

# Multi-Component Analysis of Un Qualified Opinion (UQO)

\*La Ode Hasiara, Muhammad Suyudi, Sailawati Sailawati

Accounting Department,  
Politeknik Negeri Samarinda  
Samarinda, Indonesia

\*hasiara@polnes.ac.id, mohe@polnes.ac.id, sailawati@polnes.ac.id

**Abstract**— This research aims to find out and analyze R2's ability to predict the ability of all independent variables to influence the dependent variable, namely fair opinion without exception (UQO). Second, to find out and analyze and explain the ability of all independent variables in influencing the dependent variable, to find out and analyze and explain the ability of all dependent variables to influence the dependent variable (UOQ). The research method used is quantitative, using Multiple Linear Regression. The result of the coefficient of determination R2 is 54%, the remaining 46%, influenced by other variables outside of this study. Simultaneously and partially independent variables have a positive and significant effect on the dependent variable. In conclusion, the results of the study show that both simultaneously and partially the independent variable has a positive and significant effect on the dependent variable, namely WTP.

**Keywords**— multiple capabilities, can achieve un qualified opinion (UOQ)

## I. INTRODUCTION

Based on the title above, the writer can identify the elements that become the main problem in this research [1]. Unqualified opinion, formed from multiple variables, namely: (a) organizational commitment, (b) human resource competence, (c) standard operating procedures, (d) internal control, (e) motivation, and (f) evaluation, these eight variables can form a fair opinion without exception [2]. For more details, the eight variables can be explained below.

### 1.1 Organizational commitment

Organizational commitment [3] states a person or employee who takes sides in a particular organization. Meanwhile [4] states that organizational commitment is an attitude that reflects the extent to which a person knows his or her organization". Organizational commitment reflects a person's level of understanding of the organization. This is related to

organizational goals [5]. Then the results of previous research show the same thing, that one of the research objectives is to determine the independence of the auditor towards organizational commitment [2].

### 1.2 Competence of human resources

Competence of human resources (HR) is the ability of a person/individual in the organization. To carry out the functions and authority of a person, one must have a vision, mission, and goals [6]. Competence is seen as the ability to achieve performance, to produce the outputs and results expected by the organization. Meanwhile, [7] explains that HR competence is an ability related to knowledge, skills, abilities, and characteristics inherent in a person's personality that directly affects performance [8].

### 1.3 Standard operating procedures

Standard operating procedures are following Government Regulation [9], concerning Standard Operating Procedures (SOP) for Understanding Government Administrations (SOP), and [10] explaining that SOPs are a series of specific instructions. Standardized writing regarding various processes of organizing organizational activities. Furthermore, [11] stated that the standard operating procedure (SOP) is a reference for carrying out work tasks. And the SOP functions as a performance appraisal tool for government agencies based on technical, administrative, and procedural indicators that are following work procedures, work procedures, and work systems in government units [8].

### 1.4 Internal Control

Internal control [11] is an organizational plan and all methods and provisions that can be coordinated and implemented to protect the organization's assets [12], and definition of internal control according to the Public.

Accountants (IAPI) which defines internal control as a process carried out by all elements of management and staff. The government's internal control [13] is an internal control system that is carried out comprehensively within the central government and regional governments.

### 1.5 Motivation

Motivation is a person's interest in various things that can encourage [14]. In addition, motivation is the driving force of a person to carry out his main duties [15]. The same thing is said [12] that one's job satisfaction, regardless of the dreams that have been dreamed of, has been achieved. Indeed, motivation can improve the quality of one's work. Because motivation is the driving force that can stimulate someone to improve their performance.

### 1.6 Budget

The regional or state revenue and expenditure budgets [6] and [16] state that the state revenue and expenditure budget is the lifeblood of development activities in all fields [4] while stating that the budget is managed based on government accounting standards [14]. This is tantamount to explaining that the APBD is a budget set by the government for one year. In addition [18] explained that the state and regional budgets must be managed properly so that the budget planned by the government can improve the welfare of the people in the regions.

### 1.7 Evaluation

Evaluation [17] are a follow-up to the sustainability assessment stage which includes substance and matching between work plans and achievements. Evaluations are carried out by various researchers related to the field of expertise, then adjusted according to achievements [17]. After the evaluation is carried out, it is followed up with improvements, if any weaknesses are found in the implementation [19] However, at this stage, it is followed by follow-up repairs, if an error occurs in the implementation of the activity. So that the evaluation carried out is associated with activity achievement indicators [20], and [17].

## II. LITERATURE REVIEW

Literature review [21] is a guide that is used as a guide for writers to conduct research. In addition, the library can be used as a supporter and can serve as a justification for the results of research conducted [22]. The literature review referred to in this article is in addition to reference books, as well as scientific articles that are relevant to the context of this rese-

arch. In addition, it is also used as an inseparable part of empirical studies conducted by previous researchers.

### 2.1 Organizational commitment

Organizational commitment [3] is the leader's awareness in paying attention to the organization he leads. Meanwhile, [4] states that organizational commitment is an attitude that reflects one's personality regarding and is bound to the organization, and [4] explains the results of previous research finding that organizational commitment has a positive effect on the system formed within the organization. Based on this explanation, the proposed hypothesis is.

H1. Organizational commitment has a positive and significant effect on unqualified opinion (UQO).

### 2.2 Competence of human resources

Competence of human resources (HR) can be done properly and correctly if we know what and how human resources are empowered [6] states that human resources (HR) are the main and first capital for the organization. Human resources consist of a person's thinking power and physical power [23]. The ability of human resources (HR) is the ability that is owned and attached to a person or individual in a particular organization to carry out their functions and powers to achieve organizational goals [24]. According to this explanation, the proposed hypothesis is:

H2. Human resource competence has a positive and significant effect on unqualified opinion (UQO).

### 2.3 Standard operating procedures

Standard operating procedures are made by the central government [9] and [11] explains that the preparation of standard operating procedures (SOPs) is written instructions that are standardized and become an agreement in the organization of Organizational activities [10] SOP functions as a tool for assessing the performance of government agencies based on technical, administrative, and procedural indicators that are following work procedures, procedures, and work systems in government units [9]. Based on the explanation above, the proposed hypothesis is:

H3: Standard operating procedures have a positive and significant effect on unqualified opinions.

### 2.4 Internal Control

Internal control is an organizational plan and all the methods and provisions that can be coordinated

and implemented to protect the assets of the organization's assets [11] Then regarding the Government's internal control system [12] states that: internal control is an integral process and activities carried out continuously by the leadership, all employees to achieve organizational goals effectively and efficiently [13], and [12]. Based on the explanation above, the proposed hypothesis is.

H4: Government internal control has a positive and significant effect on unqualified opinions.

*2.5 Motivation*

Internal auditor motivation affects audit quality, so audit quality can make a major contribution to a fair opinion without exception if it is audited by a government external auditor [14]. So the experience and motivation of auditors can have a positive influence on the quality of financial statements in the form of opinions given if audited by external parties [15]. Based on the explanation above, the proposed hypothesis is:

H5: Motivation has a positive and significant effect on unqualified opinions.

*2.6 Budget*

The regional or state revenue and expenditure budgets [6] and [16] state that the state revenue and expenditure budget is the lifeblood of development activities in all fields [18] while stating that the budget is managed based on Government Accounting Standards [18]. This is the following explaining that the APBD is a budget that has been determined by the government for one fiscal year. Based on the explanation above, the proposed hypothesis is:

H6. The budget has a positive and significant effect on fair opinion without exception.

*2.7 Evaluation*

Evaluations [17] and [19] stated that the follow-up to the suitability assessment stage includes the substance that links the work plan with achievements. The evaluation was carried out by various researchers, related to the field of activity and then adjusted to the contract [20]. But many do not understand, the usefulness of evaluation. After the evaluation has been carried out, a meeting of the results of the evaluation is also often held [17]. Then there was a specific meeting aimed at discussing the findings during the evaluation [18]. Based on the explanation above, the proposed hypothesis is:

H7: Evaluation has a positive and significant effect on fair opinion without exception.

**III. RESEARCH METHOD**

The research design used in this study is a quantitative approach, with the Multiple Linear Regression Model [42], (Wiyono, 2011), and [44]. This research is following the title taken "Multi-component Analysis in Reaching Unqualified Opinions (UQO). The independent variables in this study are organizational commitment, human resource competence, standard operating procedures, government internal control, adequate budget, monitoring of all activities, and evaluation of all activities, while the dependent variable in this study is an unqualified opinion (Y), then the relationship of these variables is in the form of Multiple Linear Regression with the following formula:

$$Y = a + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7 + e.$$

(1)

Information.

Y = Un Qualified Opinion (UQO).

a = Constant.

X1 = Organizational commitment.

X2 = Competence of human resources.

X3 = Internal control standard.

X4 = Internal control. X5 = Motivation.

X6 = Budget.

X7 = Evaluation, and

$\beta_1X_1$  = Regression coefficient, and

e = Intruder error.

And the indicators used in this study use a Likert Scale, points 1,2,3,4, and 5.

**IV. ANALYSIS AND DISCUSSION RESULTS**

The results of the analysis and discussion of this study include (1) the respondent's profile, for example, gender, respondent status, respondent's age, respondent's education level, respondent's type of occupation, and respondent's income level. (2) Statistical analysis, and (3) Discussion of research results.

*4.1 Research Results*

Based on the results of statistical tests that have been carried out, it can be seen that from a total of 714 respondents, the minimum, maximum and average results and standard deviations are known based on Table 1 below.

Table 1 Results of Residuals Statistics

	Minimum	Maximum	Mean	Std. Deviation	N

Predicted Value	11,6838	19,9706	17,2685	1,69965	745
Std. Predicted Value	-3,286	1,590	,000	1,000	745
Standard Error of Predicted Value	,077	,528	,161	,045	745
Adjusted Predicted Value	,077	19,9704	17,2681	1,69859	745
Residual	-4,77767	4,61331	,00000	1,60101	745
Std. Residual	-2,970	2,868	,000	,995	745
Stud. Residual	-2,980	2,881	,000	1,002	745
Deleted Residual	-4,81090	4,65575	,00037	1,62125	745
Stud. Deleted Residual	-2,996	2,895	,000	1,003	745
Mahal. Distance	,688	79,140	6,991	5,779	745
Cook's Distance	,000	,046	,002	,003	745
Centered Leverage Value	,001	,106	,009	,008	745

a. Dependent Variable: Unqualified Opinion (WTP)

4.2 Multiple Linear Regression Analysis

Based on the data entered in this study, the output of the first data processing is a multiple linear regression analysis with values as shown in Table 2.

Table 2 Multiple Linear Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of Estimate	Change Statistics R Square	F Change
1	.731 <sup>a</sup>	.535	.530	1,600	.535	120,931

Source: data processed with SPSS Version 23

Based on the first output on the analysis of R Square (R<sup>2</sup>) or multiple linear correlations with a value of 0.535. While the lowest and highest values ranged from -1 to d. 1. So the R-value in table 2 above is 0.535 rounded off to 54%. This value includes having a close or strong influence, which is a simultaneous coefficient on the variables X1 to d. X7 against unqualified opinion (UQO/Y). The value of R<sup>2</sup> can be denoted as a percent (%) or the value of R<sup>2</sup> above is 0.535% or rounded up to 54%. The remaining 46% is influenced by other variables outside this research model. And statisticians recommend using R<sup>2</sup> to see the effect of multiple linear regression. The reason is if using the value of R<sup>2</sup> if the value of R<sup>2</sup> can experience additional value when a new variable is entered partially it will not experience a significant

change. Furthermore, the f test is the second output, namely the f test analysis, which aims to determine the joint effect on the dependent variable of Fair Opinion Without Knowledge (Y). To see the results of the F test used in this study can be seen in Table 3.

Table 3 Simultaneous Test Results (Test F) ANOVA<sup>a</sup>

Model	Sum of Square	df	Mean Square	F	Sig
1 Regression	2167,040	7	309,577	120,931	0.000 <sup>b</sup>
Residual	1884,116	736	2,560		
Total	4051,156	743			

a. Dependent Variable: Unqualified Opinion (WTP/Y)

Then proceed with doing the t-test, because the t-test serves to see the effect of each independent variable on the dependent variable. To see the results of these tests can be seen in Table 4.

Table 4 Partial Test Results (t-Test)

Model	Unstandardized Coefficients	Std. Error	Standardized Coefficients	Uji t	Sig
	B	Std. Error			
1 (Constant)	1,866	0,744	-	-2,510	,012
Organizational Commitment (X1)	,131	,028	,131	4,746	,000
HR Competency (X2)	,110	,032	,109	3,470	,001
Standard Operating Procedure (X3)	,100	,032	,103	3,124	,002
Internal control (X4)	,146	,033	,120	4,370	,000
Motivation (X5)	,146	,033	,120	4,370	,000
Budget (X6)	,091	,031	,087	2,953	,003
Evaluation (X7)	,419	,034	,394	12,313	,000

a. Dependent Variable: Unqualified Opinion (UQO/Y)

Source: data obtained by using SPSS Version 23.

Based on the results of the calculations in Table 4 above, it can be seen that the significance value of organizational commitment is 0.000, then the decision taken is if the t-count value obtained is 0.000 < 0.05, then this value indicates a significant value, which explains that if the value obtained is less than 0.05, organizational commitment has a positive and significant effect on unqualified opinion. Furthermore, HR competence has a positive and significant effect on Unqualified Opinion, because the results obtained from the calculation show 0.001 < 0.050 so that it can be concluded that HR competencies have a positive and significant impact on unqualified opi-

nion. Standard Operating Procedure shows the calculation results with a significant value of  $0.002 < 0.05$ . This value indicates that standard operating procedures have a positive and significant effect on the unqualified opinion. Likewise, Internal control has a positive and significant effect on Unqualified Opinion, because the results of the t-count calculation obtain a value of  $0.000 < 0.050$ . Then motivation has a positive and significant effect on unqualified opinion because the calculation results show that the t-count value obtained is  $0.000 < 0.050$ . Furthermore, the budget has a positive and significant effect unqualified opinion (UQO). This is following the results of the t-count calculation obtained with a value of  $0.003 < 0.050$ . Furthermore, the evaluation has a positive and significant effect on the unqualified opinion (UQO). The calculation results show that the t-count value obtained is  $0.000 < 0.050$ . This value is greater than 0.050 so it can be said that the evaluation has a positive and significant effect on Unqualified Opinion (UQO).

#### 4.5 Analysis and Discussion

Based on the test results described above, the material discussed in the discussion of the research results is as follows.

##### 1. R2 Analysis

R2 analysis shows that the calculation results show that simultaneously the accuracy of the model in this study, namely the variables of organizational commitment, human resources, standard operating procedures, internal control, motivation, budget, and evaluation together only affects achieving 54% can influence the Unqualified Opinion variable (UQO/Y), and 46% is influenced by other variables outside this research model.

##### 2. Test F (Simultaneous)

Based on the calculation results show that the variables of organizational commitment, HR competence, standard operating procedures, internal control, motivation, budget, and evaluation show that all these variables have a positive and significant effect on Unqualified Opinion. This can be seen from the calculation results as shown in Table 3 showing a significance value of  $0.00 < 0.050$ . The results of this study are supported by the results of research conducted [6], which states that simultaneously has a positive and significant

effect on the dependent variable (Y). Because this variable is tied to an independent variable, such as the independent variable in this study [23], and [24].

### 3. The t-test (Partial)

#### a. Organizational commitment

The calculation shows that organizational commitment shows the value obtained based on the results of the SPSS Version 23 test, as shown in table 4, it has a significant value of  $0.000 < 0.050$ , this value indicates that information technology has a positive and significant impact on unqualified opinion (UQO). The results of this study are supported by the results of research conducted [3] and [4] which state that organizational commitment has a positive and significant effect on Unqualified Opinion.

#### b. HR Competence

The calculation shows that the competence of human resources shows the value obtained based on the results of the SPSS Version 23 test, obtaining a value of  $0.001 < 0.050$ , this value has a positive and significant effect on unqualified opinion (UQO). The results of this study are supported by the results of research conducted [6] and [7] which state that HR competence has a positive and significant effect on Unqualified Opinion (UQO).

#### c. Standard Operating Procedure

The calculation shows that the Standard Operating Procedure (SOP) shows a significant value of  $0.002 < 0.050$ , this value indicates that the SOP has a positive and significant effect on unqualified opinion (UQO). The results of this study are supported by the results of research conducted [9] and [11] which state that operational standards have a positive and significant effect on unqualified opinion (UQO).

#### d. Internal Control

The calculation shows that the internal control shows the value obtained based on the results of the SPSS Version 23 test, obtaining a significant value of  $0.000 < 0.050$ , this value indicates that the discipline of the apparatus has a positive and significant effect on unqualified opinion (UQO). The results of this study are

supported by the results of research conducted [11] and [12] which state that internal control has a positive and significant effect on unqualified opinion (UQO).

#### e. Motivation

The calculation shows that motivation shows the value obtained based on the results of the SPSS Version 23 test, obtaining a significant value of  $0.000 < 0.050$ , this value indicates that motivation has a positive and significant effect on unqualified opinion (UQO). The results of this study are supported by the results of research conducted [14] and [13] which state that motivation has a positive and significant effect on Unqualified Opinion (UQO).

#### f. Budget

The calculation shows that the budget shows the value obtained based on the results of the SPSS Version 23 test, obtaining a significant value of  $0.003 < 0.050$ , this value indicates that the budget has a positive and significant effect on the unqualified opinion (UQO). The results of this study are supported by the results of research conducted [6]; [16] and [18] which state that the budget has a positive and significant effect on unqualified opinion (UQO).

#### g. Evaluation

The calculation shows that the evaluation shows the value obtained based on the results of the SPSS Version 23 test, obtaining a significant value of  $0.000 < 0.050$ , this value indicates that the evaluation has a positive and significant effect on the unqualified opinion (UQO). The results of this study are supported by the results of research conducted [17]; [19] and [20] which state that evaluation has a positive and significant effect on unqualified opinion (UQO).

## V. CONCLUSION

Based on the results of the calculations that have been carried out, starting from the Multiple Linear Regression Test, it shows very good results. Furthermore, the authors carried out the test simultaneously (simultaneously) which showed a very good value. And finally, the author conducted an individual test (partial) which showed that it was very good because all the independent variables in the study had a positive and significant effect on the unqualified opinion (UQO). In addition to this information, there is more important information, that the multi-component variables in this study can improve the quality of the results of the audit or audit of government financial

reports conducted by the Supreme Audit Agency (BPK).

## ACKNOWLEDGMENT

It is conveyed to the entire management of the Samarinda State Polytechnic, who has set aside some of their budget to finance this research, although it is not much, but with this assistance it is very helpful for this research activity. In addition, we would like to thank friends who have helped in this research activity so that we can be presented at this year's ICAST event.

## REFERENCES

- [1] A. Ahadiat and Z. Dacko-Pikiewicz, "Effects of ethical leadership and employee commitment on employees' work passion," *Polish J. Manag. Stud.*, vol. 21, no. 2, pp. 24–35, 2020, doi: 10.17512/pjms.2020.21.2.02.
- [2] C. E. Ezeagba and M. C. Abiahu, "Influence of Professional Ethics and Standards in Less Developed Countries: An Assessment of Professional Accountants in Nigeria," vol. 6, no. 1, pp. 1–9, 2018, doi: 10.9734/AJEBA/2018/38434.
- [3] A. Hadi, A. Manaf, L. A. Latif, and M. N. Moaidin, "Transformational Leadership and Organizational Commitment in Small and Medium-Sized Enterprises: The Mediating Role of Mission Culture Trait," no. 06, pp. 120–126, 2020.
- [4] J. Poncian, "When government commitment meets community proactiveness: Governing gas and community engagement in Tanzania," *Energy Res. Soc. Sci.*, vol. 52, no. July 2018, pp. 78–90, 2019, doi: 10.1016/j.erss.2019.01.012.
- [5] G. N. T. Nguyen and T. Sarker, "Sustainable coffee supply chain management: a case study in Buon Me Thuot City, Daklak, Vietnam," *Int. J. Corp. Soc. Responsib.*, vol. 3, no. 1, pp. 1–17, 2018, doi: 10.1186/s40991-017-0024-x.
- [6] A. T. Atmadja, "The Influence Of Village Conflict , Village Apparatus Ability , Village Facilitator Competency And Commitment Of Local Government On The Success Of Budget Management," no. February, 2018.
- [7] H. Umar, "The Influence Of Internal Control And Competence Of Human The Influence Of Internal Control And Competence Of Human Resources On Village Fund Management And The Implications On The Quality Of," No. October, 2018.
- [8] B. Faculty and L. Province, "Factors affecting internal audit function effectivity ( internal auditor competence and objectivity , management support and organisation culture ) at local government Rindu Rika Gamayuni," vol. 11, no. 3, 2018.
- [9] R. P. La Ode Hasiara, "Analysis of Giving Opinion of the Audit Board of the Republic of Indonesia (BPK) on Unqualified Opinion (WTP)," *J. Financ. Account.*, vol. 5, no. 6, pp. 206–213, 2017, doi:

- 10.11648/j.jfa.20170506.11.
- [10] I. Pencheva and M. Esteve, "Big Data and AI – A transformational shift for government : So , what next for research ?," pp. 1–21, 2018, doi: 10.1177/0952076718780537.
- [11] I. The and B. Technology, "Blockchain in government: Bene fi ts and implications of distributed ledger technology for information sharing," no. xxxx, 2017, doi: 10.1016/j.giq.2017.09.007.
- [12] W. Imbiri, "AIS Quality and Effectiveness of the Decision Making Process in the use of the ERPS," no. May, 2014.
- [13] A. S. Al-Delawi and W. M. Ramo, "The impact of accounting information system on performance management," *Polish J. Manag. Stud.*, vol. 21, no. 2, pp. 36–48, 2020, doi: 10.17512/pjms.2020.21.2.03.
- [14] W. Lloyd, "Entrepreneurial motivation: The impact of cultural capital on the 'who' is motivated," *Int. J. Bus. Glob.*, vol. 23, no. 1, pp. 139–152, 2019, doi: 10.1504/IJBG.2019.100791.
- [15] R. R. Ahmed, D. Streimikiene, J. Abrahám, J. Streimikis, and J. Vveinhardt, "Social and behavioral theories and physician's prescription behavior," *Sustain.*, vol. 12, no. 8, pp. 1–25, 2020, doi: 10.3390/SU12083379.
- [16] Q. Muhammad and A. Hye, "Revenue and Expenditure Nexus : A Case Study of Romania 2 . Literature Review," vol. 1, no. 1, pp. 22–28, 2010.
- [17] O. Dzomonda and O. Fatoki, "Evaluating the effect of owners' demographic characteristics on the financial management behaviour of rural entrepreneurs in South Africa," *Acad. Account. Financ. Stud. Journa.*, vol. 22, no. 3, pp. 1–11, 2018.
- [18] L. Governments and T. B. Constraint, "Economics Department of the University of Pennsylvania Institute of Social and Economic Research -- Osaka University State and Local Governments and Their Budget Constraint," vol. 10, no. 2, pp. 163–182, 2014.
- [19] E. A. Al Hanini, "Evaluation of measurement and disclosure methods of human resources accounting in public shareholding companies in Jordan," *Acad. Account. Financ. Stud. J.*, vol. 22, no. 4, pp. 1–11, 2018.
- [20] M. Vakulich, "Factor Model of Investment Climate Monitoring in Chaotically Structured Economy," *J. Financ. Account.*, vol. 2, no. 6, p. 31, 2014, doi: 10.11648/j.jfa.s.2014020601.15.
- [21] A. M. D. La Ode Hasiara, Sudarlan, *Metode Penelitian Terapan Kualitatif dan Kuantitatif Untuk Pendidikan Vokasi Khusus Humaniora*, 1st ed. Malang: CV IRDH, 2019.
- [22] L. O. Hasiara, Sudarlan, and A. M. Diah, "Regional government management strategy in achieving unqualified opinion (UQO) in east Kalimantan Province, Indonesia," *Int. J. Innov. Creat. Chang.*, vol. 12, no. 9, pp. 271–282, 2020.
- [23] and M. S. Masdar Mas'ud, "The Role Of Apparatus Competence , Internal Control System On Good Governance And The Quality Of Financial Statement Information," *Int. Ref. Res. J.*, vol. 7, no. 4, p. 18843, 2016.
- [24] D. Indriasih, "The Effect of Government Apparatus Competence and the Effectiveness of Government Internal Control Toward the Quality of Financial Reporting in Local Government," vol. 5, no. 20, pp. 38–47, 2014.