# EFFECT OF OPERATIONAL AUDIT AND INTERNAL CONTROL OF EMPLOYEE PERFORMANCE

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**Abstract:** This study aims to determine the Effect of Operational Audit and Internal Control on Employee Performance at PT. Anggana Kurnia Putra. The data used are primary data distributed in the form of a distributed questionnaire to employees of PT. Anggana Kurnia Putra. This study uses a hypothesis testing model starting from the validity test, reliability test, method of successive interval, classic assumption test, multiple linear regression analysis, coefficient of determination, and t test. This analysis is based on data from 44 respondents who have completed all statements in the questionnaire. The results of the study show that: (1) Operational Audit influences Employee Performance at PT. Anggana Kurnia Putra. This means that most employees are satisfied with the implementation of Operational Audit at PT. Anggana Kurnia Putra is thus effective and can improve Employee Performance at the company. (2) Internal Control influences Employee Performance at PT. Anggana Kurnia Putra. This means that the standards of regulation or control that have been set by the Company can be followed and adhered to properly by employees of PT. Anggana Kurnia Putra thus improving Employee Performance in the company.
**Keywords:** Operational Audit, Internal Control, and Employee Performance.

## INTRODUCTION

Every company always expects its employees to have high performance, because having high-performing employees will contribute optimally to the company. Often companies face problems regarding human resources. The problem of human resources is a challenge for the company, because the success of the company and others depends on the quality of its human resources. If the individual in the company that is human resources can run effectively, the company will run effectively. In other words, the continuity of a company is determined by the performance of its employees. (Bintoro and Daryanto, 2017)

The progress and decline of performance in a country can be seen from the development and quality of its human resources. The performance of human resources directly or indirectly contributes to the progress of a country. This can be seen through the Human Development Index (HDI). The Human Development Index provides an overview of the level of development of human resources in a country. The better the human resources in a country, the better the development and quality of human resources in the country.

**Table 1. ASEAN Country Human Development Index (HDI) Ranking**

| No | Year | 2015 | 2016 | 2017 | Ranking |
|----|------|------|------|------|---------|
| 1 | Singapore | 0.929 | 0.930 | 0.932 | 9 |
| 2 | Brunei Darusalam | 0.852 | 0.852 | 0.853 | 39 |
| 3 | Malaysia | 0.795 | 0.799 | 0.802 | 57 |
| 4 | Thailand | 0.741 | 0.748 | 0.755 | 83 |
| 5 | Philippines | 0.693 | 0.696 | 0.699 | 113 |
| 6 | Indonesia | 0.686 | 0.691 | 0.694 | 116 |
| 7 | Vietnam | 0.684 | 0.689 | 0.694 | 116 |
| 8 | Laos | 0.593 | 0.598 | 0.601 | 139 |
| 9 | Camboja | 0.571 | 0.576 | 0.582 | 146 |
| 10 | Myanmar | 0.569 | 0.574 | 0.578 | 148 |

Source: www.hdr.undp.org

Based on Table 1, Indonesia is ranked 6th in the Human Development Index by ASEAN countries which means that Indonesia is still below Singapore, Brunei Darusalam, Malaysia, Thailand and the Philippines. This shows that human resources in Indonesia are still not good enough. In other words, the development of human resources in Indonesia is lower than the five countries in Southeast Asia. Operational Audit and Internal Control in the company is very important, (Heri, 2015) states that basically, companies experience many back and forth in carrying out business or activities whose scope is ideally carried out operational audit activities to evaluate the internal control in the company. Internal control must be present, sufficient, to be carried out properly, monitored and adjusted to the current development of the company. The purpose of this study is to determine the effect of Operational Audit on Employee Performance, to determine the effect of Internal Control on Employee Performance

Operational Audit, According to Tunggal (2016) stated: Operational Audit is a systematic examination of some or all of the organization's activities to increase resources that have been used effectively and efficiently.

Internal control According to Hery (2014) internal control is: "A set of policies and procedures for the protection of assets or assets companies of all kinds of actions, ensuring the availability of accurate company accounting information, as well as ensuring all legal (laws) / management rules and regulations and management regulations that have been complied with or approved by all companies

Employee performance, Fattah (2017) states that: "Performance is the performance of individuals within an organization, the achievement of organizational goals cannot be separated from the resources requested by the organization associated with assistance in an effort to find the goals of the organization".

Hypothesis
Based on the various results of previous studies and discussed those developed, the following hypotheses are formulated in this study:
H1: Operational Audit plays a role in Employee Performance
H2: Internal Control is realized on Employee Performance

## METHODS

Descriptive and verification research methods using the quantitative approach of this study are to analyze the data of variables to be examined in relation to the aim of presenting a structured, factual, and accurate picture of the effect of Operational Audit and Internal Control on Employee Performance Study at PT. Anggana Kurnia Putra

**Operationalization of Variables**

The relationship between one variable with other variables in this study is the independent variable and the dependent variable. According to Sugiyono (2017), the independent variable is the variable that influences or is the cause of the change or the emergence of the dependent variable in this study. The independent variable is Operational Audit (X1) and Internal Control (X2). Dependent Variable is a variable that responds to changes in other variables, in this study the dependent variable is Employee Performance (Y).

**Data source**

Sources of data in this study include: Primary Data is data collected by researchers directly from the main source, namely employees. There are several ways to obtain primary data, including these methods through: interviews, observations, or questionnaires. Secondary data is data sourced from the results of other people's research made for different purposes. The data is in the form of facts, tables, figures and others. Although the data is obtained, but the data that can be obtained in the form of ready-made, has been collected and processed by other parties.

**Data Collection Methods**

How to collect data in this study in order to obtain the required data, which is as follows: Library Research Namely this research uses information resources contained in the library, by reading and studying books that are related to the problem in question. The theoretical case studies are obtained from books, articles, journals, and the results of previous research

Field Research (field research) Field research is research directly on the object being studied in order to get the data carried out. This research was conducted by:

**Questionnaire (Questionnaire)**

Sugiyono (2017) argues that the questionnaire is a data collection technique by giving a set of questions or written statements to respondents to answer. Questionnaires are efficient data collection techniques if the researcher knows with certainty the variables to be measured and knows what can be expected from respondents.

**Population**

According to Sugiyono (2017) population is a generalization area consisting of objects / subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions.

In this study, the intended population is the employees of PT. Anggana Kurnia Putra numbered 50 employees.

**Sample**

the number of samples to be studied are:

So the sample used in this study amounted to 44 employees.

**Data analysis technique**

This study uses a statistical analysis test to find out how much influence the operational audit and internal control have on employee performance

**Method Of Successive Interval (MSI).**

According to Sarwono and Budiono (2012) the Method of

Successive Interval (MSI) is the process of converting ordinal data into interval data. Why ordinal data must be changed in intervals. Ordinal data is actually qualitative data or not real numbers. Ordinal data uses numbers as qualitative data symbols.

**Classic assumption test**

According to Ansofino et al (2016) The classic assumption test is a statistical requirement that must be met in ordinary last square (OLS) multiple linear regression analysis. So a regression analysis that is not based on OLS does not require the requirements of classical assumptions, for example logistic regression or regression

**Multiple Linear Regression Analysis**

According to Sugiyono (2014) said that multiple linear regression analysis is an analysis used by researchers, if they intend to predict how the condition (ups and downs) of the dependent variable

**RESULTS AND DISCUSSION**
**Data Validity Test**

(criterium), if two or more independent variables as predictor factors are manipulated (raised the value down).

**Analysis of the Coefficient of Determination**

According to Kurniawan dani Yuniarto (2016: 45) states that the coefficient of determination (coefficient of determination) is denoted by r2 and is generally expressed as a percentage (%). The coefficient of determination is the value used to measure the magnitude of the contribution of the independent variable (X) to the variance (rise / fall) of the dependent variable (Y).

**Hypothesis testing**

Partial test (t test) is done with the intention to test the effect of partially between independent variables on the dependent variable with the assumption that other variables are considered constant with a 95% confidence level (α = 0.05)

**Table 2**
**Operationalnal Validity Test Results**

| Question Item | r-count | r-table | Information |
|---|---|---|---|
| X1-1 | 0.592 | 0.2973 | Valid |
| X1-2 | 0.698 | 0.2973 | Valid |
| X1-3 | 0.575 | 0.2973 | Valid |
| X1-4 | 0.404 | 0.2973 | Valid |
| X1-5 | 0.637 | 0.2973 | Valid |
| X1-6 | 0.377 | 0.2973 | Valid |
| X1-7 | 0.609 | 0.2973 | Valid |
| X1-8 | 0.644 | 0.2973 | Valid |

Based on the table above shows the results of data validity testing in table 4.11 above that variable XI (Operational Audit) shows that all data obtained is valid. This qualifies the significance value of r arithmetic greater than r table

**Table 3**
**Internal Control Validity Test Results**

| Question Item | r-count | r-table | Information |
|---|---|---|---|
| X2-1 | 0.695 | 0.2973 | Valid |
| X2-2 | 0.749 | 0.2973 | Valid |
| X2-3 | 0.709 | 0.2973 | Valid |
| X2-4 | 0.544 | 0.2973 | Valid |
| X2-5 | 0.648 | 0.2973 | Valid |
| X2-6 | 0.712 | 0.2973 | Valid |
| X2-7 | 0.486 | 0.2973 | Valid |
| X2-8 | 0.626 | 0.2973 | Valid |

Based on the table above, variable X2 (Internal Control) shows that all data obtained is valid. This qualifies the significance value of r arithmetic greater than r table.

**Table 4**
**Employee Performance Validity Test Results**

| Question Item | r-count | r-table | Information |
|---|---|---|---|
| Y-1 | 0.618 | 0.2973 | Valid |
| Y-2 | 0.640 | 0.2973 | Valid |
| Y-3 | 0.712 | 0.2973 | Valid |
| Y-4 | 0.630 | 0.2973 | Valid |
| Y-5 | 0.563 | 0.2973 | Valid |
| Y-6 | 0.802 | 0.2973 | Valid |
| Y-7 | 0.724 | 0.2973 | Valid |
| Y-8 | 0.746 | 0.2973 | Valid |
| Y-9 | 0.382 | 0.2973 | Valid |

Based on the table above, the variable Y (Employee Performance) shows that all data obtained is valid. This qualifies the significance value of r arithmetic greater than r table.

**Data Reliability Test**
In testing the reliability of variable measurements there are alpha standard values (Cronbach's Alpha Based Standardized Items), which determine the results of the level of reliability. However, the level of reliability is not always determined by the alpha standard value. The criteria for the level of reliability are as follows:

**Table 5. Level of Reliability Criteria**

| Nilai *r* | Tafsiran |
|---|---|
| 0,800 - 1,000 | Very High Reliability |
| 0,600 - 0,799 | High Reliability |
| 0,400 - 0,599 | Enough Reliability |
| 0,200 - 0,399 | Low reliability |
| 0,000 - 0,199 | Very Low Reliability |

**Table 6. Operational Audit Variable Reliability Test Results (X1)**
**Reliability Statistics**

| Cronbach's Alpha | N of Items |
|---|---|
| ,690 | 8 |

Source: 2019 SPSS Processing

The reliability test results obtained by the value of the alpha cronbach questionnaire variable X1 of 0.690. Because the value is above 0.6, it means that all the research questionnaires are reliable or consistent, so that it can be used.

**Table 7. Internal Control Variable (X2) Reliability Test Results**
**Reliability Statistics**

| Cronbach's Alpha | N of Items |
|---|---|
| ,801 | 8 |

Source: 2019 SPSS Processing

The reliability test results obtained by the value of the alpha cronbach questionnaire variable X2 of 0.801. Because the value is above 0.6, it means that all the research questionnaires are reliable or consistent, so that it can be used.

**Table 8. Employee Performance Variable Test Results (Y)**
**Reliability Statistics**
**Reliability Statistics**

| Cronbach's Alpha | N of Items |
|---|---|
| ,821 | 9 |

Source: 2019 SPSS Processing

The reliability test results obtained alpha cronbach Y variable questionnaire value of 0.821. Because the value is above 0.6, it means that all the research questionnaires are reliable or consistent, so that it can be used.

**Classic assumption test**
**Normality test**

**Table 9.  Kolmogrov-Smirnov Test**
**One-Sample Kolmogorov-Smirnov Test**

| | | Unstandardized Residual |
|---|---|---|
| N | | 44 |
| Normal Parameters[a,b] | Mean | ,0000000 |
| | Std. Deviation | ,90121598 |
| Most Extreme Differences | Absolute | ,073 |
| | Positive | ,073 |
| | Negative | -,061 |
| Kolmogorov-Smirnov Z | | ,484 |
| Asymp. Sig. (2-tailed) | | ,973 |

a. Test distribution is Normal.
b. Calculated from data.

Source: 2019 SPSS Processing

From the table above can be seen the significant value of Asimp. Sig. (2-tailed) from the Kolmogrov-Smirnov test of 0.973 and greater than 0.05. because the significant value of the Kolmogrov-Smirnov test is greater than 0.05, it can be concluded that the regression model has fulfilled the normality assumption
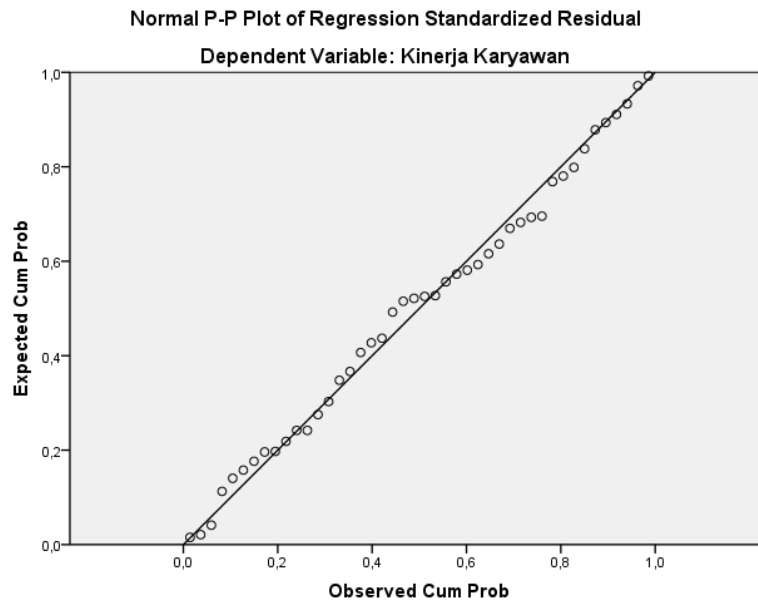


**Figure 1 Normality Test Results**
Source: 2019 SPSS Processing

Based on the graph above it can be seen that the data used spreads and follows the direction around the diagonal line that shows a normal distribution pattern, it can be concluded that the regression model meets the normality assumption.

**Uji Multikolonieritas**

**Tabel 10. Uji Multikolonieritas**
**Coefficientsᵃ**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. | Tolerance | VIF |
| 1 | (Constant) | 1,405 | ,664 | | 2,117 | ,040 | | |
| | Operational Audit | ,365 | ,141 | ,363 | 2,584 | ,013 | 1,000 | 1,000 |
| | Internal control | ,248 | ,141 | ,247 | 1,761 | ,086 | 1,000 | 1,000 |

a. Dependent Variable: Kinerja Karyawan
Source: 2019 SPSS Processing

Based on the multicollinearity test results table above shows that the two independent variables VIF number of 1,000 is less than 10, and the

tolerance value of 1,000 is more than 0.1, it can be concluded that the

regression model does not occur multicollinity problems.

## Heteroscedasticity Test



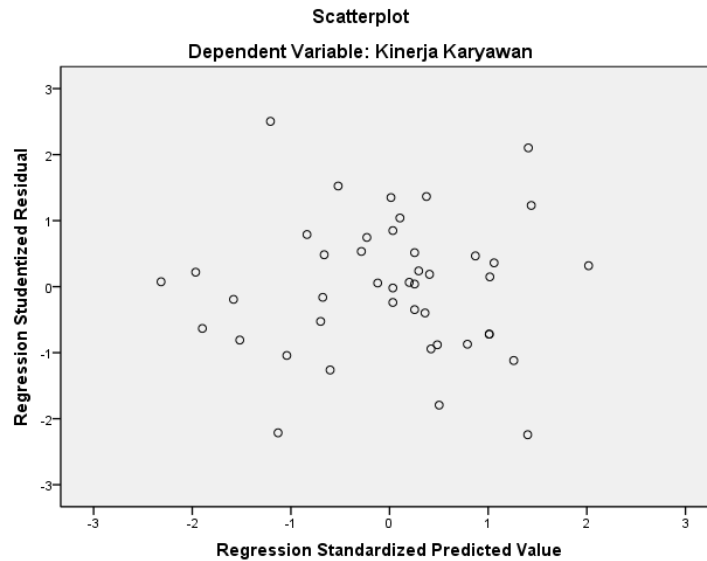**Scatterplot**
**Dependent Variable: Kinerja Karyawan**

**Figure 3 Scatterplott Graph**
Source: 2019 SPSS Processing

Based on the scatterplots graph above it can be seen that the points spread randomly and are spread both above and below the zero on the Y axis. With these results it is proven that heterokedasticity or regression equations do not fulfill the assumption of non heteroscedasticity.

## Multiple Linear Regression Analysis

Regression techniques are used to determine the relationships that exist between variables so that from the relationships obtained can be estimated one variable, if known. The regression model equation used by the writer is the regression model equation that is formed as follows**:**

**Tabel 11. Analisis regresi linier berganda**
**Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 1,405 | ,664 | | 2,117 | ,040 |
| | Operational Audit | ,365 | ,141 | ,363 | 2,584 | ,013 |
| | Internal control | ,248 | ,141 | ,247 | 1,761 | ,086 |

a. Dependent Variable: Employee performance
Source: 2019 SPSS Processing

Based on the calculation results in table 5.10 with the SPSS program it is known that the multiple linear equations are as follows:
Employee Performance = 1,405 + 0,365X1 + 0,248X2
This result means that:
Consta value is 1.405, meaning that if Operational Audit and Internal Control are considered boarding (value 0), then Employee Performance is worth 1.405. Operational Audit regression coefficient of 0.365. This can be interpreted that every increase in Operational Audit by unit, the Employee Performance has increased by 0.365 Internal Control Regression coefficient of 0.248, this can

be interpreted that each increase in Internal Control by a unit, then the Employee Performance has increased by 0.248

**Analysis of the Coefficient of Determination**

The coefficient of determination (R2) basically measures how far the model's ability to explain the variance of the independent variable (operational Audit and Internal Control) on the dependent variable (Employee Performance), based on data processing that has been done, the results of the coefficient of determination are as follows:

**Tabel 12. Analisis Koefisien Determinasi Audit Operasional (X1)**

**Model Summary$^b$**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | ,769$^a$ | ,592 | ,567 | 1,11762 |

Source: 2019 SPSS Processing

KD   = R2 x 100%
      = (0,769)2 x 100%
      = 59,2 %

Based on the table and above calculations it can be seen that the coefficient of determination (R2) is 59.2%. This value indicates that the

independent variable (Operational Audit) has an effect of 59.2% on the dependent variable (Employee performance)

**Table 13. Internal Control Determination Coefficient Analysis (X2)**
**Model Summary$^b$**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | ,522$^a$ | ,521 | ,508 | 3,09444 |

a. Predictors: (Constant), Internal control
b. Dependent Variable: Employee performance
Source: 2019 SPSS Processing

KD   = R2 x 100%
      = (0.522)2 x 100%
      = 52,1 %

Based on the calculation table above, it can be seen that the coefficient

of determination (R2) is 52.1%. This value indicates that the independent

variable (Operational Audit) has an effect of 52.1% on the dependent variable (Employee performance).
**Hypothesis testing**
**T test (t test)**

**Table 14. Test t**
**Coefficientsª**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1,405 | ,664 | | 2,117 | ,040 |
| | Operational Audit | ,365 | ,141 | ,363 | 2,584 | ,013 |
| | Internal control | ,248 | ,141 | ,247 | 1,761 | ,086 |

a. Dependent Variable: Employee performance
Source: 2020 SPSS Processing

Based on the table, the partial test results are as follows:
Based on the results of the t test (partial) in the regression model, obtained the significance of the Operational Audit variable of 0,000 <0.05. besides that can be seen also from the comparison between tcount and ttable which shows the results of tcount of 2.584 while ttable of 1.638. From the results of the study that H0 is rejected and H1 means that partially the Operational Audit variable significantly influences the Employee Performance variable. Based on the results of the t test (partial) in the regression model, obtained the significance of the Internal Control variable of 0.000 <0.05. besides that it can also be seen from the comparison between tcount and ttable which shows the result of tcount of 1.761 while ttable of 1.638. From the results of the study that H0 is rejected and H1 means partially the Internal Control variable significantly influences the Employee Performance variable.

**CONCLUSION**
Based on the results of research Operational Audit and Internal Control of Employee Performance at PT. Anggana Kurnia Putra, the following conclusions are obtained: Operational Audit influences Employee Performance at PT. Anggana Kurnia Putra. This means that most employees are satisfied with the implementation of the Operational Audit at PT. Anggana Kurnia Putra is so effective and can improve employee performance in the company. Internal Control affects the Performance of Employees at PT. Anggana Kurnia Putra. This means that regulatory or control standards set by the Company can be followed and adhered to properly by the employees of PT. Anggana Kurnia Putra thereby increasing the Employee Performance in the company.

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