THE INFLUENCE OF THE GUIDELINE OF INTERNAL CONTROL, THE USE OF INFORMATION TECHNOLOGY AND COMPETENCE OF HUMAN RESOURCES ON QUALITY OF FINANCIAL STATEMENT IN SERDANG BEDAGAI REGENCY WITH COMMITMENT OF ORGANIZATION AS THE MODERATING VARIABLE

Nur Evelyn Jelita Silaban, Iskandar Muda, Tapi Anda Sari
Universitas Sumatera Utara
nurevelyn781@gmail.com

Abstract: The research objective is to test and analyze the influence of the guideline of internal control, the use of information technology, and competence of human resources on the quality of financial statement in Serdang Bedagai Regency with commitment of organization as the moderating variable. The research is a causal research. The population of the research is 47 SKPD (Regional Working Unit) in the government of Serdang Bedagai Regency. Totally 94 population is taken as the research samples. The result of the research showed that the guideline of internal control, the use of information technology, and competence of human resources simultaneously and partially have a positive and significant influence on the quality of financial statement in Serdang Bedagai Regency. Commitment of organization as moderating variable can moderate the correlation of the internal control, the use of information technology, and competence of human resources with the quality of financial statement in Serdang Bedagai Regency.

Keywords: Internal Control, The Use of Information Technology, Competence of Human Resources, Commitment of Organization, Quality of Financial Statement.

INTRODUCTION
The government's financial reforms carried out in early 2000 had an impact on the increasing public demand for a clean and authoritative government. LKPD is the final product of the accounting process that has been done by the Regional Work Unit (SKPD) as an accounting entity and consolidated by Financial Administration Officer (PPK) as the reporting entity. Local government financial management should be based on good governance governance, which is transparent and accountable financial management, which enables users of financial statements to access information on outcomes achieved in local governance.

THE LITERATURE AND DEVELOPMENT OF HYPOTHESES

Financial Statement
Financial Statements according to Government Regulation (PP) No. 17 Year 2010 on Government Accounting Standards (SAP) is a structured report on the financial position and transactions undertaken by the reporting entity. In other words, the financial statements are the output of an accounting system useful for providing information to the needy as a basis for decision making.

Internal Control
The Internal Control System is an integral process of actions and activities carried out continuously by the management and all employees to provide
reasonable assurance on the achievement of organizational goals through effective and efficient activities, reliability of financial reporting, security of state assets, and compliance with laws and regulations decision (PP No. 60 Year 2008).

**The Use of Information Technology**

The use of information technology can reduce errors that occur. The use of information technology such as optimal use of computers and software will have an impact on faster transaction processing and the calculation will also have a high degree of secrecy so that it will lead to improved quality of financial reporting more reliably because the use of technology will reduce material mistakes (Primayana, 2014).

**Competence of Human Resources**

Nawawi (2000) in Sunyoto (2012) says that human resources include 3 (three) notions, namely: (a) Human resources are people who work in an organization, referred to as labor, personnel, employees or employees, (b) Human resources are human potential as an organizational motivator in realizing its existence, and (c) Human resources are potentials that are assets and function as capital in business organization, which can be realized into physical and non-physical potential in realizing organizational existence. The quality of human resources is the capability and characteristics of a civil servant in the form of knowledge, skills, and attitudes of behavior required in the performance of duties, so that Civil Servants can perform their duties professionally, effectively and efficiently (Head of BKN Decree No.46 AT year 2007).

**Commitment Of Organization**

According to Mowday (1982) in Sopiah (2008) commitment of organization is the desire of members of the organization to maintain its membership in the organization and willing to strive for the achievement of organizational goals.

**An Overview of Past Research**

Primayana, et.al (2014) examines The Influence of Capacity of Human Resource, Internal Control, The Use of Information Technology, and Regional Financial Supervision on the Quality of Local Government Financial Statements (Study on a Regional Government of Buleleng Regency). The results of his research concluded that capacity of human resource, internal control of accounting, the use of information technology, and local financial control are equally significant positive effect on the quality of local government financial statements.

Ratifah dan Ridwan (2012) examines Commitment of Organization Moderate Influence of Regional Financial Accounting System to Quality of Financial Statement. The results of his research states that the financial accounting system of the region has a significant influence on the quality of financial statements, but commitment of organization has no significant effect if placed as a moderation variable.

Lilis Setyowati, et al (2016) examines The Factors Affecting the Quality of Local Government Financial Statements Semarang City. The results showed that information technology has no significant effect on the quality of financial statements of local government in Semarang. Competence of Human Resources and the role of internal audit have a significant positive effect on the quality of local government financial statements Semarang. Information technology, competence of
human resource and internal audit role together significantly influence the quality improvement of financial report of local government of Semarang city.

Febrian Cahyo Pradono Basukianto (2015) examines the quality of Local Government Financial Statements. Influencing Factors and Policy Implications (Empirical Study of SKPD Central Java Provincial Government). The results showed that the quality of financial statements that have not been good due to the not optimal implementation of internal control systems, personnel in the field of finance and lack of facilities associated with financial information technology. Education/training, procurement of capital expenditure in the form of computer/network and internal reconciliation SKPD will improve the quality of financial statements.

Conceptual Framework
Conceptual framework of this research can be described as follows:

Research Hypothesis
1. Internal Control, The use of Information Technology and Competence of Human Resources simultaneously and partially have a positive and significant impact on the Quality of Local Financial Report.

METHODOLOGY
Types of Research
This type of research is causal research, Umar (2008) mentions a causal design is useful to analyze how a variable affects other variables. In this study the method used is survey research method which is a field research conducted on several sample members of a particular population whose data collection is done by using a questionnaire (Sekaran, 2003). Primary data is a source of research data obtained directly from respondents or original sources in the form of questionnaires.

Location and Time of Study
The location of this research is on SKPD in Serdang Bedagai Regency Government. The research time started from February 2017 until August 2017.

Population and Sample
The population in this research is SKPD of Serdang Bedagai Regency consisting of 47 PPK SKPD and financial staff/accounting directly involved technically in
recording financial transactions and preparation of financial statements Fiscal Year 2016 amounted to 47 people.

**Method of Collecting Data**
The data used by the researcher is primary data, that is by giving questionnaire/questionnaire to PPK SKPD and finance/accounting staff.

**RESULTS AND DISCUSSION**

**Test Validity and Reliability**
From the table of validity test results it can be seen that the corrected item-total correlation (r-count) value of each question item is greater than r-table for df (30-2) at $\alpha = 5\%$ is 0.361. it can be concluded that all question items on dependent variables, independent variables and moderating variables are valid. the r-count value of each item is greater than the r-table value (Ghozali (2013).

**Test Reliability**
The Cronbach Alpha value of each research variable has a greater value than 0.70. Thus it can be concluded that the questionnaire used in research reliable or reliable.

**Classical Assumption Testing**

**Normality Test**
The basis of decision making on the normality test is to look at the probability of asymp, sig (2-tailed) greater than 0.05 then the data can be said to be normally distributed and if asymp, sig (2-tailed) is less than 0.05 then the data is distributed not normal.Apabila (2-tailed)$ > \alpha$ (0,200> 0,05).

**Test Multicolonierity**

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Tolerance</td>
<td>VIF</td>
<td>Conclusion</td>
</tr>
<tr>
<td>(Constant)</td>
<td></td>
<td>,597</td>
<td>1,675</td>
<td>Not Happened</td>
</tr>
<tr>
<td>Internal Control</td>
<td></td>
<td>,571</td>
<td>1,751</td>
<td>Not Happened</td>
</tr>
<tr>
<td>The Use of Information Technology</td>
<td></td>
<td>,573</td>
<td>1,745</td>
<td>Not Happened</td>
</tr>
<tr>
<td>Competence of Human Resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Tolerance value calculation no independent variable has a value less than 0.1 which means there is no correlation between independent variables. The same calculation results are shown on the VIF value, where there is no independent variable that has VIF value more than 10. So it can be concluded that the data in this study is free from multicolonierity problem.

**First Hypothesis Test Results**

**Coefficient of Determination (R2)**

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>
R value of 0.865 this shows the internal control variables, the use of information technology and competence human resource as independent variables have a strong relationship of 86.5% with variable quality of financial statements as the dependent variable, Adjusted R Square Value of 0.727 means the variable quality report finance as a dependent variable can be explained by internal control variables, the use of information technology and competence of human resource 72.7%, while the remaining 27.3% can be explained by other variables outside this study.

**Simultaneous Test (Test Statistic F)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>82.295</td>
<td>3</td>
<td>27.432</td>
<td>35.646</td>
<td>0.000</td>
</tr>
<tr>
<td>1 Residual</td>
<td>27.705</td>
<td>80</td>
<td>.770</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>110.00</td>
<td>83</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

F value count 35,646 is greater than the value of F table 2.80 and the significance value of F 0.000 smaller than the value α = 0.05, it can be concluded the proposed hypothesis accepted.

**Statistical Test t**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>.226</td>
<td>2.022</td>
<td>.107</td>
<td>.915</td>
</tr>
<tr>
<td>Internal Control</td>
<td>.565</td>
<td>.116</td>
<td>4.850</td>
<td>.000</td>
</tr>
<tr>
<td>The Use of Information Technology</td>
<td>.268</td>
<td>.120</td>
<td>2.304</td>
<td>.027</td>
</tr>
<tr>
<td>1 Competence of Human Resources</td>
<td>.335</td>
<td>.156</td>
<td>2.060</td>
<td>.047</td>
</tr>
</tbody>
</table>

Dependent Variable: Quality of Financial Statement

1. Constant of 0.226 means that although there is no addition of internal control variables, the utilization of information technology and human resource competence, the quality of financial statements is 0.226.

2. Internal control variables have positive and significant influence on the quality of financial statements in Serdang Bedagai regency, it can be seen from t-hit (4.850)> t-table (1,666) and significant at 0,000 < 0,05. Thus H0 rejected and H1 accepted, this means that if there is an increase in the quality of financial statements in accordance with the internal control of 1 point then there will be an increase in the quality of financial statements of 0.565.

3. Variable the use of information technology positive and significant influence on the quality of financial statements in Serdang Bedagai Regency, it can be
seen from the t-count value (2.304) > t-table (1.666) and significant at 0.027 < 0.05.

Thus H0 rejected and H1 accepted, this means if there is an increase in the use of information technology by 1 point then the quality of financial statements will increase by 0.268.

4. The competence of human resources variable has a positive and significant effect on the quality of financial report in Serdang Bedagai Regency, it is seen from the t-count value (2.067) > t-table (1.666) and significant at 0.047 < 0.05.

Thus H0 rejected and H1 accepted, this means that if there is addition competencies of human resource by 1 point then there will be an increase in the quality of financial statements of 0.335.

Based on the hypothesis test that has been done, then the result of research regression equation is as follows:

\[ Y = 0.226 + 0.565X_1 + 0.268X_2 + 0.335X_3 \]

**Second Hypothesis Test Results**

**Regression Test Results Hypothesis 2**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>.355</td>
<td>.885</td>
</tr>
<tr>
<td>Internal Control</td>
<td>.323</td>
<td>.383</td>
<td>2.260</td>
<td>.030</td>
</tr>
<tr>
<td>The use of Information Technology</td>
<td>.040</td>
<td>.046</td>
<td>.268</td>
<td>.791</td>
</tr>
<tr>
<td>Competence of Human Resources</td>
<td>.307</td>
<td>.281</td>
<td>1.625</td>
<td>.113</td>
</tr>
</tbody>
</table>

The results obtained by the second hypothesis regression equation as follows:

\[ M= 0.355 + 0.323X_1 + 0.040X_2 + 0.307X_3 \]

**Residual Test (Moderator) - \( |e| \)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>3.176</td>
<td>.005</td>
</tr>
<tr>
<td>Quality of Financial Statement</td>
<td>-.121</td>
<td>-.336</td>
<td>-2.198</td>
<td>.034</td>
</tr>
</tbody>
</table>

Organizational commitment is a moderating variable due to negative coefficient and significant value 0.034 < 0.05.

Through the residual test results can then be formulated as follows:

\[ |e| = 3.176 – 0.121 Y \]

The result of residual test shows that the quality of financial statements has a significance level of 0.034 is smaller than \( \alpha = 0.050 \) and the regression coefficient is -0.121 so that it can be concluded that commitment of organization variable is a
moderating variable capable of moderating the relationship between internal control, the use of information technology and competence of human resources with quality financial reports.

Based on the results of data analysis, hypothesis testing and discussion of research that has been described above, can be drawn some conclusions, namely:

1. Internal control, utilization of information technology and human resource competence simultaneously have a significant effect on the quality of financial statements at Local Government of Serdang Bedagai Regency. Partially, internal control, utilization of information technology and human resource competence have a significant positive effect on the quality of financial statements at Local Government of Serdang Bedagai Regency. This indicates that internal control, utilization of information technology and human resource competence are the factors that need to be improved to support the improvement of financial report quality to Local Government of Serdang Bedagai Regency so that the execution of task/ activity and result of work related to the quality of financial report properly and better.

2. Organizational Commitment able to moderate the relationship between internal control, utilization of information technology and human resource competence with the quality of financial statements at Local Government of Serdang Bedagai Regency.

Conclusion

Based on the results of data analysis, hypothesis testing and discussion of research that has been described above, can be drawn some conclusions, namely:

1. Internal control, the use of information technology and competence of human resource simultaneously have a significant effect on the quality of financial statements at Local Government of Serdang Bedagai Regency. Partially, internal control, the use of information technology and competence of human resources have a significant positive effect on the quality of financial statements at the Regional Government of Serdang Bedagai Regency. This shows that internal control, the use of information technology and competence of human resource are the factors that need to be improved to support the improvement of the quality of financial report at Serdang Regency Government Bedagai so that the implementation of tasks/ activities and results related to the quality of financial statements work properly and better still.

2. Commitment of Organization able to moderate the relationship between internal control, the use of information technology and competence of human resource with the quality of financial statements at Local Government of Serdang Bedagai Regency.

3. In this study, researchers used literature studies and field studies with field research and distributed questionnaires as a method of data collection. Researchers hope that in subsequent research in addition to using the methods mentioned above, further researcher can also add interview method in field study so that the data obtained have high accuracy and more valid, because the researcher can communicate the important items from the research directly to
respondents so that no misperception in providing answers or not in accordance with reality.

4. Researchers suggest to the Government of Serdang Bedagai Regency to increase the number of employees or staff of educational background accounting placed in the field of Accounting / Finance section, because most of the financial management apparatus with non-accounting educational background would be in dire need of extra guidance in coaching, education debriefing and training related to financial management, so that the apparatus understands the basics of accounting and has the necessary competencies in carrying out the work in the finance. This should be realized immediately given the complexity of future local government challenges in the implementation of Accrual Based Government Accounting Standards as well as efforts to maintain unqualified opinion.

5. For subsequent researchers, it is expected to increase the number of independent variables, for example by considering the variables of local financial supervision or the introduction of government accounting standards or other variables that become phenomena that can affect the quality of local government financial statements in Indonesia.

Suggestion

1. In this study, researchers used literature studies and field studies by means of field research and distributed questionnaires as a method of data collection. Researchers hope that in subsequent research in addition to using the methods mentioned above, further researcher can also add interview method in field study so that the data obtained have high accuracy and more valid, because the researcher can communicate the important items from the research directly to respondents so that no misperception in providing answers or not in accordance with reality.

2. Researchers suggest to the Government of Serdang Bedagai Regency to increase the number of employees or staff with an accounting education background placed in Accounting/Finance Division SKPD, because most of the financial management apparatus with non-accounting education background will certainly need extra guidance in coaching, provision of education and training related to financial management, so that the apparatus understands the basics of accounting and has the necessary competencies in carrying out the work in the finance department.

3. For the next researcher, it is expected to increase the number of independent variables, for example by considering the variables of local financial supervision or the introduction of government accounting standards or other variables that become phenomena capable of affecting the quality of local government financial statements in Indonesia.

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