

Competence Analysis of Internal Supervision Unit Auditor (SPI) in Nusa Cendana University of Kupang

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Abstract—University as an education center to develop and transform knowledge through education, research and community service requires good governance for improving and advancing universities. In order to achieve good governance, competent Internal Supervision Unit (SPI) auditors are needed.

This study aims to determine the competence of SPI auditors in three audit fields namely audit of procurement of goods and services (PBJ), audit of fixed assets, and audit of financial statements. The object of this research is Nusa Cendana University (Undana) Kupang. Data collection methods used are by distributing questionnaires, interviews, and documentation. The analysis used is SERVQUAL analysis. The results of the analysis show that the competence of SPI Undana auditors on PBJ audits produces an actual value of 85.42; fixed asset audit produces an actual value of 86.14; and the financial statement audit produces the actual value of 90.50. These results indicate that the competence of the SPI Undana auditors has approached the ideal value of 100. The competencies of the SPI Undana auditors will affect the quality of the internal audit results. The more competent an SPI auditor is, the more able to produce better performance in increasingly complex tasks, including in monitoring and checking the implementation of internal control structures.

The conclusion of this study is 1) The competence of the SPI Undana auditors already has sufficient competence in terms of audits of goods and services procurement, fixed asset audits, and financial report audits. Nevertheless, there are still

some obstacles to the audit of Goods and Services Procurement (PBJ) in technical, communication and bureaucratic matters which often hinder the auditors when conducting audits of procurement of goods and services, 2) Experience as an internal auditor is lacking, which is indicated from the length of SPI Undana auditors who have a career as SPI internal auditors, and 3) Lack of guidance from senior internal auditors who have background and experience as internal auditors.

Keywords—*auditor; competence; Internal Supervision Unit (SPI)*

I. INTRODUCTION

Universities are educational institutions that have a strategic role in achieving educational goals. Therefore, the role of higher education as a center of education in developing and transforming knowledge through education, research and community service requires good internal control for improving and advancing universities. Internal supervision according to Government Regulation No. 60 of 2008 concerning the Government Internal Control System (SPIP) carried out by the government internal control apparatus, within the scope of the ministry's organization is carried out by the Inspectorate General. The Inspectorate General of Ministry of research, technology, and high institution as the internal supervision unit within the Ministry of research, technology, and

high institution refers to the regulation has the duty and responsibility to ensure all tasks and functions of the work unit are carried out effectively, efficiently and economically.

Nusa Cendana University (Undana) in Kupang is part of the ministry of research, technology, and high institution must carry out the mandate of National Education Minister number 16 of 2009 to form an internal supervision unit (SPI). In accordance with the Decree of the Chancellor of Nusa Cendana University Number 83 / LK / 2014 where the leader dismissed the old SPI and appointed the new SPI Undana team for the 2014-2018 period who had the task of: a) Preparing a supervision program; b) Supervision of policies and programs; c) Supervision of personnel, financial, state property management; d) Monitoring and coordinating follow-up of internal and external examination results; e) Assistance and review of financial reports; f) Providing advice and recommendations; g) Prepare reports on supervision results; h) Implementation of evaluation and supervision results. The existence of SPI Undana is expected to be a strategic unit, partner or work partner for all work units in the Timor-Leste PTN environment to encourage organizational quality improvement.

The existence of SPI Undana as one of the tools to carry out supervision in ensuring the purpose of management activities runs well and is free from fraud. The role and function of supervision carried out by SPI has not been maximized, it can be seen from the many frauds faced by PTN in its management. In fact, it is not uncommon for the organization's parts or units to fail due to misunderstanding, not only by each part or unit that is audited but also its own internal auditor who does not correctly interpret their actual responsibilities. Then the condition that often arises is that an internal auditor will be hostile because he is considered a spy. Of course this will cause the original purpose of the establishment of the internal auditor's function not to be achieved.

Competence is the ability of a person to control his environmental factors and to do something to achieve what is expected with his capacity. So according to researchers, competency is the ability of a person to control his environmental factors to achieve what is expected with his capacity.

Internal auditors are a profession which in addition requires support from the management and

auditors, also needs to be supported by knowledge and skills. The same thing happened at Undana.

The phenomenon is that the internal audit function has not fully provided support to management, especially the subordinates, because of the limited competence or knowledge capability of the SPI Undana auditors so far, where almost all SPI Undana auditors are permanent lecturers in several faculties and become auditors. Only an additional task that can lead to audit quality produced will also be less than optimal. Often subordinates feel that the reported internal audit findings only highlight the failure, weakness, error and not yet created recognition of achievements for the auditors. Some SPI Undana members are not yet competent (only 2 SPI internal auditors who have had a professional auditor degree) or have no educational background especially in the auditing field. Experience as an internal auditor that is still lacking is shown by the length of time the person has a career in the audit field or the frequency of frequent and varied audits. Auditors who audit financial statements must have an educational background and understand well the process of preparing the financial statements and applicable accounting standards. Likewise with the auditor who conducts operational audits and observances, he must have sufficient knowledge about the operational activities being audited, both how to implement them, and the criteria used to conduct an assessment. Lack of guidance from senior internal auditors who have background and experience as accountants, as well as the lack of knowledge of internal auditors of SPI regarding the key competencies that an internal auditor must possess, including: a) interview competence; b) analytical competence; c) documentation competence; d) communication competence; e) and competence in recommending audit results.

II. LITERATURE REVIEW

Competence

Noviyani (2002), in his research provides empirical evidence that work experience will affect the ability of internal auditors to know what is in the company that is his client or where he works. This study also provides evidence that training conducted by internal auditors is more likely to improve the expertise of auditors to conduct audits. Audit expertise and the ability to know errors in fraud are part of auditor competence. Competence according to Milkovich and Newman (2017) is

divided into 4 parts: change management, personal credibility, business partnership, and HR expertise.

Table 1
Dimension and Competence Indicators

Variable	Dimension	Indicators
Kompetensi George.T.Milkovich dan Jerry M. Newman	Management Of Changes	Organizational dynamics The dynamics and vision of the organization Provide solutions Right practices Core ability Commitment and trust Self-responsibility
	Personal credibility	Appreciate differences Partnership Knowledge Talent development Carefully Creativity Work force
	Business partnership	Achieve results Value-added Intellectual Ethics Foster clients Healthy business
	Human Resources Skills	Analytical thinking Develop confidence Business orientation Team togetherness Ability to adapt Skills and knowledge Communication Education and training

Source: Milkovich and Newman, 2017

Internal auditor competence is the knowledge and expertise needed to carry out the duties of internal auditors. Internal auditors must have the knowledge, skills and various disciplines needed to carry out their audit needs.

Internal auditors are said to have professionals if they can provide assurance or certainty that the technical and educational background of the internal auditors are in accordance with the examination to be carried out, also must have or obtain knowledge, skills from various disciplines needed to carry out the responsibilities of Tugiman (2006: 27).

Internal Audit Professional Standards (2004: 16) states that internal auditors must have the knowledge, skills, and other competencies needed to carry out individual responsibilities. "Competence according to Mulyadi (2008) states that" members who have the obligation to carry out

professional services as well as possible in accordance with their abilities, for the benefit of service users and consistent with professional responsibilities to the public are obtained through education and knowledge. "So each member must carry out professional services with prudence, competence and provisions, and have an obligation to maintain professional knowledge and capability at the level necessary to ensure that the client or employer benefits from his professional services that are competent based on the development of practice and the most advanced technique.

Role and Function of Internal Audit

The role of internal audit for management (YPIA, 2008: 11) is:

1. **Monitor activity**
Internal auditors help monitor management activities by preparing work programs and audit schedules by internal auditors.
2. **Risk assessment and control**
Internal auditors must ensure that the risk and control of each management activity runs optimally. Risk control is an effort for the effectiveness and efficiency of management activities.
3. **Validate management reports**
Internal auditors must review management reports that guarantee and ensure accuracy, accuracy and presentation of reports in accordance with generally accepted standards.
4. **Assist the decision making process**
Every operating decision made by management, the internal auditor will help by evaluating the impact of the decision and the risks that will result from the decision making.
5. **Activity Review**
Reviewing management activities and activities is one of the roles and functions of internal auditors in carrying out their duties.
6. **Provide advice and recommendations to the leadership**

Recommendations from internal auditors in order to improve management such as planning, organizing, budgeting, implementing accountability and evaluation and control processes.

SPI Undana Kupang as an internal audit must certainly carry out the concept issued by YPIA regarding the role and function of the internal audit. Specifically the role and function of SPI Undana Kupang which refers to Permendiknas

No. 47 of 2011 is to conduct non-academic supervision, namely:

- a) Compilation of supervision programs;
- b) Finance and state property;
- c) Monitoring and coordinating follow-up of internal and external examination results;
- d) Assistance and review of financial statements;
- e) Providing advice and recommendations;
- f) Preparation of reports on supervision results;
- g) Evaluation of supervision results

SPI Undana tasks according to Minister of Education and Culture Decree No. 47 of 2011 when carrying out the supervisory function, the Internal Supervisory Unit has duties and responsibilities:

- Establish an internal supervision policy in non-academic fields;
- Carry out internal supervision on the management of non-academic field education;
- To draw conclusions on the results of internal supervision;
- Reporting the results of internal supervision to the Chancellor and;
- Submit suggestions and / or considerations regarding improving the management of non-academic activities to the Chancellor on the basis of the results of internal supervision

In addition to carrying out these duties and responsibilities, SPI Undana also carries out other tasks, namely as follows:

- SPI has the main task of carrying out internal supervision throughout the main units and other units in the Undana environment, especially in non-academic fields,
- Internal supervision includes: evaluation and monitoring, inspection or audit, and review of the organization of the University, as well as other types of audits in accordance with findings and needs.
- The responsibility of the SPI includes maintaining integrity and objectivity and acting professionally as required by the standards of the internal audit profession, and ensuring that there is no conflict with audits and audited activities.

Types of Audits of SPI Undana

- Procurement of Goods and Services Audit,

The steps are as follows:

- Planning phase and preparation of procurement of goods and services
- Selection stage for goods / services providers
- Contract implementation phase
- Stage of utilization of goods / services
- Asset Audit, and
- Audit of Financial Statements.

Standards on Financial Statement Audit:

- General Standards
- Field Work Standards
- Reporting Standards

III. RESEARCH METHOD

Research Approaches and Methods

This study uses a qualitative paradigm. Basrowi and Sukidin (2002: 1) explain that qualitative research is research that produces findings that cannot be achieved by using statistical procedures or other ways of quantification.

Research Location

This research was conducted at SPI Undana Kupang. Undana is the largest State University in Nusa Tenggara Timur and it is hoped that SPI Undana can be an example for the SPI team in other universities in Nusa Tenggara Timur.

Technique Analysis

This study uses servqual analysis to find out how the competencies of the SPI Undana Kupang auditors.

IV. RESEARCH RESULT AND DISCUSSION

Servqual Analysis

Servqual analysis starts from the preparation of questionnaire carried out by referring to the SPI auditor competence variables which are related to competencies in the procurement of goods and services audits, fixed asset audits and financial statement audits. Furthermore, the questionnaire was distributed directly to the SPIUndana auditors.

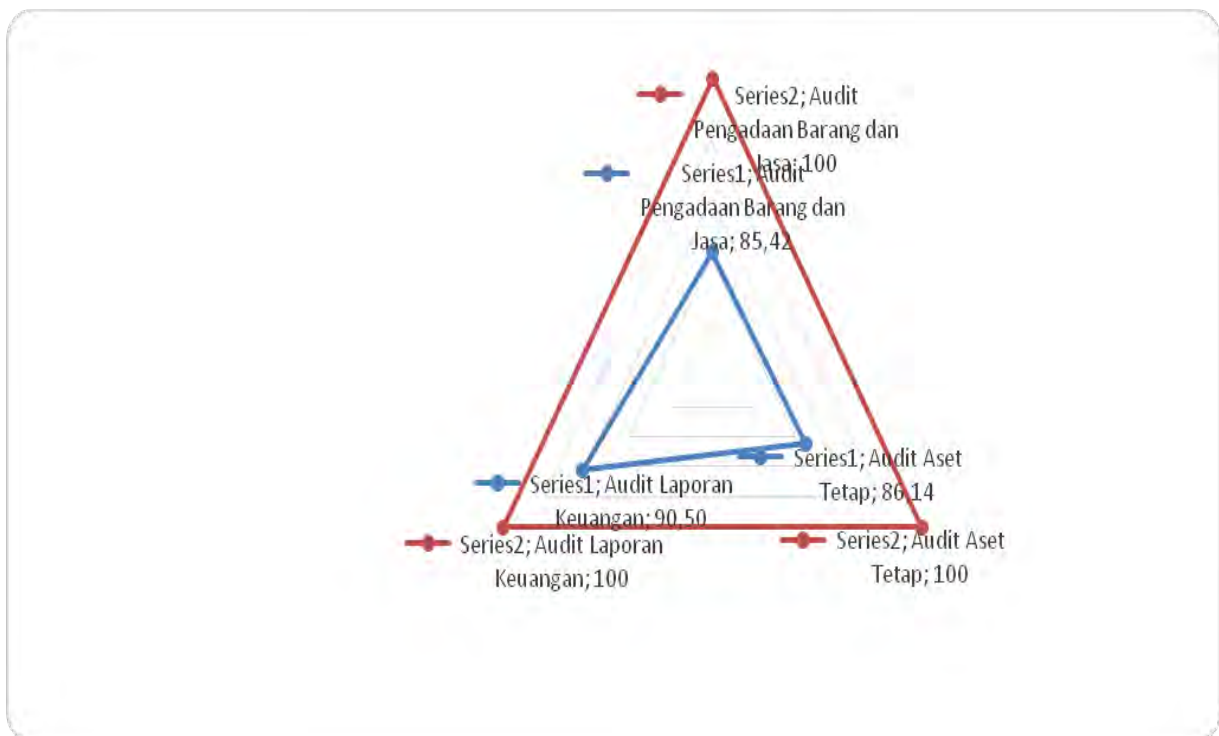
The results of servqual analysis show that there is an effort to increase the HR competency of SPIUndana auditors in relation to the procurement of goods and services audits, fixed asset audits, and financial report audits. In this way, all activities that are carried out automatically will

follow the specified servqual standard, because each orientation focuses on the output. This is in line with Tugiman (2006: 27), internal auditors are said to have professionals if they can provide assurance or certainty that the technical and educational background of the internal auditors are in accordance with the examination to be carried out, also must have or obtain knowledge, skills from various disciplines needed to carry out audit responsibilities.

The incompetent SPI Undana auditor is feared that he will not be able to assist the leader or supervisor when carrying out the audit in the field, even though the auditor's task at this time is more focused on supervision and control of the areas that contain risks rather than just auditing compliance only. SPI Undana auditors who have low competency will also lead to failure in the audit because SPI auditors will have difficulty in finding relating to the occurrence of fraud.

In accordance with the results of research conducted by Dethan (2017: 71), competence is defined as knowledge, expertise, experience and continuous supervision education and training needed to carry out careful and thorough supervision. Good and quality supervision if the supervisors who carry it out have the knowledge, skills, experience and continuing supervision education and training. The higher the competency possessed by a supervisor, the higher the quality of supervision, so that a supervisory report can be produced that describes the actual situation.

Internal auditor competence influences internal audit quality. The more experienced or competent an internal auditor is, the more able to produce better performance in increasingly complex tasks, including in monitoring and examining the implementation of internal control structures (Putra, Sujana and Darmawan,2014)



V. CONCLUSION

1. The competency of the SPIUndana auditor is based on the results of the analysis, based on that the SPIUndana auditors already have sufficient competence in terms of audits of PBJ, fixed asset audits, and financial statement audits. Even so, there are still some obstacles to the audit of the PBJ in technical, communication and bureaucratic matters which often hinder the auditors when conducting audits of PBJ.
2. Experience as an internal auditor more less, which is indicated by work experience of SPI Undana auditors working as internal auditors and the lack of guidance from senior internal auditors who have background and experience as internal auditors.

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