The Effect of Human Resource Competency, Internal Control System, and Accounting Information System on Regional Asset Management (Study at the West Aceh District’s Government Working Unit)

Abstract: This study aims to examine the influence of human resources competency, internal control system and accounting information system either simultaneously or partially or separately on regional asset management in the West Aceh District’s government Working Unit (SKPK). The method used is Multiple Linear Regression Analysis. The results showed that the competency of human resources, internal control system and accounting information system have an influence on the regional asset management in the agencies of the region either simultaneously or partially tested.

Keywords: Human Resource Competence, Internal Control System, Accounting Information System, Regional Asset Management.

INTRODUCTION

One of the implications of the application of Law no. 23 of 2014 and Law no. 33 of 2004 is the granting of authority to the greater Regional Government to manage the resources owned by the region including how to optimize and utilize the regional assets in accordance with applicable legislation.

However, it should be realized that the management of regional assets is not an easy task. This is evidenced by the fact that there are still many fairness opinion exceptions on the value of the Regional Government assets provided by the Financial Supervisory Board over the local government financial statements. These conditions indicate that local governments have difficulty in asset management so that it presents less than or unusual regional assets (Sutaryo, 2011).

One of the local governments that still have difficulties in terms of asset management area is West Aceh District. Based on the report on audit results of West Aceh District Government Finance Report of the academic year 2014 and 2015, State Supreme Audit Board (BPK) found weaknesses related to the management of fixed assets owned by the District Government of West Aceh which has not been fully adequate. Problems found by BPK are ranging from inadequate regional assets administration to the problem of asset’s lost. These conditions indicate that local governments are still experiencing difficulties in asset management thus presenting regional assets with less or unnatural.

One of the main issues of asset management is the disorder in asset management where assets are not known to exist or controlled by other parties, supervision and control of weak assets so that the potential loss of fixed assets owned by third parties, and many other problems experienced by Local Government in management of assets owned, so that assets managed by local governments tend not optimal in its use (Asman, Akram, and Alamsyah, 2016).
Based on the previous explanation, it can be considered that the management of local assets conducted by the West Aceh Regency Government is not yet optimal. Therefore, it is important to examine the factors that affect the management of regional assets. Of course not easy to know all the factors that affect the management of regional assets. Based on the literature survey that has been done, found three factors that are expected to affect the management of regional assets.

These factors are: competence of human resources (Sutawa, 2014; Simamora and Halim, 2012; Hamidah, 2014); Internal Control System (Asman, Akram, and Alamsyah, 2016; Agustina, 2015; Hamidah, 2014); Accounting Information System (Raharja, Pratiwi and Wachid, 2015; Mulalinda and Tangkuman, 2014; Hendrikus, 2009). By raising three factors that are thought to affect the management of local assets in this study, it does not mean to ignore other factors.

The first factor estimated to affect the management of regional assets is the competence of human resources. Human resources are the main supporting pillar as well as drive the organization in an effort to realize its vision and mission objectives (Susilo, 2002: 3). A system, however good it will be in vain, if not supported by adequate human resources. In Government Regulation Number 6 of 2006 Article 33 paragraph 1 stated that the goods manager, the goods user and / or the Proxy of the Goods Users shall secure the property of the state / region which is in his control.

Based on the regulation, it is clear that the role of Human Resource (HR) is very important in asset management. Therefore, it is necessary to have an apparatus resource that has an understanding of all asset management. In managing the human resources can be done by involving in education and training of asset management technical guidance.

The second factor that is expected to affect asset management is the internal control system. The rise of corruption cases related to fixed assets in the region shows a weak Internal Control System (SPI). To that end, every local government agency must build a reliable SPI to be able to prevent the occurrence of irregularities or obstacles in achieving the goals of the entity.

As a foundation for all good regional asset management processes, every local government agency must create and maintain an environment within the organization that promotes positive behavior and sound management. It aims to encourage the availability of all local asset managers who have a strong awareness of the importance of enforcement of SPI (Directorate General of State Assets, Ministry of Finance of the Republic of Indonesia, 2009).

A third factor that is expected to affect asset management is the accounting information system. Accounting Information System (AIS) is one of the providers of financial information that much needed by the parties concerned with an organization. An AIS is a technological and capital resource within an organization that is tasked with preparing financial information as well as information gained from transactions collection and processing activities (Christine, 2009).

Related to asset management, with the enactment of AIS, it means that every Power of Goods Authority is required to master a predetermined application program, starting from data input, and data process. AIS aims to improve the effectiveness of work, facilitate more accurate data, and the suitability of input data from the Power of Goods Users.

This study refers to several previous studies using the same variables of Asman, Akram, and Alamsyah (2016), Agustina (2015), Raharja, Pratiwi and Wachid (2015), Sutawa (2014), Hamidah (2014), Mulalinda and Summary (2014), Simamora and Halim (2012), Hendrikus (2009). Although referring to previous research, there are differences and research equations in terms of the independent and dependent variables used, the unit of analysis, and the method of analysis.

This paper aims to discuss the influence of competence of human resources, internal control system and accounting information system either simultaneously or partially on the regional asset management of regional assets in the West Aceh District’s Government Working Unit Agency. The benefit of this research is expected to be used by the agency an input in decision making of local policy related to management of area asset, including influencing factors. The results of this study can also provide input to the agencies of the district regarding the importance of human resources competency development, the importance of SPI implementation, and the importance of running a good AIS, so that if it is all implemented it will be easy in managing the assets of the region.

## Literature Review

### Regional Asset Management

It has been regulated in Government Regulation Number 6 Year 2006 concerning Management of Regional Property, which shall be followed up by
Minister of Home Affairs Regulation No. 17/2007 concerning Guidelines for Management of Regional Property. Simply management of assets (assets) area includes three main functions, namely: the existence of appropriate planning, implementation / utilization efficiently and effectively and, monitoring (monitoring).

Sholeh and Rochmansjah (2010) states that the strategic objectives to be achieved in the policy of managing the assets / property of the region include: the realization of the administrative order regarding the regional wealth; the creation of efficiency and effectiveness of the use of regional assets; securing local assets; availability of accurate data / information on the amount of local wealth.

Based on several opinions and previous description it can be concluded that asset management is a business or work process in order to regulate and control the asset management maximally in accordance with expectations and objectives that have been set previously, in this case that is in accordance with legislation.

Competence of Human Resources

According Susilo (2002: 3) Human resources is the main pillar buffer as well as drive the organization in an effort to realize its vision and mission objectives. Human beings are part of the resources needed by the organization / company. Competence is interpreted as a basic characteristic of a person who allows it to give superior work in a particular job, role, or situation (Sutrisno, 2009).

Thus competence can be defined as the characteristics of a person who has: (1) a skill, ie something that an individual has to perform the task or work assigned to him; (2) knowledge, that is, the function of the human attitude which has a basic impulse to know, to achieve reasoning and to organize the discourse; (3) ability (ability), that is to carry out a job (Hutapea and Thoha, 2008: 28). These three characteristics will then be used as an indicator of human resource competence.

Based on some previous opinions, it can be concluded that what is meant by the competence of human resources is the ability and characteristics possessed by the apparatus in the form of knowledge, skills, and attitudes of behavior required in the implementation of job duties in this case is the application of accrual-based accounting so that accrual-based financial management can implemented in accordance with the provisions and laws and regulations.

Internal Control System (SPI)

Internal Control System hereinafter abbreviated as SPI to local government is designed with reference to Government Regulation Number 60 Year 2008 regarding Government Internal Control System. The Government Regulation defines the SPI as an integral process of continuous actions and activities by the leadership and all employees to provide reasonable assurance on the achievement of organizational objectives through effective and efficient activities, reliability of financial reporting, security of state assets, and regulatory compliance legislation.

According to Bastian (2006: 450) "internal control systems include organizational structures, methods and measures coordinated to safeguard organizational wealth, check the accuracy and reliability of accounting data, encourage efficiency, and adhere to leadership policies." Romney (2006: 229) states that "internal control is an organizational plan and business method used to maintain assets, provide accurate and reliable information, encourage and improve the efficiency of the way the organization, and encourage conformity with the policy set". Internal control has the objective of obtaining accurate and reliable data, protecting assets or assets of the organization, and improving the effectiveness of the organization's members so that the organization can run in accordance with its stated objectives.

Accounting Information System (AIS)

Accounting information system according to Bodnar and Hopwood (2010) is "a collection of various resources, such as human and also equipment designed to transform financial data and also other data into a useful information for users and users". Romney and Steinbart (2012: 3) define the accounting information system as "a series of two or more components of interconnected components, which interact to achieve a goal. The system almost always consists of several small subsystems that each perform a special function that is important for and support for the larger system, where they are ".

The accounting information system is defined by Mulyadi (2008: 3) as "the organization of forms, records and reports coordinated in such a way as to provide financial information needed by management to facilitate organizational management. SIA is also defined by Widjajanto (2001) as a collection of human resources (HR) along with capital that has tasks in preparing financial information and information. Accounting information systems can be said to be effective if the system is able to produce information that can be accepted and able to meet the expectations of information timely, accurate and reliable.

Research Method

This study uses a quantitative approach whose purpose is to examine the effect of independent variables on the dependent variable. The unit of analysis in this study is all the entire SKPK Aceh Barat which includes offices, offices and agencies in the District of West Aceh as much as 29 SKPK. Each SKPK consists of 3 (three) persons who will be the respondent, namely Head of SKPK. Finance
Administration Officer, and Activity Technical Activity Officer.

Operationalization of variables in this study can be described as follows; Human Resource Competency (X₁), human resource competence is the ability and characteristics possessed by the apparatus in the form of knowledge, skill, and behavioral attitude required in the performance of duty. Indicators or elements and measuring tools used in human resource competencies based on Hutapea and Thoha (2008: 28) i.e objectives; skill, knowledge, and ability. The measurement scale used is the interval scale in the form of the Likert scale of 5 points.

The Internal Control System (X₃), the internal control system is an organizational plan and business method used to maintain assets, providing accurate and reliable information, encouraging and improving the efficiency of the organization's course, and promoting conformity with established policies (Romney, 2006). Indicators or elements and measuring instruments used in the internal control system based on PP. 60 Year 2008 is the control environment, risk assessment, control activities, information and communication, monitoring internal control. The measurement scale used is the interval scale in the form of the Likert scale of 5 points.

Accounting Information System (X₄), accounting information system is a collection of various resources, such as human and also equipment designed to change financial data and also other data into a useful information for users and users (Bodnar and Hopwood, 2010). Indicators or elements and measuring tools used under Cushing (2009: 990) include; useful, economy, reability (capacity), capacity (simplicity), and flexibility (flexibility). The measurement scale used is the interval scale in the form of the Likert scale of 5 points.

Management of Regional Assets (Y), Management of local assets is a business or work process in order to regulate and control the asset management maximally in accordance with the expectations and objectives set previously, in this case that is in accordance with legislation. Indicators used in measuring the management of regional assets based on the Regulation of the Minister of Home Affairs Number 17 of 2007 includes; planning needs and budgeting, procurement, receipt, storage and distribution, use, utilization, security and maintenance, appraisal, deletion, alienation, administration, coaching, supervision and control, financing and compensation claims. The measurement scale used is the interval scale in the form of the Likert scale of 5 points.

In this research data source used is primary data that is result of acquisition of questioner from research respondent. While the technique of collecting research data is done by documentation technique. Data analysis technique on hypothesis testing using multiple linear regression analysis which is a statistical technique used to test the influence of two or more independent variables to the dependent variable.

This research uses quantitative approach, where the research data is questionnaire that has been filled by the respondent quantized beforehand to produce outputs in the form of numbers. Furthermore, after the data obtained, the next step to analyze and test the hypothesis carried out through the program SPSS (Statistical Package for Social Science) (Now, 2010). This study is a census study, so no significance test was conducted. The design of hypothesis testing is done two stages, namely the design of hypothesis testing together and the design of hypothesis testing partially.

Pior to data analysis, it is conducted the testing of research instrument that includes the validity and reliability testing, after which also testing the classical assumption which includes multicollinearity, heterokedastisitas, and normality test.

**RESULTS AND DISCUSSIONS**

Descriptive Analysis

Descriptive analysis for each variable in this study was obtained based on questionnaires that have been filled by respondents to the variable asset management area (Y), human resource competence (X₁), internal control system (X₃), and accounting information system (X₄). Data processing using SPSS software (Statistic Package for Social Science) version 20 and Microsoft Excel 2010. Descriptive statistics are useful to provide an overview or description of the variables used in this study. The following shows the descriptive statistics of each research variable in Table 1.

<table>
<thead>
<tr>
<th>Tabel 1. Descriptive Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of Regional Assets</td>
</tr>
<tr>
<td>Competence of Human Resources</td>
</tr>
<tr>
<td>Internal Control System</td>
</tr>
<tr>
<td>Accounting Information System</td>
</tr>
</tbody>
</table>

Available Online: [https://iarconsortium.org/journal-info/IARJBM](https://iarconsortium.org/journal-info/IARJBM)
**Research Instrument Testing Results**

Validity Testing, based on the results of validity testing, shows that the correlation coefficient obtained from each item of variable asset management area (Y), human resource competence (X1), internal control system (X2), and accounting information system (X3) all is above the critical value of product moment correlation (correlation coefficient> 0.367) so that the questionnaire used can be declared valid.

Testing Reliability, based on reliability test results note that each instrument in this study reliable (reliable) because the value of Cronbach's Alpha is greater than 0.50 (Management of Regional Assets 0.821, Human Resource Competence 0.656, Internal Control System 0.736, Accounting Information System, 0.702). So it can be concluded that the questionnaire used as a measuring tool in this study is feasible to use (reliable).

**Classical Assumption Testing Results**

Normality test results can be seen that the observed data is normally distributed where the curve is normal. While from the P-Plot chart can be seen that the points move toward the direction of the linear line, so it can be concluded that the regression model of this research is linear.

The result of multicollinearity test can be seen that the tolerance value of human resource competence variable is 0.660, internal control system 0.410, and accounting information system 0.528, meaning that there is no multicollinearity between independent variable (tolerance value> 0.10). Meanwhile, the VIF value of the human resource competence variable is 1.515, the internal control system is 2.439, and the accounting information system is 1.894, the value means that no independent variable has VIF value more than 10. Thus, it can be concluded that in the regression model this research does not occur multicollinearity between independent variables.

Heterokedastisitas test results can be seen from the Scatterplot graph that there is no pattern on the graph, therefore it can be concluded that the regression model in this study is homskedastisitas or no heterokedastisitas.

**Table 1. The Coefficient of Determination Result (R²)**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.914</td>
<td>.835</td>
<td>.815</td>
<td>.09034</td>
</tr>
</tbody>
</table>

Based on Table 2, the value of correlation coefficient (R) of 0.914 shows that the degree of relationship (correlation) between independent variables with dependent variable of 0.914. This means that the competence of human resources, internal control system and accounting information system has a relationship with the management of local assets in SKPK Aceh Barat of 91.4%. The value of the determination coefficient (R²) is 0.835, the value is close to 1 (one), meaning that the independent variables give almost all the information needed to predict the variation of the dependent variable. The remaining 1.65% is influenced by other variables not included in this research model.

**The Influence of Human Resource Competence on the Regional Asset Management**

The results showed that the competence of human resources affect the management of local assets. Positive relationships between human resource competence and local asset management are obtained.

Theoretically, Susilo (2002: 3) states that human resources are the main supporting pillars as well as drive the organization in an effort to realize its vision and mission objectives. Human beings are part of the resources needed by the organization. As the foundation for all security processes in the management of local assets, every local government agency must create and maintain an environment within the organization that encourages positive behavior and sound management. The main thing is to encourage the availability of all local asset managers.

A good system is meaningless, if it can not run and is not carried out by people who are highly dedicated to their work. The management of goods, goods users and / or the power of the goods user shall be obliged to secure the state property which is in his
control, because the implementing person is an essential factor in the administration of the government and the human being is the subject of government activity (Hamidah, 2014).

The results of this study in accordance with the results of research conducted by Sutawa (2014) which proves that the development of human resources affect the management of local assets in the Office of Revenue, Financial Management and Assets District Ngawi. Hamidah's research (2014) also gave a similar result that there is a positive influence of human resources ability to secure state assets. Where the better the ability of human resources, then the security of state assets will be better. Then the results of research Simamora and Halim (2012) also proves that human resources are factors that affect the asset management.

The Influence of Internal Control System on Regional Asset Management

The results showed that the internal control system has an effect on the management of regional assets. Positive relationships obtained from internal control system with the management of regional assets. This means that as the better internal control system is run in managing the assets, the better the management of asset areas run by asset managers in SKPK Aceh Barat.

Mulyadi (2008:183) states that internal control systems include coordinated organizations, methods and measures to safeguard organizational wealth, check the accuracy and reliability of accounting data, encourage efficiency and encourage compliance with management policies. In addition, according to Government Regulation No. 60 of 2008, the internal control system is an integral process of actions and activities undertaken continuously by the leadership and all employees to provide reasonable assurance on the achievement of organizational goals through effective activities, reliability of financial reporting, safeguarding assets countries, and compliance with laws and regulations.

Michel (2013) states that governmental oversight has a primary function to provide excellent service to employees who are perceived as problematic, overseeing all that is in the region both from local assets to budget allocations, and employee discipline which subsequently hold kroseck to the truth of the misuse assets, either provided by the local government, to anyone who receives the asset.

The result of this research is in line with the result of Agustina (2015) research which proves that the internal control system has a positive effect on the management of regional assets. Similar results are also evidenced by Hamidah (2014) that there is a positive influence of the application of SPIP to the safeguarding of State assets. Where the better the implementation of the system of internal control of the government, then the security of state assets will be better. In contrast to previous research results, Asman, Akram, and Alamsyah (2016) research results prove that supervision and control of assets has no effect on the optimization of fixed asset management at the local government of Sumbawa Regency. This is due to the lack of supervision and control over the management, use or security of property owned by the region in their control.

The Influence of Accounting Information System on Regional Asset Management

The results showed that the accounting information system has an effect on the management of regional assets. Acquired positive relationship of accounting information system with the management of regional assets. This means that with the good accounting information system applied by the apparatus in managing the assets of the region, the better the management of the assets of the region conducted in SKPK of West Aceh.

Suhadak and Nugroho (2007: 13) stated that if the implementation phase of asset management is supported by the use of good accounting information system, it is expected that the stage of reporting and accountability in the management of regional assets will not encounter many problems. In addition, Mardiasmo (2002: 115) explains that to produce good local government accountability reports (including asset management reports), an accounting information system is required. The objectives of the local government accounting information system include maintaining assets through consistent record keeping, processing and reporting of financial transactions, providing timely and accurate information on budgets and financial activities as a basis for performance appraisals to determine compliance with budget authorization.

The results of this study in accordance with the results of research Raharja, Pratiwi and Wachid (2015) which shows that the accounting information system positively affect the management of local assets in Lamongan. Then research Hendrikus (2009) also gives the same results that accounting information system has a positive effect on the effectiveness of asset management in the State Treasury Service Office (KPPN) Surakarta. The result proves that KPPN has provided computer equipment and software it can support to simplify the work related to asset management.

Conclusions

The competence of human resources, internal control system and accounting information system either simultaneously or partially have an effect on asset

Available Online: https://iarconsortium.org/journal-info/IARJBM
management of agency’s working unit in the regency

Recommendations

For the agency, it is suggested that the agency to firstly perform a routine physical control over assets and check and do the removal of assets from the list of goods and inventory list. Secondly, the asset management apparatus in the agency of the regency/Aceh Barat should have knowledge and ability in preparing and presenting the financial statements. Lastly, the asset management apparatus should also be required to be reliable in decision making, and can face any changes in the organization.

For the next researcher, it is suggested to consider the other method in data collection, that is not only by using questionnaire but also using interview method so that the data obtained can be more accurate. The next suggestion is to add an analysis unit not only by using questionnaire but also using interview method so that the data obtained can be more accurate.

REFERENCES