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INTERNAL AUDIT AS A MANAGEMENT AID TOOL IN SUPPORTING SERVICE IMPLEMENTATION AND HUMAN RESOURCES QUALITY

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Abstract

Given the limitations of a leader to control and supervise the activities of agencies led management must delegate some authority to his subordinates. Therefore the constraints that arise in the delivery of information on the activities delegated to subordinates. So it takes a part of the independent nature, referred to as internal audit agency. The problem that arises is whether the internal audit role in improving the implementation of quality of service and human resources.

Starting from the above description, the authors are interested in discussing this issue with the initial conclusions as follows: "Internal Audit adequately implemented to improve the implementation of Quality Management (quality of service and human resources) Institutions".

Object of study is the Banten Police Agency, the author uses descriptive analytical methods and quantitative analysis. The data collection technique is field research and library research. The data obtained and analyzed by comparing the data obtained with the theory.

From the results of this research is that the implementation of internal audit is adequate. This proves the existence of independence, competence, audit program, the audit, a report is generated and follow-up. Then the internal audit also play a role in supporting the implementation of Quality of Service and Human Resources for internal audit verification, evaluation and recommendations for the implementation of Quality of Service and Human Resources).

Thus, from the above it can be concluded that the presence of adequate internal audit will improve the implementation of Quality of Service and Human Resources..

Keywords: Internal Audit, and Quality of Service and Human Resources.

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INTRODUCTION

Internal audit or internal control as a process influenced by human resources designed to help companies or agencies achieve a specific goal or objective. Internal audit is a way to direct, supervise, and measure the resources of an organization.

Internal audit plays an important role in preventing and detecting embezzlement and protecting company or agency resources, both tangible and intangible.

Independent internal auditors are very important in the implementation of Good Corporate Governance, where members of the internal auditors do not have direct or indirect performance in the work unit, have no affiliation with the Head of the work unit, and have no direct or indirect business relationship with the company or agency.

Good Corporate Governance also demands the extent to which Internal Auditors can play a good role to make it happen to the leadership and the community. Internal auditors are required to provide information regarding the adequacy and effectiveness of the internal control system.

The Internal Auditor must be someone who has competence in the financial sector, because the Internal Auditor has a more role in overseeing management activities, competence in the audit field is a must for someone who will carry out their duties in the audit field.

In addition to knowledge in the field of auditing, the auditor is certainly expected to have sufficient knowledge in the substance being audited, which is why the competence of internal audit members is needed to bridge the company's or agency's needs for the role of effective auditing and internal control with constraints on absorption of technical problems in accounting, auditing and internal control

Meanwhile, in organizations that implement human resource services and quality, teamwork, partnerships and relationships are forged and fostered, both among fellow members and with related institutions, and the surrounding community.

In order for the service and quality of human resources to be implemented properly, the work unit must have a unified goal. Each activity can be directed at the same goal. However, this unity of purpose does not mean that there must always be an agreement or agreement between management and members, for example regarding wages and working conditions.

The "XYZ" agency in Banten is improving management to anticipate community demands by implementing a quality management system for services and human resource quality with the aim of improving the quality of services provided by the "XYZ" agency in Banten, so that time standards are obtained. The "XYZ" agency in Banten is a public service office that has received ISO (International Organization for Standardization) certification.

In line with the development of work unit tasks at the "XYZ" Agency in Banten, the Head of the Work Unit (Kasatker) can no longer directly oversee the course of service and the quality of human resources from all sub-sections. Kasatker began to feel the need to delegate this authority and responsibility to other parties in the work unit, namely the internal auditors to ensure the running of services and the quality of the work unit's human resources as determined by the leadership of the "XYZ" agency in Banten. In addition, the internal auditor is required to provide a report on the results of this supervision to the Kasatker in supporting the implementation, operation of the work unit, especially the service and quality of human resources.

LITERATURE REVIEW

The internal audit activity is conducted in a religious legal and cultural setting; in organizations that vary in purpose, size, and structure, and by people inside or outside the organization. These differences may affect internal auditing practice in each setting. However, adherence to the Standards for the Professional Practice of Internal Auditing (the Standards) is essential to fulfilling the responsibilities of an internal auditor

Internal Auditing Professional Practice Standards consist of Attribute Standards. Attribute Standards describe the characteristics of organizations and individuals who perform internal audit activities. The Standards of Work describe the nature of the internal audit activity and the quality criteria for assessing the services performed. Attribute Standards and Work Standards apply to internal audit services in general. Implementation Standards are the application of Attribute Standards and Work Standards to specific assignments (for example, compliance audits, fraud investigations, or self-assessment controls projects).

The internal audit function as a whole regarding the implementation of internal audit work in achieving its objectives is :

a. Discuss and assess the goodness and accuracy of the implementation of accounting, financial and operational controls.
b. Ensuring whether the implementation is in accordance with the established policies, plans and procedures.
c. Ensuring whether the assets of the company/organization are properly accounted for and safeguarded against all possible risks of loss.
d. Ensuring the level of trust in accounting and other means developed within the organization.
e. Assess the quality of implementation of assigned duties and responsibilities

The purpose of internal audit is:

a. Helping management to get the most efficient administration of the company by including the company's work operation policies.
b. Determine the correctness of the financial data generated and the effectiveness of internal procedures.
c. Provide and correct inefficient work.
d. Make recommendations for changes needed in several work phases.
e. Determine the extent to which the protection of records and security of company assets against misappropriation.
f. Determine the level of coordination and cooperation of management policies

The scope of internal audit assesses the effectiveness of the internal control system, evaluates the completeness and effectiveness of the organization's internal control system, as well as the quality of the implementation of the assigned responsibilities

The duties and responsibilities of the internal audit are as follows:

a. Presenting analysis and making recommendations from an internal audit perspective, accompanied by an understanding of the methods, procedures, and objectives of various divisions without favoring a particular division.
b. Presenting data and facts in the form of trends and their relationships so that risks can be identified and minimized as input for management in considering the actions to be taken.

c. Monitor the implementation of existing policies and procedures and provide suggestions for revising these policies and procedures if necessary.
d. Review past and future activities so that they can assist management in managing activities.
e. Conduct internal communication between related divisions at all levels or levels.

To start the inspection work step which contains specific directions in carrying out the inspection. Implementation of internal audit includes the following steps:

a. Audit planning
   1) Effective and efficient determination of audit objectives and targets as well as scope of work
   2) Obtain preliminary information on the activities to be examined
   3) Determine the necessary resources to support the implementation of the inspection
b. Examination and evaluation of information
   1) Information is collected from all parties involved with the objectives and scope of the audit
   2) Information must be sufficient, reliable, relevant, and useful as a basis for audit findings and recommendations.
   3) Examination procedures include testing techniques and sampling techniques used.
   4) Collect, analyze, interpret, and document the information obtained.
   5) Prepare inspection working papers.
c. Communication of inspection results
   1) Discuss the conclusions drawn from the audit findings and recommendations.
   2) Issuing an audit report that is objective, clear, constructive, and timely according to a predetermined schedule.
d. Follow-up

   The internal examiner must monitor and oversee whether follow-up actions need to be carried out, or whether the company's management has carefully considered all the risks that might arise if it turns out that no action has been taken in relation to the results of the inspection. In addition, follow-up is also carried out as a measuring tool in assessing the effectiveness of the audit that has been carried out. The Internal Audit Work Unit (SKAI) is a work unit within a commercial bank that carries out the internal audit function and is a transformation of the Internal Oversight division.

To improve the quality of human resources in a company or agency in the following ways :

a. Education and training
b. Job rotation
c. Delegation
d. Promotion
e. Transfer
f. Counseling
g. Assignment in the membership of a committee, and

h. Conference

The Role of Internal Audit in Improving the Quality of Human Resources

a. Supervision, control, and coaching in improving the quality of human resources. Leaders of government agencies are required to control or foster human resources, while the forms of control or development of government human resources are as follows:
   1) Communicating the vision, mission, goals, values and strategies of the agency to employees.
   2) Creating a strategy for planning and developing human resources that supports the achievement of the vision and mission, and
   3) Prepare job descriptions for recruitment procedures, employee education and training programs, compensation systems, employee welfare programs and facilities, employee discipline provisions, performance appraisal systems, and career development plans.

b. Policies and practices of supervision, control and guidance in improving the quality of human resources.
   1) Determination of policies and procedures from acceptance to dismissal of employees. These things to consider are as follows:
      a) Leaders of government agencies communicate to employee managers regarding the competencies of new employees required or to participate in the hiring process.
      b) Government agencies already have standards or criteria for recruitment or acceptance with an emphasis on education, experience, achievement, and ethical behavior.
      c) Description and job requirements in accordance with the standards set by the competent agency.
      d) There is an orientation program for new employees and a continuous training program for all employees.
      e) Promotion, remuneration and transfer of employees are based on performance appraisal.
      f) Performance appraisal is based on the goals and objectives in the strategic plan of the government agency concerned.
      g) Integrity and ethical values are included in the criteria for evaluating performance.
      h) Employees are given feedback and guidance to improve performance and are given suggestions for improvement.
      i) Disciplinary sanctions or mentoring actions are given for violations of policies or codes of ethics.
      j) Dismissal of employees is carried out in accordance with statutory provisions.
   2) Background tracing, prospective employees in the hiring or recruitment process. Things to consider are as follows:
      a) Prospective employees who frequently change jobs are given special attention.
      b) Employee recruitment standards must require an investigation into the criminal record of prospective employees.

c) References and superiors of prospective employees at previous workplaces must be confirmed.
d) Educational certificates and professional certification must be confirmed.

3) Adequate periodic supervision of employees. Things to consider are as follows:
   a) Leaders of government agencies provide guidance, assessment, and on-the-job training to employees to ensure the consistency of work implementation, reduce misunderstandings, and encourage a reduction in violations.
   b) Leaders of government agencies ensure that employees understand well the duties, responsibilities and expectations of leaders of government agencies.

The Influence of Internal Audit in Improving the Quality of Human Resources, as follows;

The development of human resources that is implemented in an institution is very good because in addition to being able to increase the competencies possessed by employees or employees, the program can also affect employee performance. Human resource development is the application of training and education programs within organizations by applying learning principles.

With the existence of these human resources, employees will gain new abilities, skills and skills that can add to their knowledge or insight, to address the tasks assigned to these employees.

The effectiveness of the internal audit implementation of each company or agency is greatly influenced by the quality of the human resources that carry it out. A system that is as good as anything will be in vain, if it is not supported by adequate quality human resources. Particularly the personal quality of human resources which consists of educational potential, experience, and training from resources

METHOD

The research method used is descriptive analysis and quantitative methods using a questionnaire, which is a research method that aims to describe the state of the object under study based on existing facts by collecting, processing, presenting and analyzing the various data found and comparing them with existing theories. , then analyzed its application in practice so that a conclusion can be drawn.

RESULTS AND DISCUSSION

Respondents in this study were executors at the "XYZ" Agency in Banten, which consisted of supervisory and assistant leadership elements, elements of executing main tasks, supporting elements, and regional levels. The author took 31 respondents from the total population on the implementing element. Below will be described in more detail regarding the composition of the number of workers, and the characteristics of the respondents

Table 1 : Total Population at "XYZ" Agencies in Banten

No	Implementing Elements	Work

		unit/Head of work unit
1	Elements of Supervisors and Assistant Leaders/services	12
2	Elements of Implementing Main Tasks	12
3	Supporting Elements	3
4	Territorial Level	4
	Amount	31

Table 2 : Description of research data

Statistics

		Audit Internal	Manajemen mutu
N	Valid	31	31
	Missing	0	0
Mean		81.84	85.84
Std. Error of Mean		1.498	1.102
Median		80.00	85.00
Mode		77	79
Std. Deviation		8.339	6.138
Variance		69.540	37.673
Skewness		-.201	.283
Std. Error of Skewness		.421	.421
Kurtosis		.026	-1.112
Std. Error of Kurtosis		.821	.821
Range		36	21
Minimum		60	76
Maximum		96	97
Sum		2537	2661
Percentiles	10	73.00	79.00
	25	76.00	80.00
	50	80.00	85.00
	75	90.00	91.00
	90	92.80	95.40

Based on data from Agency "XYZ" in Banten, descriptive statistics were selected to explain Internal Audit and Quality Management factors. In descriptive statistics, it is summarized regarding the variables studied, the mean, standard deviation and the amount of data studied from each variable. The results of the analysis generated using SPSS are as follows

Table 3 : Descriptive statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Audit Internal	31	60	96	81.84	8.339
Manajemen mutu	31	76	97	85.84	6.138
Valid N (listwise)	31				

Table 4 : Spearman Rank Correlation Test

Correlations

			Audit Internal	Manajemen mutu
Spearman's rho	Audit Internal	Correlation Coefficient	1.000	.190
		Sig. (2-tailed)	.	.305
		N	31	31
	Manajemen mutu	Correlation Coefficient	.190	1.000
		Sig. (2-tailed)	.305	.
		N	31	31

Table 5 : Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	72.023	10.942		6.582	.000
	Audit Internal	.169	.133	.229	1.269	.215

a. Dependent Variable: Manajemen mutu

Table 6 :
Determination Coefficient Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.229[a]	.053	.020	6.076

a. Predictors: (Constant), Audit Internal

b. Dependent Variable: Manajemen mutu

Table 7 : Test Results t

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	72.023	10.942		6.582	.000
	Audit Internal	.169	.133	.229	1.269	.215

a. Dependent Variable: Manajemen mutu

Based on the calculation of Spearman's rank correlation, the research results obtained Spearman's rank correlation coefficient of 0.190 indicating that there is a correlation between internal audit and quality management because it has moderate influence. Meanwhile, based on the determination test, it is known that the R square (R2) in this study is 0.053. While the R value is 0.229, if the R value is greater than the R square value (R2), this means that there is a stronger relationship between internal audit and quality management.

The t value obtained for variable X (Internal Audit) is 1.269. So the value of tcount = 1.269 > t 0.05, then H0 is rejected which means that variable X (internal audit) has a positive influence on variable Y (service and quality of human resources).

CONCLUSION

a. The coefficient of determination, it is known that R square (R2) in this study is 0.053. While the R value is 0.299, if the R value is greater than the R square value (R2), this means that there is a stronger relationship between internal audit and quality management. The coefficient of determination is the square of the multiple correlation coefficient.

b. Partial testing (t test), obtained the t value for variable X, which is 1.269. So the value of tcount = 1.269 > ttable = 1.6991, the value of ttable is obtained from t = n – k, namely t = 31 – 2 = 29 so that a ttable of 1.6991 is obtained. Because tcount > ttable then Ho is rejected which means that internal audit has a positive influence on quality management.

c. So the internal audit at the "XYZ" Agency in Banten has a positive and real effect on the service and quality of human resource

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