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The Factors Affecting The Performance Of The Internal Supervision Unit In State University In Makassar

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Abstract. This study aims to determine the effect of integrity and competence on the performance of the internal audit unit in higher education. The research design used is an associative. This research used quantitative research approach. This research was conducted for approximately one year. Quantitative data in this study is a statistical collection using an instrument in the form of a questionnaire. Based on the results of the research conducted, the conclusions of the study are first, the variable integrity partially affects the internal auditors' performance. Second, the competency variable partially affects the internal auditor's performance. Third, together the integrity and competency variables affect the performance of the internal auditors.

Keywords: audit performance, competency, integrity

INTRODUCTION

In the last few decades, public demand for increased transparency and accountability in financial management by public sector institutions has continued to be echoed. This demand is reasonable for the public to do because in the various studies conducted the causes of the many violations of authority that occur are due to bad governance and bad bureaucracy in Indonesia.

There are three main aspects that support the creation of good governance, namely supervision, control, and inspection (Mardiasmo, 2009). Supervision is a monitoring activity carried out by parties outside the executive, namely the public and the Legislative Board (DPR) to monitor government performance. Control is a mechanism carried out by the executive to ensure that management systems and policies are implemented properly so that organizational goals can be achieved, while auditing is an activity carried out by parties who have independence and professional competence to check whether the results of government performance have been achieved. in accordance with established standards.

Internal auditing is an audit carried out by an inspection unit which is part of the organization being supervised (Mardiasmo, 2009). According to Boynton,

Johnson, and Kell (2002) the function of the internal auditor is to carry out the internal audit function which is an independent assessment function within an organization to test and evaluate the organization's activities. In addition, the internal auditors are also expected to contribute more to improving efficiency and effectiveness in order to increase organizational performance and assist organizational management in providing effective accountability.

The implementation of internal auditing at Government institutions is generally carried out by the Government Internal Supervisory Apparatus (APIP). In higher education institutions that are under the auspices of the respective institutions or ministries of the Internal Supervision Unit.

According to the Regulation of the Republic of Indonesia that internal supervision is the entire process of review, evaluation, monitoring and other supervisory activities on the implementation of organizational tasks and functions aimed at controlling activities, securing assets and assets, maintaining good financial reports, increasing effectiveness and efficiency, and detecting early occurrence of deviations and non-compliance with statutory provisions.

Based on the definition above, the internal auditing task in state universities under the auspices of the Ministry of Education and Culture is the Internal Supervision Unit (SPI). Internal supervision emphasizes providing assistance to work units within their authority to manage risks that can hinder the achievement of its mission and objectives, as well as provide alternatives to increase efficiency and effectiveness as well as prevent potential failures of management systems and government control systems.

According to Widhi (2014) auditors can be said to be professional, it can be seen from the performance they do in carrying out superior orders in accordance with organizational goals and in accordance with the auditor's code of ethics. Public demands for transparency in government finances are the responsibility of government auditors. The community as a government performance appraiser wants a good internal control system and government supervision function so that the implementation of activities is directed and in accordance with the predetermined plan.

The audit must be carried out by someone or more who has sufficient technical expertise and training as an auditor. In addition to audit expertise, an auditor must also have independence in conducting audits in order to provide an opinion or conclusion without any influence from interested parties (Efendy, 2010). Therefore, the researcher took the initiative to conduct this research.

LITERATURE REVIEW

Attribution Theory

Attribution theory studies the process of how a person interprets an event, studies how a person interprets the reasons or causes of behavior. This theory was developed by Fritz Heider who argued that a person's behavior is determined by a

combination of internal forces, namely factors that come from within a person such as ability or effort and external forces, namely factors that are comes from outside, such as difficulty assignment or luck. Based on this, a person is motivated to understand their environment and the causes of certain events (Suartana, 2010).

According to the assumptions of attribution theorists which are characteristic of attribution theory, it explains that humans are rational and are encouraged to identify and understand the causal structure of the environment they are in. This explains that behavior is related to individual attitudes and characteristics, so that these attitudes and characteristics are able to deal with situations in certain environments such as when conducting supervision and inspection in government agencies how APIP behavior in acting must be in accordance with the capabilities, rules of rules and relevant procedures in environment (Parasayu & Rohman, 2014).

Internal Auditing

According to the Institute of Internal Auditors (IIA) that the practice of internal auditing is in the following ways: "*Internal audit is an independent assessment function established within an organization to test and evaluate activities as a service to the organization*". Then, the definition of internal audit according to the IIA: "*Internal audit is an independent and objective assurance and consultation activity designed to add value and improve the organization's operations. Internal audit helps the organization achieve its objectives through a systematic and orderly approach to evaluate and improve the effectiveness of risk management, control and governance.*" According to Agoes (2012), the definition of internal audit is as follows: "*Internal audit is an examination carried out by the company's internal audit department, both on the company's financial reports and accounting records, as well as adherence to predetermined top management policies and compliance with government regulations and the provisions of the applicable professional association. Government regulations, for example, regulations in the fields of taxation, capital market, environment, banking, industry, investment and others.*"

Tugiman (2006) defines internal auditing as follows: "*Internal auditing is an independent assessment function within an organization to test and evaluate organizational activities carried out.*" According to Mulyadi (2002) the definition of internal auditors is as follows: "*Internal auditors are auditors who work in companies (state companies and private companies) whose main task is to determine whether the policies and procedures established by top management have been fulfilled, determine whether or not the safeguarding of organizational assets is good or bad, determining the efficiency and effectiveness of procedures for organizational activities, and determine the reliability of information generated by various parts of the organization.*" From the definitions above, it can be concluded that internal audit is an independent and objective examination activity to ensure the achievement of objectives and performance improvement in an organization. Meanwhile, the definition of internal auditors themselves are employees of the audited organization or auditors working

in a company who have the task of determining whether the policies and procedures established by the company have been complied with.

Hypothesis

This study analyzed the personal factors of the staff and auditors of the Internal Audit Unit on the performance of internal auditing which is their duties and responsibilities. This study proposes two personal factors to be tested: independency, integrity, objectivity, competency, and motivation. The relationship of variables show on Figure 1.

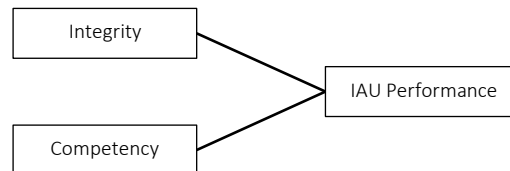


Figure 1. Research Hypothesis

The hypothesis stated as follow:

1. Integrity has a significant positive effect on the performance of the Internal Audit Unit.
2. Competency has a significant positive effect on the performance of the Internal Audit Unit.
3. Both of Integrity and Competency simultaneously has a significant positive effect on the performance of the Internal Control Unit

RESEARCH METHOD

Research Design

The research design used is an associative method which aims to determine the relationship between one variable and another which is not a cause and effect, an approach that provides an overview of the problem to find the relationship between two variables. This research is quantitative in nature because it uses data that requires calculations using SPSS software and uses qualitative analysis to describe the data that has been obtained so that it will be clearer.

The research location is the Office of the Internal Control Unit (SPI) at Universitas Negeri Makassar. This research was conducted for approximately one year. Quantitative data in this study is a statistical collection using an instrument in the form of a questionnaire.

Data Analysis

The types of data used in this study are primary data and secondary data obtained directly from the object of research. Primary data of this research comes from respondents' answers through questionnaire questions while secondary data is indirect data obtained by researchers in the form of books, scientific articles, reports, and other reference sources relevant to the research variables.

Test of classical assumption was carried out in order to fulfill the multiple linear regression assumptions used to test the hypothesis in this study. The normality test uses the Kolmogorov-Smirnov test. Multicollinearity problems are tested by

looking at the tolerance value (less than 0.1) or the variance inflation factor (VIF, more than 10).

Data were analyzed using the multiple linear regression method, with the aim of knowing the effect of independent variables, namely integrity (X1), and competency (X2) on the dependent variable (Y) namely the performance of the internal auditors.

Table 1. Results of Partial Test ⁵

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. error	Beta		
1 (constant)	0.753	0.415	-	1.812	0.075
Integrity (X1)	0.025	0.151	0.025	0.166	0.004
Competency (X2)	0.032	0.146	0.034	0.217	0.019

RESULT AND DISCUSSION

Based on the results on the validity test of all the variables concluded that all statement items for each variable declared valid. This can be seen from the significance value of each item the statement has a significance level below 0.05. In addition, based on the results of the reliability test, it is known that the cronbach's alpha value of all variables is greater than 0.60, so it can be concluded that the questionnaire on each research variable is reliable or is declared reliable and trusted as a measuring tool that produces answers relatively consistent. ⁶

The Kolmogrov-Smirnov test results in this study indicate a residual significance level is 0.945 which is greater than 0.05, so it can be concluded that the regression model in this study can be used because it fit the normality assumption. The regression models proposed for the independent variables are all free from multicollinearity. This can be seen from the variance inflation factor (VIF) value of each independent variable having a VIF of not more than 10 and a tolerance value greater than 0.10. ¹⁶

The value of the adjusted R square coefficient is 0.562 or 56.2%. So it can be concluded that the dependent variable, namely the inspectorate's performance (Y) is influenced by the integrity variable (X1), and the competence (X2) is 56.2%. While the remaining 43.8% is influenced by other variables not included in this study. The correlation coefficient (R) is 0.772 which indicates that the relationship between the independent variable and the dependent variable is strong because it has a correlation coefficient value above 0.5. ¹⁵

Tabel 1 shows the results for the independent variables and the dependent variable individually (partially). First hypothesis states that integrity affects the performance, it have a significant probability of 0.004 where the value is smaller than 0.050. This shows that integrity have a significant effect on the internal audit performance.

Furthermore, the second hypothesis that states competency affects the performance, have a significant probability of 0.019 also smaller than 0.050. This explain that competency auditor have a significant effect on the internal audit performance.

Thus, in this study it is concluded that integrity affected the performance of the internal auditor. This is due to an auditor is required to behave in integrity because it is deep to carry out its role, the internal auditor must be honest, courageous and responsible. The results of the supervision carried out by the auditor can be trusted by users if the auditor always upholds honesty and has the courage to uphold the truth, and is not easily afraid of threats. The results of this study are in line with research conducted by Kusuma and Arini (2020; Sukriah and Inapty (2009) where integrity has a significant effect on the audit performance.

Furthermore, competency variables have a positive and significant effect on audit performance. This means that the higher the competence of an inspectorate auditor, the higher the resulting performance, and vice versa. According to Siregar, Tiara, and Ovami (2009) in carrying out their duties, auditors are required to have the knowledge, expertise, experience and skills needed to carry out their duties. Regulation of the Indonesia Minister of State for Administrative Reform (Permenpan) No. 5 of 2008 states that auditors must have the knowledge, skills and other competencies needed to carry out their responsibilities.

According to Indonesia Government Regulation (PP) No. 60 of 2008, leaders are required to create and maintain a control environment that creates positive and conducive behavior by organizing training and mentoring to help employees maintain and improve their job competence. Internal auditors who have good competence will easily do their work and rarely make mistakes and with the knowledge and expertise they have will produce good quality (Syachbrani & Baharuddin, 2019).

The results of this study are in line with research conducted by Efendy (2010; Harahap (2004); Sukriah and Inapty (2009) which concluded competency that have a positive effect on the quality of audit results. As well as Kusuma and Arini (2020) which produce competencies that have a positive effect on performance.

While, result of the F test results show that F-count is 17.160 with a significance level of 0.000. This shows that the level of significance is smaller than α ($0.000 < 0.05$). Thus, it is concluded that all the independent variables in this study together have a significant effect on the dependent variable, namely the performance of the inspectorate. This means that if the variables of integrity and competence increase together, the audit performance will also increase. Vice versa, if the variables of integrity and competence are decreasing together, the audit performance will also decrease.

CONCLUSION

This study aims to determine the effect of integrity and competence on the performance of the internal audit unit in higher education. Based on the results of the research conducted, the conclusions of the study are first, the variable integrity partially affects the internal auditors' performance. Second, the competency variable partially affects the internal auditor's performance. Third, together the integrity and competency variables affect the performance of the internal auditors.

The suggestions that the researcher can give in relation to this research are for further research, to examine other variables that affect the increase in auditor performance and using another methods. For higher education internal audit units, it is necessary to pay attention to an integrity and to increase competence through providing training.

The limitation of this research is that it only uses a questionnaire instrument so that it does not properly describe the conditions that occur in the object of research. Furthermore, this research was only conducted on one university internal auditor unit.

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