use of established theories to ensure logical consistency and the strength of argumentation in developing the theoretical framework (Denyer & Tranfield, 2009).

3. Results and Discussion

3.1 *Fraud in government sector*

Fraud in the government sector has fundamentally different characteristics compared to the private sector, as it directly involves the management of public resources and state authority. Public sector fraud generally includes abuse of power, budget manipulation, fictitious reporting, and collusion in the procurement of goods and services, often involving bureaucratic and political actors simultaneously (Rose-Ackerman & Palifka, 2016). These characteristics make government sector fraud both an administrative violation and a matter of governance and state legitimacy.

Another distinction between public and private sector fraud lies in organizational objectives, accountability mechanisms, and the resulting social consequences. Private sector organizations typically focus on financial objectives, such as financial statement manipulation or achieving managerial bonuses, with social impacts that are relatively limited and localized to shareholders and creditors (Albrecht et al., 2012). In contrast, government organizations aim to provide public services and promote societal welfare, so fraud in this sector involves public funds and directly affects service quality, public trust, and institutional legitimacy (Setiawan, 2024).

In terms of accountability, the private sector is subject to stronger market discipline, such as the threat of bankruptcy, investor sanctions, or reputational damage. The government sector, on the other hand, operates within a complex political and bureaucratic environment, where sanctions are often influenced by power relations, political compromises, and institutional pressures. This condition makes fraud prevention in the public sector insufficient if it relies solely on internal control systems; institutional reform

and governance strengthening are also required to maintain public accountability and service integrity (Nofianto & Prastiwi, 2025).

Several cases of public sector fraud in Indonesia illustrate how structural and political pressures contribute to misconduct. The electronic ID card (e-KTP) procurement corruption case, for example, involved actors across multiple institutions and demonstrated systemic collusion between the bureaucracy, legislature, and private parties (Kompas, 2022). This case reflects how political pressures and institutional interests can drive organized budget and procedural manipulation (Klitgaard, 1988).

Corruption cases involving social assistance/*bantuan sosial* and crisis response funds also highlight the dynamics of performance pressure and high public expectations placed on state officials (Dewi et al., 2025). In emergency situations, the demand for accelerated budget execution often compromises accountability and transparency principles, creating opportunities for misconduct (Transparency International, 2021). Furthermore, recurring findings by the Audit Board of Indonesia regarding deviations in regional financial management indicate that public sector fraud in Indonesia is systemic and repetitive. These patterns strengthen the argument that fraud should not be understood as incidental events but rather as consequences of structural pressures, weak governance, and the normalization of deviant practices within public bureaucracy (BPK, 2023; Aiman, 2025).

3.2 General strain theory and the fraud triangle in the context of public sector

One of the classical theories explaining that criminal or deviant behavior emerges as a response to pressure or strain experienced by individuals is strain theory. According to this theory, fraud occurs when there is a mismatch between socially expected goals and an individual's ability to achieve them through legitimate means. The roots of this theory can be traced to Merton (2004), who emphasized that social structures can create systemic pressures when society encourages the achievement of certain goals—particularly economic success—while failing to provide equal access to legal means to attain them. Classical strain theory is often used to explain lower-class crime, but it has been criticized for its narrow focus on economic strain alone.

To address these limitations, Agnew (2006) developed General Strain Theory (GST) by expanding the concept of strain beyond economic failure to include broader social and psychological pressures. GST views strain as an experience or condition that is disliked by the individual and has the potential to trigger negative emotions such as frustration, anger, or stress. Agnew (2006) identifies three main sources of strain: failure to achieve positively valued goals, the removal of positively valued stimuli, and the presence of persistent negative stimuli. Within this framework, fraud can be understood as a form of maladaptive coping mechanism used to alleviate the pressures experienced by individuals.

The GST approach is particularly relevant in explaining fraud as a form of white-collar crime, especially when committed by public officials. Contrary to the assumption that public officials engage in corruption solely out of greed or rational choice to maximize personal gain, GST emphasizes that public officials may also experience structural, status-related, and job-related pressures. Wang et al. (2022) explicitly show that grassroots public officials in China face various forms of systemic and ongoing strain, even though they occupy formal positions within the governmental structure.

Based on these insights, the connection between GST and the Fraud Triangle is evident in contemporary empirical findings, which highlight that pressure is not only rooted in personal financial needs but also stems from structural pressures, performance expectations, and organizational constraints that are systemic in nature. Recent literature reviews on the development of Fraud Triangle Theory suggest that fraudulent behavior across organizational contexts can be understood as a response to both external and internal pressures (Siregar et al., 2026). These findings reaffirm that pressure remains a dominant factor driving fraud, consistent with GST's view of strain as an emotionally stressful experience resulting from discrepancies between social or organizational demands and an individual's capacity to meet them legally.

Furthermore, empirical research in the public sector indicates that increased work pressure contributes to the development of rationalization, one of the core elements of the Fraud Triangle. Under chronic strain, individuals tend to develop cognitive mechanisms to justify deviant behavior as an adaptive strategy to alleviate psychological discomfort or meet unrealistic organizational demands. Studies in the context of public procurement show that pressure and opportunity simultaneously increase the risk of fraud, even though such behavior is normatively unjustifiable (Rustiarini et al., 2019). These findings suggest that the process of rationalization does not occur in isolation but is mediated by systemic pressures, as explained within the GST framework.

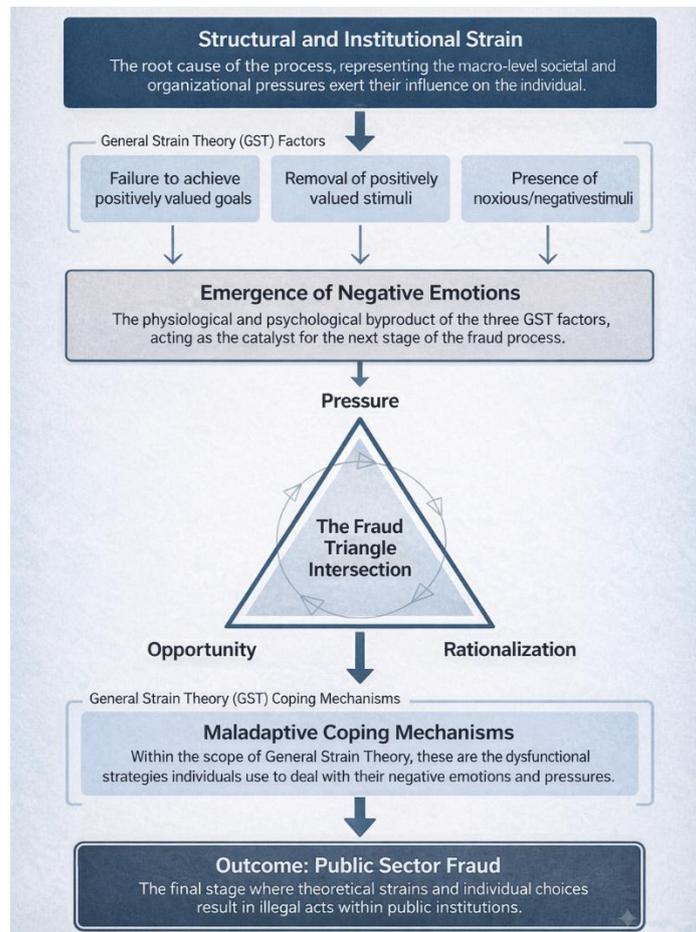


Fig. 1. Integration of general strain theory and the fraud triangle in explaining public sector fraud
Note. Developed by the author based on general strain theory and fraud triangle theory

Moreover, integrating GST and the Fraud Triangle is particularly relevant for explaining white-collar crime, as GST expands the definition of strain to include work-related pressures, status, and organizational relationships. These pressures are common characteristics of bureaucratic and high-level corruption, which are not solely driven by classical economic needs. From this perspective, fraud can be understood as a maladaptive coping mechanism against persistent strain, aligning with the role of rationalization in the Fraud Triangle as a psychological justification for deviant behavior (Agnew, 2006).

3.3 Types of pressure in public sector fraud based on general strain theory (GST)

From the GST perspective, fraud in the public sector is not merely a result of individual moral deviation, but a phenomenon generated by a configuration of external pressures inherent within governmental systems. These pressures arise from various structural aspects, including budgeting mechanisms, performance evaluation systems, political demands, hierarchical expectations, and organizational norms within public bureaucracy.

GST emphasizes that the pressures experienced by public officials result from the interaction between institutional demands, organizational design, and power relations that shape daily work conditions, thereby creating systemic strain that cannot be entirely avoided by individuals.

Based on a review of previous studies, this article identifies and classifies various forms of external pressures relevant to public sector fraud and analyzes them through the lens of GST. This approach allows mapping pressures not only by their sources but also by the mechanisms through which they may trigger maladaptive responses in the form of fraud. The types of external pressures identified and analyzed in the context of public sector fraud are outlined as follows:

3.3.1 Occupational lifestyle pressure

In the context of public officials, the pressure experienced is often not merely a matter of basic economic needs but involves maintaining lifestyle expectations and social status associated with their positions. According to GST, strain emerges when individuals fail to achieve positively valued goals, which then generates negative emotions such as frustration, anxiety, or shame (Wang et al., 2022). For public officials, these positively valued goals include meeting social standards and a lifestyle deemed appropriate for their position, rather than financial income alone.

Lifestyle pressure is relative and contextual. Public officials often face demands to project a professional image, adhere to social consumption norms, and meet the expectations of family or political circles (Wibowo, 2024). When official income is insufficient to cover these expectations, individuals may be driven to seek deviant avenues, including accepting gratuities or manipulating budgets, as a coping mechanism.

A culture that emphasizes material achievement and status can increase the likelihood of corrupt or fraudulent behavior. For example, Wibowo (2024) emphasizes that lifestyle pressure in the workplace is a significant motivational factor in decisions to commit fraud, particularly when individuals aim to display a certain social status or maintain a professional image. This pressure is a manifestation of strain within the Fraud Triangle framework, which aligns with GST as both emphasize the relationship between pressure, negative emotions, and deviant behavior.

Moreover, social and institutional norms influence this pressure. Mungiu-Pippidi (2015) demonstrates that anti-corruption controls in a society are influenced by social norms and institutional oversight. When social norms and institutions permit or tolerate deviant behavior, lifestyle pressure tends to increase the risk of corruption. Public officials therefore experience not only personal pressures but also social pressures that shape their lifestyle expectations.

A concrete example includes officials attending social events, political meetings, or interactions with elite networks, feeling compelled to display a consumptive lifestyle to remain accepted. If official income is insufficient to meet these demands, individuals may engage in corruption as a response to the strain generated by occupational lifestyle pressures and social norms (Wang et al., 2022; Mungiu-Pippidi, 2015; Wibowo, 2024). From the GST perspective, such corruption is not merely opportunistic but a response to social and structural strain arising from the interaction between positional demands, social norms, and status expectations.

3.3.2 Institutional pressure

Institutional pressure refers to strain arising from the mismatch between organizational demands and an individual's actual capacity, in terms of resources, authority, or compliance with prevailing legal norms. This pressure is institutionalized within organizational design and public sector governance mechanisms. Wang et al. (2022) indicate that work-related strain is a major source of strain experienced by grassroots public officials, particularly when job demands are hierarchically structured and target-

oriented. These pressures include excessive workloads, role conflicts, unrealistic performance targets, and unclear institutional expectations, cumulatively creating a work environment full of structural tension.

Contemporary GST frameworks view this as a form of chronic negative stimuli, as public officials have little room to avoid or negotiate the demands placed on them. Continuous exposure generates stress, frustration, and a sense of helplessness, especially when individuals recognize that failing to meet organizational demands can result in administrative sanctions, career setbacks, or bureaucratic marginalization. Wang et al. (2022) emphasize that such strain increases the likelihood of adopting unconventional coping strategies, including deviant behavior, to alleviate psychological and institutional pressure.

Institutional pressure becomes more problematic when organizational demands are framed as “institutional interest,” “public interest,” or “organizational orders,” even if substantively contrary to regulations and legal principles. In such cases, organizational compliance often takes precedence over legal compliance, creating a normative dilemma for public officials. Cooper et al. (2022) show that organizations may indirectly normalize violations by emphasizing performance outcomes without providing adequate legal means to achieve them. This imbalance between demands and resources creates structural pressures that encourage individuals to seek shortcuts as an adaptation to institutional expectations.

Free & Murphy (2015) add that in the public sector, institutional pressure is often reinforced by symbolic accountability systems. Performance targets, success indicators, and administrative reporting are treated as end goals rather than realistic management tools. Consequently, individuals are driven to prioritize achieving formal indicators, even at the expense of procedural compliance. This demonstrates how strain arises not only from work pressure but also from the inherent contradiction between formal organizational demands and the structural limitations faced by public officials.

A concrete illustration can be found in regional officials burdened with local revenue targets or accelerated development project deadlines. Institutional pressure is often expressed through narratives such as “targets must be met” or “strategic programs must not fail,” without adjusting procurement procedures, budget allocations, or administrative capacity. When legal mechanisms are perceived as too slow, rigid, or incompatible with organizational deadlines, individuals face strain that drives them to seek alternative solutions. Practices such as accepting bribes, budget manipulation, or project conditioning are then perceived as pragmatic means to meet institutional demands.

The contemporary GST perspective positions corruption in this context not merely as rational calculation but as a response to internalized institutional pressure. Organizational norms, supervisor expectations, and narrow definitions of success shape cognitive frameworks that allow individuals to justify violations as “necessary” or “unavoidable” actions. Cooper et al. (2022) assert that such justification functions as a coping mechanism, reducing psychological tension caused by conflicts between organizational demands and legal norms while weakening internal normative control.

3.3.3 Structural-career pressure

Structural-career pressure refers to strain originating from the design of career systems in public bureaucracy, particularly promotion mechanisms, performance evaluations, and hierarchical relationships that shape opportunities and constraints on individual mobility. This pressure relates not only to personal aspirations but also to the individual’s structural position in the organization, which determines access to professional recognition, job stability, and bureaucratic legitimacy. GST views this strain as emerging when individuals fail to achieve positively valued goals—such as promotion, status, or career security—or when access to such goals is perceived as unfairly restricted. This condition generates frustration, anxiety, and sustained psychological tension (Wang et al., 2022).

Public officials generally operate in organizations heavily dependent on superior evaluations, hierarchical recommendations, and discretionary administrative decisions. Ambiguous promotion paths, unclear criteria, and perceptions of unfair performance assessments intensify psychological pressure. In this situation, failure to achieve career advancement is not always perceived as a lack of competence but as a consequence of structural factors beyond the individual's control. GST emphasizes that such strain increases the risk of maladaptive responses, as individuals seek alternative ways to maintain or enhance their position within the bureaucratic structure (Wang et al., 2022).

Structural-career pressure intensifies in competitive, hierarchical bureaucracies, especially when promotions and strategic assignments are influenced more by personal loyalty, political affiliation, or informal networks than professional competence. Charron et al. (2017) show that dependence on non-meritocratic factors creates hidden incentives for corrupt behavior, as individuals are driven to use illicit resources as leverage for position and influence. In this context, corruption is not solely a means of economic gain but also a strategic tool to secure career continuity and bureaucratic status.

Concrete examples include mid-level officials experiencing career stagnation despite meeting formal qualifications and administrative performance indicators. When promotion depends on political networking, financial support, or symbolic loyalty to influential actors, individuals face significant strain. Access to illegal funds, bribes, or budget manipulation is then perceived as a means to build the political and symbolic capital required to overcome structural barriers. GST views fraud under structural-career pressure not as an opportunistic choice but as a response to structural failure in providing legitimate, accessible pathways to achieve valued goals. Interactions between organizational norms, hierarchical dependence, and unrealistic career expectations create cognitive justifications that weaken internal normative control. Corruption is thus perceived as a coping mechanism to reduce frustration, maintain professional dignity, and adapt to a bureaucratic reality perceived as unaccommodating (Charron et al., 2017; Darling & Cunningham, 2023).

3.3.4 Socio-cultural pressure

Socio-cultural pressure refers to strain arising from norms, values, and social expectations inherent in the roles of public officials within their communities and bureaucratic organizations. GST views this pressure not merely as an interpersonal experience but as a structural condition that continuously shapes individual behavior through implicit and explicit social demands. Wang et al. (2022) highlight that social obligations, including maintaining interpersonal relationships and meeting community expectations, increase public officials' psychological burden and contribute to sustained strain. Within GST, socio-cultural pressure can be understood both as negative stimuli and as failure to achieve socially valued goals, such as honor, legitimacy, and social acceptance.

The bureaucratic culture in many Asian countries amplifies the structural character of socio-cultural pressure faced by public officials. Loyalty to social networks, hierarchical harmony, and reciprocal obligations are often valued more than formal compliance with administrative rules, institutionalizing informal patron-client relations within bureaucratic practice. Public officials are expected to assist colleagues, superiors, or community members as part of their social role, even when such requests fall into legal gray areas. Tension between informal normative demands and formal legal obligations creates significant strain, as individuals face socially and professionally risky choices. Failure to meet these social expectations can lead to serious psychological and symbolic consequences, such as shame, loss of legitimacy, or withdrawal of social support. In GST terms, these consequences are both the loss of positive stimuli and the presence of persistent negative stimuli, heightening emotional pressure (Agnew, 2006).

Experimental studies also indicate that descriptive norms—the perception that corrupt behavior is common—play a critical role in lowering moral barriers and increasing the likelihood of participating in corruption, particularly in social contexts emphasizing conformity and hierarchical obedience (Tian & Zhao, 2024). Concrete examples include

local officials pressured to facilitate projects or resource allocation for relatives, political allies, or community leaders. Refusal may damage social relationships and reputation, placing officials under unavoidable strain. In this context, misuse of authority may be perceived as an adaptive strategy to maintain social acceptance and network position. GST views fraud here as a response to chronic socio-cultural pressure, where ongoing social expectations push individuals to employ maladaptive coping mechanisms to alleviate psychological and social tension (Incio & Seifert, 2024).

3.3.5 Hierarchical pressure

Hierarchical pressure refers to strain originating from direct power relations between superiors and subordinates within public bureaucracy. In many government organizations, subordinates are in positions where compliance with superiors' explicit or implicit orders can determine job security, promotion opportunities, or career stability. Such pressure constitutes strong negative stimuli, as it directly threatens positively valued goals, such as career status, job security, and professional legitimacy (Isaeva et al., 2025).

Table 1. Types of pressure in fraud based on general strain theory (GST)

Types of Pressure	Definition of Pressure	Examples of Pressure
Occupational Lifestyle Pressure	Pressure arising from social expectations and lifestyle associated with one's position.	Officials attend social events or political meetings and feel compelled to display a consumptive lifestyle to remain accepted within social networks, prompting acceptance of gratuities or budget manipulation (Wang et al., 2022; Wibowo, 2024; Mungiu-Pippidi, 2015).
Institutional Pressure	Pressure originating from organizational demands that are misaligned with individual capacity, resources, or legal norms, including unrealistic performance targets, excessive workload, or role conflicts.	Regional officials tasked with achieving local revenue targets "by any means necessary" despite slow legal procedures, leading to acceptance of bribes or budget manipulation (Cooper et al., 2013; Free & Murphy, 2015; Wang & Tian, 2025).
Structural-Career Pressure	Pressure from promotion systems, performance evaluation, and non-meritocratic bureaucratic hierarchies that cause frustration when individuals fail to achieve positively valued professional goals.	Mid-level officials whose promotion depends on political loyalty or connections are driven to access illegal funds or accept bribes to build political or symbolic capital (Charron et al., 2017; Darling & Cunningham, 2023; Wang et al., 2022).
Socio-Cultural Pressure	Pressure arising from norms, values, and social expectations inherent in public officials' roles, including obligations to maintain interpersonal relationships, hierarchical harmony, and social reputation.	Local officials are pressured to facilitate projects for relatives, political allies, or community leaders to remain accepted in social networks, even when such actions fall into legal gray areas (Wang et al., 2022; Incio & Seifert, 2024; Tian & Zhao, 2024).
Hierarchical Pressure	Pressure stemming from direct power relations between superiors and subordinates, including explicit or implicit orders that force subordinates to comply to maintain position, promotion opportunities, or professional legitimacy.	Subordinates are directed by superiors to sign fictitious budget documents or facilitate illegal benefits, as refusal may result in demotion, job loss, or internal sanctions (Agnew, 2006; Isaeva et al., 2025; Jackson & Köbis, 2018; Maulidi et al., 2025).

Vertical pressure from higher-level authorities can strongly compel subordinates to comply with directives, even if illegal or unethical. Jackson & Köbis (2018) note that vertical pressure from superiors forces subordinates to follow instructions because refusal may result in job loss, status demotion, or social isolation within the organization. This pressure motivates subordinates to follow orders, including illicit practices, to avoid negative career consequences. In organizations with high power distance, subordinates are more likely to accept and comply with superior instructions, which can lead them to engage in harmful practices to maintain internal power relationships (Maulidi et al., 2025).

Recent empirical studies on administrative compliance in public organizations indicate that sanctions and punitive mechanisms imposed by leaders significantly affect subordinate behavior. When subordinates perceive that their position depends on superior sanctions or support, they may engage in fraudulent practices to please their superiors (Isaeva et al., 2025). A concrete example occurs in government bureaucracy when subordinates face difficult choices: comply with superior orders to approve fictitious budgets, sign inaccurate documents, or facilitate illegal benefits for certain parties—or risk career, status, or termination. From the GST perspective, fraud is not merely a rational act for personal gain but an adaptive response to imbalanced power pressure, where subordinates strive to meet superior demands to maintain job security and professional status (Agnew, 2006).

3.4 Implications for public sector accounting

The various forms of pressure identified through General Strain Theory (GST)—including institutional, structural-career, social-cultural, and hierarchical pressures—indicate that the risk of fraud in the public sector does not solely stem from individual moral weakness or technical control gaps. Instead, these pressures reflect structural conditions produced by organizational design, budgeting mechanisms, performance measurement, and power relations managed through accounting and audit instruments. This perspective extends the Fraud Triangle by positioning pressure as a systemic product of organizational design and accounting practices, rather than merely personal financial strain.

The primary conceptual implication for public sector accounting is that accounting systems cannot be understood as neutral tools merely reflecting organizational reality; they are part of a structure that actively shapes the level of pressure experienced by public officials. Dechow et al. (2011) demonstrate that performance measurement systems and reporting targets can create pressures that encourage dysfunctional behavior when there is an imbalance between organizational demands and capacity. Budget targets and politically or unrealistically driven performance indicators in the public sector can become sources of institutional pressure that promote manipulation, such as budget realization engineering or reporting distortions.

The integration of GST and the Fraud Triangle also enriches the understanding of the roles of opportunity and rationalization in public bureaucracy. Pressures arising from hierarchical structures and performance evaluation weaken normative controls and expand the scope for psychological justification of fraudulent behavior. Auditing and fraud studies indicate that reporting pressure and high-performance expectations increase the risk of material misstatement and manipulation, especially when oversight is formalistic and insensitive to organizational dynamics (Brennan & McGrath, 2007; Dechow et al., 2011). Therefore, public sector accounting does not only deal with opportunity issues but also with how reporting systems and performance evaluations shape rationalization processes, framing fraud as a “necessary” solution to meet organizational demands.

Practically, the main implication is the need to expand the function of public sector accounting from a detection tool to a stress-mitigation instrument. Internal controls, risk-based audits, and the use of audit analytics serve to identify deviations while uncovering recurring patterns of systemic pressure. Dechow et al. (2011) show that data-driven approaches allow organizations to identify structural conditions that trigger manipulation, enabling interventions to target system design improvements rather than only imposing individual sanctions. This is important because, from the GST perspective, reducing

systemic strain is more effective in lowering the propensity for deviant behavior than approaches that emphasize punishment alone.

Public sector accounting also directly affects career governance and hierarchical relations. When performance evaluation and promotion systems lack transparency, accounting can indirectly reinforce hierarchical pressure by increasing subordinates' dependence on supervisors' judgments. Internal reporting channels and the independence of audit functions are crucial to provide legal coping mechanisms for officials under pressure. Power (2003) emphasizes that a strong and independent control environment increases the likelihood of deviation reporting and reduces tolerance for coercive pressure. The existence of such mechanisms expands legitimate coping options, thereby reducing incentives to use fraud as an adaptive strategy.

The implications of GST and the Fraud Triangle for public sector accounting call for a paradigm shift from a focus on technical compliance and ex post detection to a more structural and preventive approach. Budgeting systems, performance measurement, and auditing should be designed not only to enhance transparency but also to manage and reduce sources of unrealistic pressure. Ultimately, public sector accounting should function not merely as an accountability tool but as a governance instrument that actively reduces organizational strain, thereby mitigating pressure as a core pillar of the Fraud Triangle and ultimately lowering the risk of fraud and corruption in a more sustainable manner.

3.5 Theoretical reflection: Pressure as a neglected pillar in the fraud triangle

Agnew (2006) has emphasized from the outset that pressure cannot be reduced to individual psychological impulses; rather, it must be understood as the result of the interaction between structural demands and the limitations of legally available means. However, within the classical Fraud Triangle framework, pressure is more often perceived as a personal issue that is latent and private, such as financial needs or lifestyle demands. This conceptualization causes the structural dimension of pressure to be relatively marginalized, particularly in studies of public sector fraud, which is rife with institutional, political, and bureaucratic demands. As a result, pressure is frequently positioned as a residual factor that is difficult to intervene upon, compared to opportunity, which can be more easily managed through formal internal control mechanisms.

Recent studies show that organizational and institutional pressures have a significant influence on the propensity for fraud, even when internal control systems are formally designed and compliant with standards. Free & Murphy (2021) demonstrate that performance pressure, hierarchical expectations, and role conflicts in public organizations not only weaken control effectiveness but also promote the normalization of deviance through collective dynamics. Such pressures operate gradually and are often invisible, allowing fraud to develop as a practice considered "acceptable" or "necessary" for organizational continuity.

Public sector accounting literature increasingly emphasizes that accounting systems are not merely neutral technical tools but part of institutional structures that actively produce and distribute pressure. Performance-based budgeting design, narrow output indicators, and target-oriented evaluation mechanisms often create strain when not accompanied by flexibility, resource support, and adequate discretionary space. In this context, institutional pressure functions as a primary link between accounting systems and fraud risk, as evidenced by empirical findings in public and local government organizations (Cooper et al., 2022). In other words, accounting systems can indirectly shape structural incentives that encourage deviant behavior.

Pressure as a pillar of the Fraud Triangle also plays a critical role in the formation of rationalization. Individuals operating under chronic structural pressure tend to develop cognitive justifications framing violations as morally or organizationally acceptable responses. Rustiarini et al. (2019) show that job pressures and organizational demands increase tolerance for unethical behavior and strengthen internal rationalizations for fraud. In this context, pressure not only precedes the occurrence of fraud but also mediates the

psychological processes that sustain it, blurring the boundary between compliance and violation.

This theoretical reflection aligns with Power (2013) critique, which highlights the tendency of fraud studies to overemphasize technical risk control aspects while overlooking organizational conditions that systematically generate pressure. By positioning pressure as a structural and institutional pillar, the reconstruction of the Fraud Triangle becomes more relevant for the public sector, characterized by bureaucratic complexity and high accountability demands. Public sector accounting, through budgeting design, performance measurement, and evaluation mechanisms, plays a strategic role in shaping the intensity of organizational pressure. Therefore, sustainable fraud prevention should not focus solely on detection and control but must also target the mitigation of systemic pressures produced by accounting systems and bureaucratic governance themselves.

4. Conclusions

This article aims to reconstruct the concept of pressure in public sector fraud through the integration of the Fraud Triangle and General Strain Theory (GST). This integration positions pressure as a structural, cultural, and institutional phenomenon within governmental bureaucracy, rather than merely an individual impulse or personal financial need. This approach enables a more comprehensive understanding of how system design and organizational relationships shape the context of fraud occurrence, as well as how such pressure is institutionalized through governance practices and public accountability mechanisms.

The conceptual analysis shows that various forms of pressure—including lifestyle, institutional, structural-career, socio-cultural, and hierarchical pressures—operate simultaneously and create systemic strain conditions. These conditions limit individuals' ability to achieve valued goals through legitimate and available means. Accordingly, fraud can function as a maladaptive coping mechanism to address the imbalance between organizational demands and the structural capacity of public officials.

In practical terms, this article demonstrates that public sector accounting does not only serve as a fraud detection instrument but also as a mechanism that actively shapes the level of organizational pressure. The design of budgeting systems, performance measurement, and evaluation mechanisms can either amplify or mitigate the structural pressures experienced by public officials. Therefore, sustainable fraud prevention requires a preventive approach focused on mitigating the sources of structural pressure, alongside strengthening internal controls and formal compliance mechanisms.

The limitations of this article stem from its nature as a conceptual literature-based study, which inherently constrains the ability to capture empirical variations in pressure across government levels, policy sectors, and jurisdictions. Differences in bureaucratic structures, political dynamics, and social contexts accompanying governance practices cannot be elaborated in detail without field data, rendering the discussion of pressure in this article abstract and general. Additionally, the analytical emphasis on structural and institutional pressure is a consequence of the chosen theoretical focus, which inevitably limits exploration of micro-level dynamics and more specific contextual interactions at the individual level. As an implication of these limitations, empirical testing of the proposed integrative framework provides a logical avenue for future research. Quantitative, qualitative, or mixed-method approaches can allow researchers to examine how structural pressure is mediated by individual and organizational factors in more concrete contexts. Furthermore, comparative and longitudinal studies have the potential to offer deeper insights into the temporal dynamics of pressure and the coping mechanisms of public actors, thereby enhancing the theoretical validity and policy relevance of the approach developed in this article.

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Author Contribution

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Biographies of Authors

Rahmat Aiman, Department of Accounting, Faculty of Economics and Business, Universitas Negeri Makassar, Makassar 90245, Indonesia.

- Email: rahmat.aiman@unm.ac.id
- ORCID: N/A
- Web of Science ResearcherID: N/A
- Scopus Author ID: N/A
- Homepage: <https://sinta.kemdiktisaintek.go.id/authors/profile/6962754>

Aisyah Zarkasi, Department of Accounting, Faculty of Economics and Business, Universitas Negeri Makassar, Makassar 90245, Indonesia.

- Email: aisyah.zarkasi@unm.ac.id
- ORCID: 0009-0000-2203-9860
- Web of Science ResearcherID: N/A
- Scopus Author ID: N/A
- Homepage: <https://sinta.kemdiktisaintek.go.id/authors/profile/6985440>