The Competency of Human Resources in Relation to Internal Control

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Abstract  
To create human beings into human capital in an organization requires intellectual capital, which consists of the abilities they have and the ability to use them at work. Intellectual capital, which is the value of human resources, plays an important role and requires transformation more than just carrying out administrative functions but includes overall strategy, administration and as a liaison with top management who are responsible for organizational performance. One of the criteria for achieving the best performance in a company is the achievement of goals. internal control. One of the achievements of internal control objectives is through the ability or competence of employees.

Employee competencies that must be possessed by these employees are ability in the field of good planning, ability to give the best influence on others, ability to communicate well, ability to open social networks, ability to think logically and ability to organize or managerial skills.

Keywords: competence and Internal Control

Abstrak

Untuk menjadikan manusia menjadi modal manusia dalam suatu organisasi diperlukan modal intelektual, yang terdiri dari kemampuan yang mereka miliki dan kemampuan untuk menggunakankannya dalam bekerja. Intellectual capital yang merupakan nilai sumber daya manusia, memegang peranan penting dan memerlukan transformasi lebih dari sekedar menjalankan fungsi administratif tetapi mencakup keseluruhan strategi, administrasi dan sebagai penghubung dengan manajemen puncak yang bertanggung jawab atas kinerja organisasi. Salah satu kriteria pencapaian kinerja terbaik dalam suatu perusahaan adalah tercapainya tujuan. pengendalian internal. Salah satu pencapaian tujuan pengendalian intern adalah melalui kemampuan atau kompetensi pegawai.
The Competency of Human Resources in Relation to Internal Control

Kompetensi pegawai yang harus dimiliki pegawai tersebut adalah kemampuan dalam bidang perencanaan yang baik, kemampuan memberikan pengaruh terbaik kepada orang lain, kemampuan berkomunikasi dengan baik, kemampuan membuka jejaring sosial, kemampuan berpikir logis dan kemampuan berorganisasi atau manajerial.

Kata Kunci: kompetensi dan Pengendalian Internal

I. PRELIMINARY

Regional and urban development are internal parts of national development which are carried out in a sustainable, harmonious and integrated manner and are directed so that regional development takes place in an efficient and successful manner in every region of Indonesia in order to realize the national aspirations contained in the preamble to the Constitution of the Republic of Indonesia. 1945, namely protecting the entire nation and all the blood of Indonesia, advancing public welfare, educating the nation's life, and participating in implementing world order based on independence, eternal peace and social justice. One of the agencies or institutions that take part in the achievement of social justice is a business entity or company. A company is a business entity consisting of resource elements, both human resources and other resources.

In an effort to improve individual performance, many aspects need to be considered, one of which is the employee's work competence. Job competence is a method used by employees to direct themselves to their work. Furthermore, competence is an activity that results in, channels and maintains human behavior. Competence can be used to describe the abilities possessed in an individual that drives and directs behavior. And employee competence is also one of the factors that can determine the success of a company in achieving goals, where it is a concern of the management.

In order to make humans into human capital in an organization, intellectual capital is required, which consists of the abilities they have and the ability to use them in work. Intellectual capital, which is the value of human resources, plays an important role and requires transformation beyond just carrying out an administrative function but covers the entire strategy, administration and as a liaison with top management who is held responsible for organizational performance. (Setyowati, 2016).

Based on the background of the problem described above, identify the problem as follows:
1. What competencies must human resources have in an organization?
2. How is the effectiveness of the best internal control in a company?
This research is intended to determine what competencies human resources in a company must have in implementing internal control. Research conducted by the author is expected to provide benefits in solving problems related to human resource competence and be able to contribute to the development of science, especially accounting.

II. LITERATURE REVIEW

Competence

Understanding Competence concurring to Law No. 13 of 2003 with respect to LABOR, Work competence is the work capacity of each person which incorporates angles of information, aptitudes, and work demeanors in understanding with set up standards. According to Marwansyah (2014: 52) Competence could be a combination of information, skills, attitudes, and other individual characteristics required to attain victory in a work, which can be measured utilizing concurred measures, and which can be made strides through preparing and improvement. Competence incorporates angles of expectation (deliberate), activity (activity), and result (results).

Competence incorporates an assortment of specialized and non-technical components, identity and behavior, delicate abilities and difficult abilities and are broadly utilized as viewpoints that are considered by numerous companies to enlist representatives into organizations (Sedarmayanti, 2016; 149) The definition of competence by Spencer cited by Moeheriono (2014: 5) may be a characteristic that underlies a individual related to the effectiveness of individual performance in their work or the basic characteristics of individuals who have a causal relationship or as a cause and effect with the criteria used as reference. According to Spencer, competence lies on the inside of every human being and is forever in the personality of a person who can predict behavior and performance widely in all situations and job assignments. Withdrawing from this understanding, the competence of an person is something inborn in him that can be utilized to anticipate his level of execution. Something that's implied can be related to thought processes, self-concept, nature, information or capacities or expertise. Individual competences within the frame of capacities and information can be created through instruction and preparing, whereas competency thought processes can be gotten amid the determination prepare. According to Mathis & Jackson, (2001, competence could be a essential characteristic that can be connected to the change of person or group execution. Competency gathering comprises of information, abilities and capacities.

Andini (in Melati, et al: 2018) states that there are three main components that form competence, namely, knowledge that a person has, skills, and individual behavior, where these three components are influenced by self-concept, innate traits, and motives. As for the indicators of human resource competence according to:
1. Knowledge (Knowledge)
   Information (Information) is data that workers ought to carry out their obligations and duties in understanding with their (certain) areas. Representative information too decides the victory or disappointment of the usage of assignments doled out to him, workers who have adequate information will increase the proficiency of the company. Be that as it may, representatives who don’t have adequate information will work discontinuously.

2. Skill (Skill)
   Expertise is an exertion to carry out the obligations and duties given by the company to an representative legitimately and ideally.

3. Attitude
   State of mind may be a behavior design of an worker / representative in carrying out their obligations and obligations in understanding with company directions. In the event that representatives have characteristics that back the accomplishment of organizational objectives, at that point naturally all errands alloted to them will be carried out as well as conceivable.

Internal Control
   Control is a systematic effort made by management to achieve goals efficiently and effectively. Control is implemented by comparing performance with plans and taking the necessary actions to eliminate any deviations. Various activities are always monitored so that the results can be seen whether they are still as expected. Baldric Siregar et al (2015; 8).

   According to Mulyadi (2016: 129) the internal control system is defined as follows: "The internal control system includes organizational structure, methods and measures that are coordinated to safeguard the wealth of the organization, check the accuracy and reliability of accounting data, encourage management policies. The definition of the internal control system emphasizes the objectives to be achieved, and not on the elements that make up the system, thus the definition of internal control above applies both in companies that process information manually, by accounting machines, or by computers."

   Agreeing to Romney and Steibart (2012), it characterizes as takes after: Inner control could be a prepare since it is included within the operational exercises of the organization and is an fundamentally part of administration exercises. Inner control gives total and sensible affirmation to realize. In expansion, the inside control framework has restrictions, such as helplessness to straightforward mistakes, off-base judgment and choice making, disregard of administration and conspiracy.

   Concurring to Krismiaji (2010: 218) "Inner Control (Inside Control) is an organizational arrange and strategies utilized to preserve or ensure resources and deliver exact and dependable information."
According to Amin Widjaja Tunggal (2010: 195) "Internal Control could be a handle carried out by the Board of Commissioners, Administration, and other individual substances that are outlined to supply satisfactory affirmation almost the accomplishment of the taking after three bunches of goals: (a) unwavering quality of money related announcing (b) Viability and productivity of operations, and (c) Compliance with pertinent laws and controls."

In expansion, another supposition was communicated by James Corridor (2011: 180) the creation and support of an inner control framework is a critical administration commitment. A crucial viewpoint of the management's information-providing obligation is to supply shareholders with sensible affirmation that the company is legitimately controlled. In expansion, administration is dependable for preparing shareholders and speculators with dependable and convenient monetary data.

III. RESEARCH METHOD

The object of this research is the competence of human resources and internal control. The method in this research is a qualitative method using a literature study approach. Data collection techniques using documentation.

IV. RESEARCH RESULTS AND DISCUSSION

An effective and efficient control is needed by an organization or company, because with an internal control system it is expected that everything that has been determined can be implemented properly. According to Mulyadi (2016: 129-130) "Internal Control System Objectives" are:

Safeguarding Company Assets

The physical property of a company can be stolen, misused or destroyed in an accident unless such property is protected with adequate control.

Likewise, this wealth is protected by adequate control. Likewise, company assets that do not have a physical form such as accounts receivable will be vulnerable to shortages if important documents and records are not maintained.

Check the Accuracy and Reliability of Accounting Data

Management requires researched and reliable financial information to carry out its business activities. A lot of accounting information is used by management to base important decisions. Internal control is designed to provide assurance that the accounting data processing will produce accurate and reliable financial information because accounting data reflects changes in the company's assets.
Encourage Efficiency
Internal control is intended to prevent unnecessary duplication of effort or waste in all company business activities and to prevent inefficient use of company resources.

Encourage Compliance with Management Policies
To achieve company goals, management establishes policies and procedures. This internal control is intended to provide adequate assurance that employees' compliance with management policies.

To achieve the purpose and purpose of internal control above, it is necessary to have a correct accounting information system. This can provide the main assistance to the company's assets by maintaining good asset records. If the internal control structure of a company is weak, errors, inaccuracies, and significant losses will arise for the company.

According to Mulyadi (2016: 130-136) "The elements of Internal Cash Control" are as follows:
1. An organizational structure that clearly separates functional responsibilities
2. A system of authority and record keeping procedures that provide adequate protection against wealth, debt, income and expenses.
3. Healthy practices in carrying out the duties and functions of each unit and organization
4. Employees whose quality is in accordance with their responsibilities.

Among the four elements of control, the element of quality of employees in accordance with their responsibilities is the most important element of control. Because if the employees who are placed are not in accordance with their abilities, all activities will not run smoothly and what has been done will not be accounted for. Therefore, the human element or employees must be properly placed in accordance with their fields and abilities and have assigned tasks so that what is the company's goals can be achieved properly.

Competency
One of the elements of resources that must be owned by a company in relation to employees is employee competency. Different types of competencies are associated with aspects of human behavior and with their ability to demonstrate these behavioral abilities, and several types of competencies according to Wibowo (2010: 328) are as follows:
1. Planning Competency, associated with specific actions such as setting goals, assessing risk and developing a sequence of actions to achieve goals. Planning Competency should be owned by all employees in the company, especially those in the accounting department, if employees have this type of competency the employees will be able to set goals and assess risks well.
Determination of the right objectives and accuracy in risk assessment will encourage the achievement of one of the objectives of internal control, namely the protection of assets. Through this type, employees, especially the accounting department, will be able to determine appropriate procedures and documents in implementing the accounting system so that the effectiveness of internal control can be carried out effectively.

2. Influence Competency, associated with actions such as having an impact on others, forcing certain actions or making certain decisions, and providing inspiration to work towards organizational goals. Influence Competency is in line with the achievement of the objectives of implementing internal control, namely being obeyed by policies or regulations in a company. Employees, especially the accounting department, if they have this type of competency, will be able to comply with all regulations that apply to the company. Employees with this competency will be able to provide the best example for other employees so that the overall regulations that apply to the company organization can be followed and obeyed by all employees, so that the objectives of internal control related to compliance with applicable policies can be achieved.

3. Communication Competency, in the form of the ability to speak, listen to others, written and nonverbal communication. This type of competency is related to the ability of employees to explain their roles and responsibilities in the work assigned to them, if employees, especially accounting employees have this type, the purpose of internal control, especially to encourage company efficiency, can be achieved, this is because employees understand well what are the rights and obligations of the company so that the work results of employees will be in accordance with the plans and targets that have been previously set.

4. Interpersonal Competency, includes empathy, consensus building, networking, persuasion, negotiation, diplomacy, conflict management, respect for others, and being a team player. Interpersonal competency should be owned by all employees in an organization, especially employees of the accounting department, with this ability employees will be able to work well with all elements or parts of an organization. Collaboration that is good personal delivery in an organization will encourage the achievement of effectiveness in a corporate organization. This achievement demonstrates alignment with the achievement of the objective of implementing internal control, namely company effectiveness.

5. Thinking Competency, concerned with strategic thinking, analytical thinking, committed to action, requires cognitive abilities, identifying links and generating creative ideas. Thinking Competency is related to the ability of employees to empower all abilities of their mindset at work.
The Competency of Human Resources in Relation to Internal Control

This thinking ability will encourage employees to work effectively and efficiently. Thus the objectives of internal control related to effectiveness can be achieved.

6. Organizational Competency, includes the ability to plan work, organize resources, get work done, measure progress and take calculated risks. This type of competency is needed by companies related to the ability of employees to understand the company's organization, including employees in the accounting department. Understanding the characteristics of the company will encourage employees to design their work according to the capabilities of the company. One of the accuracy in designing this work is the design of documents, forms, notes on accounting activities. If the work can be designed properly, the objectives of internal control, especially effectiveness and asset security, can be achieved.

7. Human Resource Management Competency, is the ability in the field of team building, encouraging participation, developing talent, seeking performance feedback, and respecting diversity. This type of competence will drive the achievement of internal control objectives, namely effectiveness and compliance with policies. Human Resource Management Competency is a type of competency that relates to the ability of employees or employees to work together in a team well because in this type there is an element of mutual respect so that each employee will be able to place himself according to their respective responsibilities and roles.

Internal Control Components

According to COSO (2013: 4) states regarding the components of internal control as "Internal control consists of five integrated components", Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring. The relationship between the five objectives and the components of internal control is described by COSO (2013: 5) in the form of a cube as follows:

![Picture 1. Relationship of Objectives and Components of Internal Control](source: COSO 2013)
Based on the picture over, it can be clarified that there's a coordinate relationship between the targets to be accomplished by the substance and the components of inside control that speak to what is required to realize those objectives, as well as the entity's organizational structure at each level (division, working unit, work and others). The three categories of goals (operations, announcing, and compliance) are spoken to by columns, at that point the five components of inner control are spoken to by lines, whereas the entity's organizational structure is spoken to by its three measurements.

According to the Professional Standards for Public Accountants (SPAP) in the Indonesian Institute of Accountants (IAI) (2001: 319), control procedures can be grouped into related procedures with the following matters:

1. Proper authorization of transactions from activities.
2. Separation of duties that can simultaneously cover mistakes or irregularities in the implementation of their daily duties. Therefore, the responsibility for authorizing transactions, recording transactions, and holding assets needs to be separated in the hands of different employees.
3. Designing and using adequate documents and records to aid in the proper recording of transactions and events.
4. Adequate security over the access and use of company assets and records.
5. Independent checks on implementation and proper assessment of recorded amounts.

**Information and Communication**

Information and communication are needed in an organization / agency, as proposed by COSO (2013: 5) describes the information and communication components in internal control as follows: “Data is essential for the substance to carry out inside control obligations to bolster the accomplishment of its goals. Administration gets or produces and employs significant and quality data from both inside and outside sources to back the work of other components of inside control. Communication is the persistent, iterative handle of giving, sharing, and getting vital data. Inside communication is the implies by which data is dispersed all through the organization, streaming up, down, and over the substance."

Information and communication is needed within organizations / agencies to support company activities, in order to carry out internal control responsibilities and support the achievement of its goals. Organizations / agencies build an information system to meet the need for reliable, relevant, and timely information. Specifically with regard to accounting information, according to Arens and Loebbecke as adapted by Jusuf (2003: 127), indicators of information and communication consist of:

1. Existence, which indicates whether the numbers included in the winning financial statements should have been included.
The Competency of Human Resources in Relation to Internal Control

2. Completeness, are transaction numbers that should be fully entered and included and considering materiality and costs.
3. Accuracy, which refers to the amount entered with the correct amount.
4. Classification, that the transactions included in the journal have been classified appropriately.
5. On time, where recorded transactions are recorded on the right date.
6. Summarizing posts, where the transactions that are properly recorded are entered in the former parent and summarized correctly.

Information and communication enable people in the organization to get a variety of information needed to manage, carry out, and control the organization's operations.

Monitoring Activities

Monitoring is carried out for the basis of organizational evaluation, COSO (2013: 5) describes the components of monitoring activities in internal control as follows: “Progressing assessments, partitioned assessments, or a few combinations of the two are utilized to discover whether each of the five Componets of inner control, counting controls to impact the standards inside each components, is display and working. Continuous assessments, built into commerce forms at distinctive levels of the substance, give convenient data. Sparate assessments, conducted occasionally, will shift in scope and recurrence depending on the evaluation of dangers, the adequacy of progressing assessments, and other administration contemplations. Discoveries are assessed against criteria set up by controllers, recognized standard setting bodies or administration and the board of executives, and insufficiencies are communicated to administration and the board of chiefs,

Monitoring activity is an evaluation activity. Evaluation aims to see the level of success of activity management, through a review of the management and its implementation output as well as the problems faced, to then become material for evaluating the performance of programs and subsequent activities. Monitoring or evaluation activities are used to ascertain whether each of the five components of internal control affects the principles in each component, exists and functions. According to Arens and Loebbecke as adapted by Jusuf (2015: 50) states that monitoring activities are related to the following:

1. The frequency of activity appraisals is the level of frequency of activity appraisal activities.
2. Internal audit function, namely whether the internal audit function is effective, which is indicated by the support of competence, integrity and objectivity.
3. Advice from accountants, where the responsibility for determining sound accounting policies and the implementation of a good internal control structure and the presentation of fair financial reports rests with management, not the auditor. However, the auditor is obliged to provide suggestions.
4. Report reconciliation is a periodic reconciliation between physical assets with notes or ledger estimates.

5. Stock taking, is a sudden inspection with the intention of protecting or securing assets and records.

6. The design of the internal control structure is a careful and continuous review of other procedural opportunities, namely: sufficient segregation of duties, sufficient authority, proper authorization for transactions and activities, documents and continuity of the four other procedures, namely: separation adequate duties, proper authorization of transactions and activities, adequate documents and records, and physical control over assets and records.

In summary, it can be said that monitoring is carried out to provide assurance whether internal control has been carried out adequately or not. From the results of this monitoring, we can find weaknesses and deficiencies of control so that better controls can be proposed. Internal control is a process because it is included in the operational activities of the organization and is an integral part of management activities. Internal control provides complete and reasonable assurance to achieve. In addition, the internal control system has limitations, such as susceptibility to simple errors, wrong judgment and decision making, neglect of management and collusion.

In expansion, another conclusion was communicated by James Corridor (2011: 180) "The creation and support of an inner control framework is an critical administration commitment. A principal viewpoint of the management's information-providing obligation is to supply shareholders with sensible confirmation that the company is legitimately controlled. In expansion, administration is dependable for preparing shareholders and speculators with solid and opportune monetary data.

V. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Based on the previous discussion, it can be seen that to achieve the objectives of internal control properly, sufficient employee competence is needed, employee competencies that must be possessed by employees are competencies or abilities in the field of good planning, the ability to give the best influence on others, the ability to communicate with well, the ability to open social networks, the ability to think logically and the ability to organize or managerial skills.

Suggestions

To achieve the objectives of internal control properly, it is hoped that all employees, especially accounting employees, can have complete competencies, while the competencies that need to be possessed are the field of planning the ability to give the best influence on others, the ability to communicate well, the ability to open social networks, the ability to think logically.
Organizational skills or managerial skills. Achieving this competency can be done by seeking additional knowledge through the use of social media, continuing education at a higher level, upholding religious principles. As for the company, it should be able to facilitate the needs required by all employees by providing continuous training.

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