



Contemporary Accounting Case Studies

Vol. 2, No. 2, September 2023

Article 4

EVALUATION OF THE IMPLEMENTATION OF GOVERNMENT INTERNAL CONTROL SYSTEM (SPIP) IN SUPPORTING PERFORMANCE ACHIEVEMENTS AT THE AIR TRANSPORTATION RESEARCH AND DEVELOPMENT CENTER.

Boy Jhoustroy Limbong

Master of Accounting Program, Faculty of Economics and Business, Universitas Indonesia
boylimb@gmail.com

Dr. Dwi Martani

Master of Accounting Program, Faculty of Economics and Business, Universitas Indonesia
dwimartani@yahoo.com

EVALUATION OF THE IMPLEMENTATION OF GOVERNMENT INTERNAL CONTROL SYSTEM (SPIP) IN SUPPORTING PERFORMANCE ACHIEVEMENTS AT THE AIR TRANSPORTATION RESEARCH AND DEVELOPMENT CENTER

*Boy Jhoustroy Limbong**, *Dwi Martani*

Master of Accounting Program, Faculty of Economics and Business, Universitas
Indonesia

ABSTRACT

This study aims to evaluate the Government's Internal Control System (SPIP) and analyze weaknesses or obstacles, as well as how the implementation of the internal control system can support the performance achievement at the Air Transportation Research and Development Center (PTU). A descriptive method of qualitative analysis is applied in the research using a case study approach. The result of this study shows that the internal control has met the Regulation of the Government Regulation Number 60 of 2008 criteria. However, the supervision process, continuous evaluation, and documentation process have not been carried out optimally. The weakness of SPIP lies in the control environment, control activities, and risk management processes. This is in line with the findings of the audit conducted by the Audit Board of the Republic of Indonesia (BPK) and the Inspectorate General of the Ministry of Transportation (Itjen). SPIP could contribute to supporting the achievement of the performance targets previously set, because SPIP ensures that every activity runs efficiently and effectively to support the performance achievement.

Keywords:

Government Internal Control System and Government Performance Achievement

* Corresponding Author's Email: boylimb@gmail.com

1. INTRODUCTION

As an encouragement for delivering good performance and as an effort to create Good Government Governance, the government initiated a system that could control all government implementation activities. As the regulation guidance, the Government issued Government Regulation Number 60 of 2008 concerning the Government Internal Control System. The control system is a part of Law Number 1 of 2004 concerning the State Treasury article 58, which explains that the administration and accountability of the APBN/APBD requires an internal control system to improve the performance, transparency, and accountability of state financial management.

According to the law, to determine the level of effectiveness in the implementation of the internal control system, it is necessary to carry out regular supervision, audit, and review by the Inspectorate General as the internal supervisor and the Audit Board of the Republic of Indonesia (BPK) as an external party. The examination results could be used as the benchmark to assess the accountability of a government entity and provide adequate confidence in achieving a government agency objective. According to the audit report by the Audit Board of the Republic of Indonesia (BPK) for the fiscal year 2019 of the Air Transportation Research and Development Center (PTU), there are findings mentioning research activities that are not aligned with the provision. This resulted in purchasing overpayment. The overpayment includes the fee settlements of experts, supporting personnel, and official work travel that are not in accordance with the contract and proper accountability report.

In addition to that, in 2021, based on the results of a performance audit conducted by the Inspectorate General of the Ministry of Transportation (Itjen) as an internal supervisor or auditor at PTU, there were findings of weaknesses in the internal control system. Based on the results of the performance audit, there are several findings on the weaknesses of the internal control system. For instance, The 2017-2021 Budget Accountability Report has not been implemented in compliance with the provisions. Due to the lack of order in supplies administration, the job description of the administrative officer has not been adjusted into a functional position. There are no guidelines for classifying the research activity groups based on the research objectives and methods. There are also cases of PTU researchers who are not affiliated with a professional organization of researcher functional positions.

The implementation of good SPIP will have a positive impact on the realization of Good Government Governance. In addition, properly implementing SPIP can support the achievement of the performance of a government agency. This study aims to evaluate the implementation of SPIP in

PTU so that it can support the achievement of organizational performance. PTU which has the main task and function to create policy recommendations from research results, which are useful to support the achievement of the focus and priority agenda and the optimal realization of the benefits of policy recommendations in the field of Transportation. For this reason, it is necessary to see how the existing SPIP can help achieve the intended performance. As previously stated, the findings of the audit by the BPK and Itjen indicate a weakness in the internal control system, so the author is interested in evaluating the implementation of existing SPIP in supporting PTU performance.

Based on the description of the background described earlier, the author identified several formulations of problems in this study, namely:

- a) How is the implementation of the conformity of SPIP elements at the Air Transportation Research and Development Center (PTU)?
- b) What are the weaknesses or obstacles in the implementation of SPIP at the Air Transportation Research and Development Center (PTU)?
- c) How can the application of SPIP to the Air Transportation Research and Development Center (PTU) support the achievement of its performance?

For this reason, it is hoped that the results of this study can produce implications and contributions of thoughts in improving the internal control of PTU. So that the implementation of SPIP can run better to support PTU in achieving the organization's goals.

2. LITERATURE REVIEW

The internal control model that is widely known is the COSO model. This model is used as a framework for companies to be able to design and implement internal control properly. This model is a standard for understanding and building an effective control and is used by internal auditors or organizations to assess and evaluate internal controls. The Committee of Sponsoring Organizations of the Treadway Commission (2013) explains that internal control is a process influenced by the entity's board of directors, management, and other personnel, which is designed to provide adequate confidence in achieving objectives related to operations, reporting, and compliance.

Meanwhile, the Government Internal Control System, in short SPIP, is an Internal Control System that is carried out throughout the central government and local governments. According to the Government Regulation (PP) Number 60 of 2008, the Internal Control System is an integral process of the actions and activities carried out continuously by leaders and all employees. SPIP is a continuous process that aims to further improve the achievement of organizational goals. The existing elements adopt the approach of internal

control components as proposed by the COSO Internal Control-Integrated Framework. The description of the elements in question includes Control Environment, Risk Assessment, Control Activities, Information, and Communication, also Internal Control Monitoring.

In government agencies, the organizational goal is achieved through strategic and operational efforts. To fulfill this, supervision is required through the presence of a good internal control system. To ensure the success of the implementation, an evaluation will be carried out every year to review target achievement and budget implementation in the strategic plan. The role of internal control is indirectly present as a part of achieving the performance targets that have been set previously.

Several prior studies are used as a reference, including Mamujaja (2016) at the Manado City Revenue Office. Her research explained that the factor that influences a government agency's performance is the existence of a good internal control system. The implementation of a good Internal Control System generates a smaller possibility for deviations to occur. Hence, all activities could run well, and good performance is produced in the hope of achieving the goals of the government agencies. The next research was by Tolley et al. (2017) at the Sigi Regency Regional Apparatus Work Unit, resulting in information that the five elements of internal control collectively have a significant effect on the performance of the Sigi Regency Regional Apparatus Work Unit. The implementation of an effective internal control system in the Sigi Regency is expected to influence employees to carry out healthy practices. Therefore, it will have an impact on increasing the performance of all regional device work units.

To answer the research questions, the research framework, as seen in Figure 1, could be referred to.

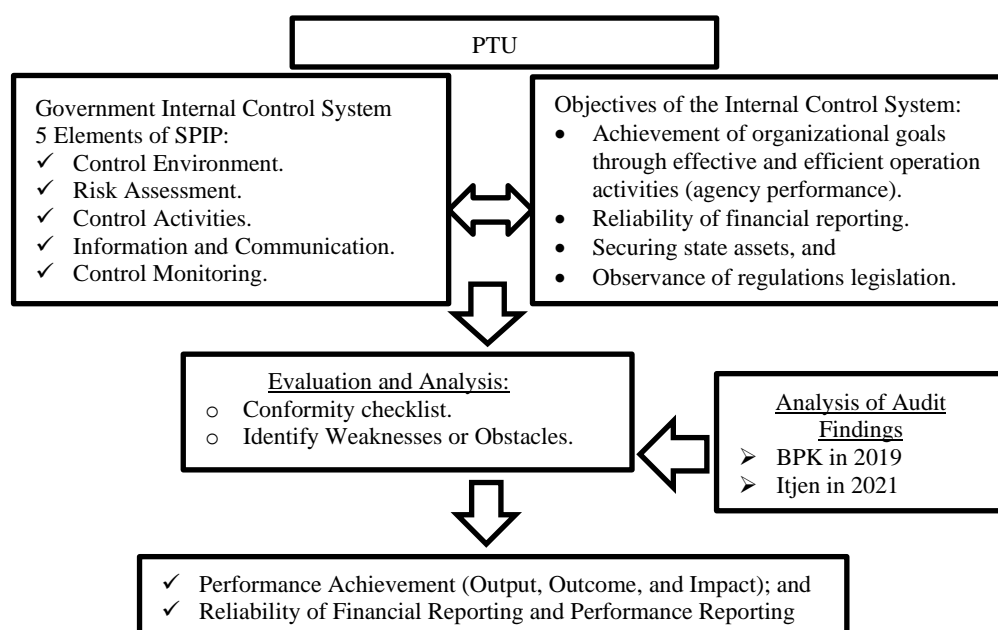


Figure 1 Research Framework

Source: Author (2022)

This research will begin by evaluating whether the internal control at PTU has met the elements of internal control in accordance with the Government Regulation (PP) Number 60 of 2008 and whether the existing control has achieved the objectives of internal control in SPIP. It is developed by making a conformity checklist and will be added with an interview. For this reason, analysis and evaluation of the suitability checklist were carried out and the identification of weaknesses and obstacles faced in implementing the internal control system. Additional analysis of the suboptimal internal control system was confirmed by the findings of the audit results carried out by the BPK and Itjen. The existence of weaknesses in the checklist and interview results is in line with and confirmed with the findings of the audit by the BPK and Itjen. In the end, from the results of the analysis, conclusions will be made on how the implementation of the government's internal control system can improve the performance of PTU and produce reliable financial reporting and performance reporting.

3. RESEARCH METHODS

This study was done using a case study approach and the descriptive method of qualitative analysis. This study used qualitative methods to get a full picture of a certain phenomenon by combining data from different sources (Cooper & Schindler, 2014). The case study approach allows researchers to explore a particular phenomenon in-depth (Creswell, 2017). The qualitative data obtained will be presented descriptively to describe the situation and explain the research results.

According to Ellet (2018), case studies evaluation describes situations with a deep understanding of individuals, divisions, companies, countries, strategies, or policies needed before deciding and taking action. In general, the case studies conducted in this study aim to provide a detailed and deeper picture of the phenomenon that occurs, for instance, the evaluation of the government's internal control system in supporting the achievement of organizational performance. Qualitative data in this study include sources derived from SOPs or PTU internal policy documents, SPIP reports, performance reports, financial reports, audit reports of BPK and Itjen, regulations, research results, publications, and information related to the internal control system.

After collecting the data, the author performed data analysis by describing the data and information obtained. To deepen the analysis in this study using interview techniques. Researchers use multiple lists of questions within the framework of a semi-structured interview and then develop questions according to the objectives and formulation of the study. The interview is intended to

obtain in-depth information and confirm the implementation of SPIP based on the conformity checklist according to The Financial and Development Supervisory Board (BPKP) Regulation Number 5 of 2021. The interview questions were developed by the author based on the results of the checklist and observation results. In-depth interviews will be planned for several parties. In particular, the characteristics used as resource persons/informants are risk management units, persons in charge of activities, or parties authorized for the implementation of office operational activities and development research activities.

The steps for analyzing this research are: Firstly, an analysis of documentation data on the phenomenon under study, regulatory analysis, studying SOPs, and reading the results of the audit findings. Using the reference of PP Number 60 of 2018 and developing it by creating a conformity checklist related to the elements and objectives of SPIP. After that, do a conformity checklist and make direct observations. Based on this information, evaluation of the results of direct observation and conformity checklists as well as analysis of the identification of weaknesses or obstacles faced in the implementation of the internal control system. This evaluation would further be developed into a question framework for the interview. Member checking and following the process, an interview with the selected source will be held. After that, read the interview results, then describe them and match them into a pre-made conceptual framework and triangulate the data source. And then, the results of the interview will be analyzed to build a deeper understanding of the object under study. The following step would be to conduct interpretation, comparison, analysis, and discussion so that conclusions could be drawn, which would then be the answer to the research questions. Finally, conclusions will be reached in accordance with the study's objectives.

4. ORGANIZATION PROFILE

The Air Transportation Research and Development Center (PTU) is a work unit of the Central Government under the Transportation Research and Development Agency at the Ministry of Transportation. The PTU is headed by the Head of the Center, who is directly responsible to the Head of the Transportation Research and Development Agency. Based on the Regulation of the Minister of Transportation Number 67 of 2021 concerning the Organization and Work Procedures of the Ministry of Transportation, the main task of PTU is to carry out research and development in the field of air transportation. PTU is one of the sub-sectors in the Ministry of Transportation that can provide

strategic policy recommendations for transportation and help realize support in improving the quality of good governance.

The audit findings indicate that there are weaknesses in the internal control system at PTU. It is interesting to evaluate the implementation of existing SPIP in supporting the achievement of PTU performance. Broadly speaking, a good and conducive internal control system is needed to support the achievement of PTU performance. So that it allows analysts, researchers, and all PTU employees to contribute their best thoughts and performance. With the realization of this optimally, PTU can produce good research and policy analysis outputs. The final target is how the Ministry of Transportation internally and other related external parties in the field of air transportation can optimally benefit the results of outputs even up to the outcome of studies or research from PTU.

5. RESULT AND DISCUSSION

5.1 IMPLEMENTATION OF SPIP AT PTU

As the topic and purpose of the first study, the author evaluated the implementation of the PTU internal control system by checking the SPIP using the conformity list. The elaboration of the elements and sub-elements of control is developed in accordance with the elaboration in the Regulation of the Financial and Development Supervision Agency of the Republic of Indonesia Number 5 of 2021. The elaboration in the regulation is the basis for making a conformity checklist. After the data from the checklist was obtained, it was then re-developed with interviews of several respondents to confirm and compare the relevance of the data obtained. Therefore, the data from the checklist and information collected during the interview could picture an overview to answer the first problem. The results and discussions in each element of internal control are:

- 1) Control Environment, which is a series of systems, processes, and structures that form the basis for the implementation of internal control throughout the organization. Not only the leaders of an institution, but all employees also have a role in creating and maintaining a conducive and productive environment. The outline of the implementation is based on the conformity checklist and its relation to the elements of the control environment in PTU, which could be observed through the application of each existing sub-element. The summary of the conformity checklist is as seen in Table 1.

Table 1 Summary of Control Environments

<u>Sub-elements</u>	<u>Implementation in PTU</u>
<input type="checkbox"/> Enforcement of integrity and ethical values;	There are existing rules and policies, but they have not been practiced optimally.
<input type="checkbox"/> Commitment to competence;	There are existing rules and policies, but they have not been practiced optimally.
<input type="checkbox"/> Conducive leadership;	There is an existing policy, but the risk management has not been implemented.
<input type="checkbox"/> Forming an organizational structure that suits the needs;	The determination of structure, tasks, and functions has been implemented but no periodic evaluation has been carried out.
<input type="checkbox"/> Proper delegation of authority and responsibility;	Delegation of authority and responsibility to related parties has been implemented but no periodic evaluation has been carried out.
<input type="checkbox"/> Preparation and implementation of healthy policies on human resource development;	There are existing policies in HR management, but no evaluation of their effectiveness has been carried out. In addition to that, only a part of employees fully understands the importance of risk management.
<input type="checkbox"/> The realization of the role of effective government internal supervision officers; and	Not applicable in PTU, focus more on the role of Itjen as internal auditor of the Ministry of Transportation.
<input type="checkbox"/> Good working relationships with relevant government agencies.	Good working relationships with other relevant agencies have been established but no periodic evaluation has been carried out.

Source: BPKP Regulation No.5 2021, has been reprocessed

In general, the Control Environment at PTU has been applied in each of its sub-elements. The checklist results show that this element has met the criteria according to PP No.60 of 2008. As previously explained in table 1, apart from the continuous supervision and evaluation process that is not optimal, it is also necessary to encourage awareness of the importance of internal control among all employees. The lack of optimal continuous evaluation of the competency committee can be seen from the existence of policies. Still, in practice, it turns out that it has not gone well until the evaluation of activities. For example, in this case, when there are training activities but after implementation, there is no evaluation of this. So that it is considered less than optimal the results of the implementation of training because there is no periodic evaluation.

- 2) Risk Assessment, which is the process of assessing something that could hinder the achievement of organizational goals, carried out by identifying, analyzing, and managing these risks. Overall, the implementation based on the checklist of conformity to risk assessment in PTU could be observed through the application in each existing sub-element. A summary of the conformity checklist results is seen in table 2.

Table 2 Risk Assessment Summary

<u>Sub-elements</u>	<u>Implementation in PTU</u>
<input type="checkbox"/> Risk identification;	There is an existing process that has not been implemented optimally; Not all risk management units have compiled the list of risks and factors that cause such risks to occur; The role of leaders and top management has not been maximized and there is no regular supervision and evaluation.
<input type="checkbox"/> Risk analysis.	There is an existing process but has not implemented optimally; Not all activity risk management units understand the mapping of risk analysis and its level of occurrence; Not all risk management units have made risk priorities, determined control action plans implemented control actions, and carried out effective internal control to reduce the risks inherent in each activity.

Source: BPKP Regulation No.5 2021, has been reprocessed

Leaders and top management play a role in risk identification and risk analysis, especially to periodically review the risk management in each PTU activity. Based on the table above, not all risk management units have carried out the risk identification and analysis process. It has not been optimally seen with not all risk management units being able to carry out their respective business processes based on what has been made in the risk identification and analysis process. So, it seems that the activities that are running are based on the absence of a standard and adequate procedure.

- 3) Control Activities, which is a series of measures to reduce risks that have been identified in the element of risk assessment. Overall, the implementation based on the checklist of conformity and its relation to control activities at PTU could be observed through the application in each existing sub-element. A summary of the results of the conformity checklist is as seen in table 3.

Table 3 Summary of Control Activities

<u>Sub-elements</u>	<u>Implementation in PTU</u>
<input type="checkbox"/> Review of the performance of the Government Agencies concerned;	There has been an implementation of the review, but the evaluation did not run optimally
<input type="checkbox"/> Human resource development;	Already exists but is not yet optimal.
<input type="checkbox"/> Control over the management of information systems;	There are no specific rules yet.
<input type="checkbox"/> Physical control over assets;	There are existing policies but there are still inadequate SOPs, and the supervision process has not run optimally.
<input type="checkbox"/> Determination and review of performance indicators and measures;	There are no specific rules yet.
<input type="checkbox"/> Separation of functions;	The practice has not run optimally, and the evaluation has not been carried out periodically.
<input type="checkbox"/> Authorization of important transactions and events;	Already exists but supervision has not been conducted optimally.

<u>Sub-elements</u>	<u>Implementation in PTU</u>
<input type="checkbox"/> Accurate and timely recording of transactions and events;	Already exists but the evaluation of improvements has not been conducted optimally.
<input type="checkbox"/> Restrictions on access to resources and their logging;	Already exists but the evaluation has not been conducted optimally.
<input type="checkbox"/> Accountability to resources and their record keeping; and	The concept has been comprehended and understood but the evaluation has not been conducted periodically.
<input type="checkbox"/> Good documentation of the Internal Control System as well as important transactions and events.	Implementation has been done, but the supervision and evaluation have not been implemented optimally.

Source: BPKP Regulation No.5 2021, has been reprocessed

As seen in table 3, control activities in general already exist, but the process of continuous supervision and evaluation of improvement is the main thing that needs to be improved. PTU control activities have not been optimally running, such as physical control of assets. There are already SOPs, but due to a lack of human resources, the process of function separation and supervision does not operate smoothly. This is also in line with the findings of the performance audit by the Itjen regarding the lack of orderly supplies administration. Another example of documenting SPI is not optimal. It can be seen from the poor storage of all documents, so that, if needed, it will have an impact on finding it difficult to obtain some supporting documents.

- 4) Information and Communication, which is an internal control measure aimed at providing information that is open to all parties and establishing good and smooth communication with internal and external parties. Overall, the implementation based on the checklist of conformity to information and communication at PTU could be observed through the application of each existing sub-element. A summary of the conformity checklist results is seen in table 4.

Table 4 Summary of Information and Communication

<u>Sub-elements</u>	<u>Implementation in PTU</u>
<input type="checkbox"/> Relevant information;	Already exist but it has not worked optimally; Information is not yet fully available nor easy to access; Risk management strategies and policies have been communicated but the supervision and evaluation process is not running optimally; The control measures have also been communicated but the practice and supervision have not implemented well.
<input type="checkbox"/> Effective communication.	Effective communication has been carried out internally and externally, but continuous evaluation and improvement have not been implemented optimally.

Source: BPKP Regulation No.5 2021, has been reprocessed

In PTU, the elements of information and communication control have been implemented but have not run optimally, as explained in Table 4. In this case, the information sub-elements have not run optimally because they are not yet

fully available and easy to obtain in practice. At each meeting, there has not been a regular evaluation of the communication carried out, especially to external parties, so the improvement process has not been seen.

- 5) Internal Control Monitoring, which is an activity that includes continuous evaluation and separate evaluations used to ensure each component of internal control exists and functions as it should. Overall, the implementation based on the checklist of conformity to internal control monitoring in PTU could be observed through the application in each of the existing sub-elements. A summary of the conformity checklist results is seen in Table 5.

Table 5 Summary of Internal Control Monitoring

<u>Sub-elements</u>	<u>Implementation in PTU</u>
<input type="checkbox"/> Continuous monitoring;	Internal control monitoring has not been managed properly; The risk management process has also not been reviewed regularly; Monitoring of risks has been implemented but the process has not been carried out periodically.
<input type="checkbox"/> Separate evaluation.	Separate internal control has been implemented; Review process of the control activity for the risks of operational work unit at PTU has been done sufficiently.

Source: BPKP Regulation No.5 2021, has been reprocessed

In general, element of monitoring internal control at PTU is in accordance with PP No.60 of 2008, but it has not run optimally, according to the explanation in table 5. The monitoring of the internal control system has not been managed properly; or in other words, the follow-up process has not been monitored optimally, and there has been no periodic evaluation. In addition to that, the periodic evaluations of the documenting process for monitoring internal control at PTU were also found inadequate.

5.2 WEAKNESSES OF INTERNAL CONTROL AT PTU

In the following topic, the author analyzes the weaknesses and obstacles in implementing SPIP at PTU. This is the purpose of the study in answering the formulation of the second problem. Secondary data, such as the Audit Result Report document from BPK and Itjen, are supported by information on the results of primary data, such as the results of the conformity checklist and interviews. This information is referred to as the author's source to analyze weaknesses and cons that exist in the implementation of the internal control system at PTU. The results and discussions related to the weaknesses of SPIP implementation in PTU are as follows:

- 1) Findings of BPK and Itjen, which were acquired from the audit of the Financial Statements and Performance, resulted in findings that indicate the weakness of the internal control system at PTU. Findings of BPK from the audit of the financial statements in 2019 resulted in findings that indicate the

weakness of the internal control system at PTU. Overpayment of goods expenditure on study activities, including the payment of experts, supporting personnel, and official travel documents, which were not in accordance with the contract and the proper accountability report. It also explained that there was a weakness in the supervision of the disbursement of the goods expenditure budget. Furthermore, there are findings from the performance audit conducted by Itjen, including the 2017-2021 Budget Accountability Report has not been implemented in accordance with the provisions. PTU supplies administration has not been in order, and the job description of administrator officer has not been adjusted into functional position. There are no guidelines related to the determination of research activity groups based on benefits and research methods. PTU researchers are not associated with the professional organization of researcher functional positions. The causes of these findings include the lack of guidance and supervision of the leaders, inadequate SOP, adjustments to the position map, and no regulations or guidelines in determining research activities.

- 2) Based on the results of checklists and interviews, the overall process of continuous supervision, evaluation, and documentation has not been optimally implemented in the internal control of PTU. The first thing is in the element of the control environment. Continuous evaluation has not been carried out in that element, so a conducive organizational work atmosphere that could encourage the optimal performance of employees is lacking. It could also be observed from the lack of optimal implementation of the policy concept of reward and punishment. This is also supported by the results of an interview with source 1, which stated:

"Our leader don't pay enough attention to the performance of his workers, so all are work shared equally, those with finished works didn't receive any rewards, and those with unfinished works got no reprimands."

Furthermore, the management of HR competencies has not been carried out optimally, and continuous improvement has not been made in supporting the achievement of organizational goals. This could be seen from the incompleteness of every position in the agency by HR in accordance with their competency standards. This is in line with the information from the results of the interview with source 1 explaining that:

"For this problem, I also feel lack of attention from the leader, for example, researchers or analysts who should focus on transportation department could also doubled as a financial manager. so the main focus is on finance while the main job is not done optimally.."

The lack of proper human resources in their assigned positions indicates the leaders' lack of commitment to competencies and suboptimal map of positions in the organization. Other elements in risk identification, risk analysis, and risk management during changes in each activity do not work as they should. This is supported by the results of an interview with source 2 who explained that:

"It should be done every year and there should be a periodic evaluation, but what happens is, in every activity, the control document from the identification of the risk map to the control action plan is not updated, so that is not done appropriately in our office, each person in charge should have done one themselves not only making me do it, so by far we could only changing in the year without editing the content.."

Control activities are also not running optimally, as are coaching and supervision, as well as evaluation. In the sub-elements of the policy/procedure for managing the organization's assets, including the physical security of assets, it has been implemented adequately, but there is no optimal supervision, and no periodic evaluation is carried out. This is reinforced by the information of the interview with source 1 which explained that:

"The administration of assets such as supplies and BMN in our place is not done in order, the procedures exist but there is a lack of optimal supervision..."

In line with this, the findings of the Itjen that the administration of supplies has not been in order in accordance with applicable regulations indicates that the lack of control activities is carried out properly. Another concern is that the internal control report already exists, but the supporting documents on the implementation of the internal control system at the PTU, not all of them have been documented completely nor done well.

5.3 SPIP IN SUPPORTING PTU PERFORMANCE ACHIEVEMENT

A good internal control system works as a pillar in supporting government management and is a reflection of good performance. The existence of good internal control will create a wheel of government that runs effectively that could realize Good Government Governance in producing the achievement of government performance. The final study seeks to determine how the implementation of SPIP can aid in the achievement of performance in PTU. This answers the formulation of the third problem.

It is also known that one of the performances of PTU in supporting the realization of targets is improving the quality of good governance by having

activity performance indicators, such as the maturity level of SPIP. For the achievement of SPIP maturity level performance, PTU is scored at level 3 (defined). This means that the organization can define its performance well and its performance achievement strategy is relevant and integrated, and control has been implemented but not effectively. The implementation of internal control is already underway, but the evaluation of internal control is carried out without adequate documentation. Some control weaknesses occur with a significant impact on the achievement of organizational goals. It is also marked by the findings of the BPK and Itjen.

The measurable performance of PTU through the percentage of policy utilization rates and the formulation of policy recommendations on strategic issues in the field of transportation must also be supported by optimal control and supervision activities. In addition, increasing the number and increasing the human resources potential of researchers and analysts through recruitment or cooperation with universities and technical guidance such as training is a controlling action to improve the performance of PTU. The realization of good performance must be supported by coaching and managing the quality of reliable human resources. The quality of human resources must continue to be improved and followed by an increasingly conducive and productive work climate. This is also specifically related to the career development patterns of certain functional positions such as researchers, analysts, engineers, and in certain/general functional positions. If this can run optimally, activity performance indicators such as the percentage of support in the implementation of technical research support and transportation policy recommendations can be achieved better and maximally in the future.

A proper implementation of SPIP may not be a benchmark for improving the achievement of PTU performance. However, we could also say that, indirectly, the presence of optimal SPIP play as an internal control of existing activities so that PTU activities could still run effectively and efficiently. As the result of the interview with source 2, which stated:

"SPIP actually supports the performance of PTU, although the improvement in performance does not look significant due to several other external factors, for example, the existence of refocusing a budget, or the current one is due to pandemic and perhaps because there is a policy of determining research cooperation with outside parties."

Based on this opinion, it also describes how the implementation of SPIP could be reflected indirectly as performance support for other external factors that could affect the improvement of PTU performance. SPIP's contribution to

performance achievement also acts as a forum for supervision of the planning process, implementation, and evaluation of activities. The existence of internal control also aims to supervise three things in the organization, namely those consisting of human resources, SOP, and supporting facilities. To support the performance of PTU, the role of SPIP is important to see the problems with these three things. This is as stated by source 3:

"SPIP's job is to check whether supporting facilities are adequate, SOP, and human resources are sufficient to achieve performance targets. To support office performance, it is better to identify three problems, which are human resources, SOP, and supporting facilities. Performance targets are achieved or not, with what reason? The task of SPIP as control should have been to find a solution to those problem."

With the speakers' statement, it is confirmed that SPIP serves as a link to the issues that arise, allowing PTU performance targets to still be met. This is also supported by the opinion of source 2 who said that:

"SPIP indirectly affect performance but with that, we could find out, for example, maybe because of the limitations of, maybe human resources and maybe in terms of lab facilities, maybe for certain research the condition are less accommodating because we lack of something, we must cooperate with external parties, such as with universities that they have better human resources and supporting facilities... [...]. That means that there are our limitations in the facility, for that we control it with other parties. For example, with UI or ITS who are qualified in their respective fields in accordance with the research, we need."

What was highlighted by the speaker was how optimization of SPIP could identify weaknesses and limitations. This is so that the existing risks could be resolved and the achievement of PTU performance also remains well realized in accordance with what has been targeted previously.

In line with the realization of existing elements of internal control, it could indirectly support the creation of good performance achievement. However, a record of targets and performance achievements also needs to be continuously updated and evaluated, and well informed to the leadership. This is created so that leaders can make the right decisions in achieving performance targets. It is to make the monitoring and supervision process run optimally in achieving the organization's goals. For this reason, optimal SPIP is one of the indicators in creating an increase in PTU performance. Therefore, achieving organizational goals could be carried out based on effective and efficient activities, producing

reliable financial reports, securing state assets, and being in compliance with laws and regulations.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1 CONCLUSIONS

The results obtained from this study show that the implementation of internal control at PTU, in general, has met the criteria in accordance with PP No.60 of 2008. Overall, the five elements described in each sub-element are obtained to outline the process of continuous supervision and evaluation, and documentation is something that has not been done optimally in PTU's internal control. Based on the conformity checklist supported by the interview results, it could be concluded that the implementation of PTU internal control has several weaknesses. This is also in line with the findings of the audit which resulted in its implementation not running optimally so improvements needed to be made.

The first part that needs to be improved is the element of the control environment. Awareness of the importance of control measures in every activity is the foundational basis for creating a conducive and productive work environment. Additionally, strengthening will be a continuous evaluation of performance, as well as the optimal running of the reward and punishment policy is something that needs to be improved in PTU. Not only the leader but all employees must also realize the importance of creating positive and conducive behavior in supporting the implementation of good internal control.

Furthermore, the management of HR competencies is also considered to have not been carried out optimally in supporting the achievement of organizational goals. This is indicated because there is still a shortage of proper human resources in their proper positions, in accordance with the competence and position map of the organization. In line with that, adequate SOP is also an important part of improvement.

The risk management process is also not implemented consistently and integrated, which is another weak point in PTU. Risk management policies in identifying and managing risks have not worked well in each risk management unit. Control activities and separation of functions in asset and financial management that have not run optimally are the next weaknesses.

The evaluation results indicated the weakness of SPIP in PTU in line with the findings of the audit conducted by BPK and Itjen. The findings of the BPK such as overpayment indicate that there are weaknesses in carrying out supervision and control, both in planning activities and in the implementation of budget realization. Negligence in carrying out control activities such as not having carefully examined all accountability documents is the cause of these

findings. The separation of functions and supervision such as checks, and balances is also not working properly. Furthermore, the findings of the performance audit conducted by Itjen also stated that there were weaknesses in the internal control of PTU. These findings are because they have not run optimally with HR management and there is no adequate SOP. The weak leadership guidance of position maps and risk maps as well as control activities in the organization is another contributing factor.

The implementation of SPIP indirectly contributes to the achievement of PTU's performance. This makes SPIP a forum for control and supervision, from the planning process, implementation, to the evaluation of activities. As explained in the previous discussion, the role of SPIP as a bridge to the problems faced by PTU could help achieve the performance targets set earlier. The maturity level of SPIP PTU at level 3 (defined) reflects that the organization has been able to define its performance well and its performance achievement strategy has been relevant, and control has been implemented but has not run optimally. The implementation of internal control is already underway, but the evaluation of internal control is carried out without adequate documentation. The findings of the BPK and Itjen also illustrate that there are still some weaknesses in internal control so that they could have a significant impact on the achievement of organizational goals.

6.2 RESEARCH IMPLICATIONS

There are several implications that could be put forward based on the results of the research conducted including:

- a) The process of supervision, continuous evaluation, and adequate documentation need be strengthened in every element of internal control. This is for the results of the application to be used as guidelines for improving the implementation of activities in the future.
- b) Establishing a culture of awareness regarding internal control as a step toward improving the control environment. For example, the embodiment of a role model (exemplary), giving rewards to employees with the best performance. In addition, conduct law enforcement consistently by providing punishment to employees who make mistakes. In addition, by utilizing the presence of the use of technology to monitor the behavior of all employees (such as the use of CCTV and fingerprints). Instilling full awareness not only to the leader but also to all employees to create a conducive work environment. SPIP should not only be a written system but be used as a guideline that is inherent in every PTU activity. Indirectly, this

- could contribute as well as affect the level of organizational productivity in achieving performance targets.
- c) Internal control also aims to monitor problems that occur in suboptimal HR management and inadequate SOP. The job map should have been made according to the organization needs. We recommend that there is a map of HR needs according to qualifications specific to the organization, such as qualifications as analysts, researchers, and financial managers. In addition, competency improvement must also be carried out periodically for each employee. In addition, SOPs are available, such as in research activities and in the administration of adequate supplies and state property (BMN) so that the course of activities is more orderly and safe. Therefore, the presence of SPIP could maximize the role of these two factors in achieving PTU performance.
 - d) The implementation of good documentation and deeper comprehension of risk identification, risk analysis, and control measures are things that need to be improved. Each risk management unit should make and report in writing to the leadership and evaluate its implementation. The improvement in question aims to be able to minimize the risks that arise in each activity managed.
 - e) PTU needs to be strengthen, coach, and supervise the management of financial administration and administration of assets such as supplies and state-owned assets (BMN). There is supervision from each direct supervisor in implementing finances and asset management. In addition, it is necessary to strengthen the competence of certified financial and asset managers. This is for the future implementation of the administration to be better, and there will be no repeated findings in the future.
 - f) We recommend that PTU needs to compile risk management at the beginning of the period and coordinate not only internally but with the Transportation Research and Development Agency as an Echelon 1 unit and the Ministry of Transportation, in this case at the Directorate General of Civil Aviation. So that in the future, it can create a good and integrated risk management.

It is recommended that in carrying out every research activity and other operational activities, PTU must make SPIP a guide in achieving performance. When all process has run optimally, achieving a better SPIP maturity level in the future could be achieved. In line with this, achieving organizational goals through the four goals of SPIP could be realized properly.

6.3 RESEARCH LIMITATIONS AND SUBSEQUENT RESEARCH SUGGESTIONS

This study is limited by the object of the study, which only includes the evaluation results with conformity checklist and perception of the information source based on the results of the in-depth interviews and the results of reviewing related documents. In this study, respondents were limited to each question, so the results of the quote were not made coding. This study did not collect information from the Transportation Research and Development Agency's first echelon, which is the main organization, nor did it include other work units that are stakeholders, such as the Directorate General of Civil Aviation or Itjen as APIP of the Ministry of Transportation. It is anticipated that future research will be able to collect data from other work units associated with the organization under study. Further research is also expected to not only focus on the implementation of SPIP in supporting performance achievement, but also on setting performance targets to achieve measurable organizational performance.

ACKNOWLEDGEMENT

First and foremost, the author would like to praise and thank God, the Almighty, for His countless blessing, knowledge, and opportunity to complete this research. The author would also like to extend greatest appreciation to Dr. Dwi Martani CA., CPA. as the supervisor for her advice, support, and guidance in writing this scientific article. Thanks to my wife (Riana Peronika), my children (Liora and Adriel), my parents, and families for all the prayers and supports. Hopefully, this research would be beneficial for future research.

REFERENCES

- Badan Pengawasan Keuangan dan Pembangunan. (2021). Peraturan Badan Badan Pengawasan Keuangan dan Pembangunan Republik Indonesia Nomor 5 Tahun 2021 tentang Penilaian Maturitas Penyelenggaraan Sistem Pengendalian Intern Pemerintah Terintegrasi Pada Kementerian/Lembaga/Pemerintah Daerah.
- Committee of Sponsoring Organizations of the Treadway Commission. (2013). Internal Control-Integrated Framework Executive Summary.
- Cooper, D. R., & Schindler, P. S. (2014). Business Research Methods.
- Creswell, J. W. (2017). Research Design Qualitative, Quantitative and Mixed Method Approach. Sage.
- Ellet, William. (2018). The Case Study Handbook: A Student's Guide. Harvard Business School Publishing.
- Mamuaja, Brejita. (2016). Analisis Efektivitas Penerapan Sistem Pengendalian Intern Terhadap Kinerja Instansi Pemerintah di Dinas Pendapatan Kota Manado. Jurnal EMBA. 4 (1), 165-171. Maret, 2016. <https://ejournal.unsrat.ac.id/index.php/emba/article/view/11583>
- Pemerintah Republik Indonesia. (2004). Undang-Undang Nomor 1 Tahun 2004 Tentang Perbendaharaan Negara.
- Pemerintah Republik Indonesia. (2008). Peraturan Pemerintah Nomor 60 Tahun 2008 tentang Sistem Pengendalian Intern Pemerintah.
- Tolley, Sukma S., Ridwan., & Muh. Yunus Kasim. (2017). Pengaruh Sistem Pengendalian Intern Pemerintah Terhadap Kinerja Satuan Kerja Perangkat Daerah Kabupaten Sigi. Jurnal Katalogi. 5(2), 179-190. Februari, 2017. <http://jurnal.untad.ac.id/jurnal/index.php/Katalogis/article/view/8502>