

THE INFLUENCE OF ROLE CONFLICT, COMPLEXITY OF ASSIGNMENT, ROLE OBSCURITY AND LOCUS OF CONTROL ON INTERNAL AUDITOR PERFORMANCE

Anantawikrama Tungga Atmadja, Universitas Pendidikan Ganesha Bali
Komang Adi Kurniawan Saputra, Universitas Warmadewa Bali

ABSTRACT

This research was conducted in a hospitality company in the Province of Bali by targeting internal auditors as respondents. The purpose of this study was to determine the effect of role conflict, task complexity, role obscurity and locus of control on the internal performance of the auditors of star-rated hotel. The technique of determining samples by simple random sampling and using data collection methods through questionnaires given to 100 respondents. Data analysis used to obtain accurate results is ordinary least square with the results of the analysis showing that role conflict and role obscurity do not have a significant influence on the performance of the internal auditor of the hotel. Whereas the complexity of the task and locus of control was stated to have a significant effect on the internal performance of auditors of star-rated hotels in Bali.

Keywords: Role Conflict, Role Obscurity, Complexity of Assignment, Locus of Control.

INTRODUCTION

Internal auditing is very important in its existence in the company to help leaders or management in managing the company more effectively and efficiently to achieve the goals set before (Yadnyana, 2006). The internal auditing department is able to help management in overseeing activities that cannot be supervised by the top management, helping management in technical field, and helping the decision making process (Sawyer et al., 2005).

Deviant behavior and violations of the code of ethics are still possible by internal auditors, because in the company, it is an important division as a management partner and owner of the company. What has always been the subject is role conflict. Role conflict is part of a person's dualism of thinking about a job, this is what often causes employees are out of focus. According to Ikhsan and Ishak (2005) role conflict arises because the existence of two different orders that are received simultaneously and the implementation of only one of the commands will result in the neglect of the other command. A professional in carrying out his duties, especially when facing a particular problem often receives two commands at once, as well as internal auditors. In addition to role conflict, internal auditors are also often faced with complex and highly varied tasks. Previous research conducted by Sari and Suryanawa (2016) states that role conflict has an influence on auditor performance, this means that all types of auditor profession both internal and external have a professional code of ethics that must be obeyed by members of the profession, so the possibility of role conflict can be happen.

Task complexity is an unstructured, confusing and difficult task (Sanusi and Iskandar, 2007). Some audit tasks are considered to be tasks of high complexity and difficulty, while others prescribe them as easy tasks. The complexity of the task faced by the internal auditor is

purposed as a complex task, consisting of many parts, different and interrelated with each other. In carrying out its complex tasks, the internal auditor requires high skill, ability and patience. However, sometimes in carrying out their duties as internal auditors, they are often under pressure because of the demands of performance and managerial. The internal auditor's profession is indeed very close to stress of work if the personnel are unable to control it. Bonner (1994) states that task complexity is unstructured, difficult to understand, and ambiguous. In complex tasks, the effort cannot directly or strongly influence performance, if the auditor does not add ability or experience. When tasks are more complex and unstructured, high effort will not help an auditor to complete an audit task. The results of research by Sanusi and Iskandar (2007) show that when auditors have complex or unstructured tasks, no matter how high the auditor's effort will be, it will be difficult to get the job done well so that it reduces the auditor's performance.

The importance of structuring the organizational structure of the company is not only to clarify the assignment, but also to control the internal system and avoid fraudulent practices carried out by internal companies including internal auditors. Locus of Control is needed to avoid that kind of practices, which is a personality or variable that can influence and control the deviant behavior of auditors (Ikhsan and Ishak, 2005). The results of Saputra's study (2012) state that internal locus of control possessed by internal auditors has a significant effect on performance. This means that the internal auditor who has an internal locus of control shows a higher performance than the internal auditor who has an external locus of control. When compared with internal auditors who have an external Locus of control, internal auditors who have an internal Locus of control are more motivated to complete their jobs, giving rise to satisfaction and will be able to improve their performance.

Accusation of financial reporting fraud sharpen attention to internal corporate control and internal auditors (Karagiorgos et al., 2011). The role of the internal auditor today is to be involved in meeting management needs, the most effective audit staff put management and organizational objectives above their plans and activities. Audit objectives are adjusted to management's objectives, so that the internal auditor itself is in a position to produce the highest value on things that management considers most important to the success of the organization (Karagiorgos et al., 2011). The risk of fraud committed by management or employees can reduce the reputation of the company in the business world, or can reduce the company's ability to maintain its continuity. This makes the internal auditor has a very complex task, in addition to implementing the internal control system in the company, also conducts audits in accordance with existing audit procedures and responsible for the managerial of the company. The complexity of this task is the dilemma in carrying out the duties of internal auditors.

Based on the explanation above, the problem to be examined is to examine the influence of role conflict variables, task complexity, role obscurity and locus of control on the internal auditor's performance.

RESEARCH METHOD

The research design used in this research is survey method. The population in this study were internal auditor staff in the internal audit department of hotel companies, especially star-rated hotels in Bali, which total of 160 hotels. From the calculation of the Slovin formula, a sample of 100 internal auditors staffs of five-star hotels in Bali is used. The sampling technique used in this study using simple random sampling, which is the method of selecting samples by

taking members of the sample from the population randomly without regard to the level in that population. This method is used because members of the population are considered homogeneous (Sugiyono, 2009).

Role conflict is measured by citing indicators of Sari and Suryanawa (2016) and modified by researchers such as human resources, not according to rules, and unclear directives. The task complexity variable is measured by an instrument developed by Risdayani (2003) which consists of 6 items to measure the complexity of the task of the survey participants. Role obscurity is measured by citing indicators developed by Agustina (2009) and modified by researchers such as authority, responsibility, clarity of purpose, and job description. Locus of control variables are measured by the instrument of The Work Locus of Control (WLCS) developed by Engko and Gudono (2007) consisting of internal and external locus of control. There are two factors variables measured by the performance construct, namely internal factors and external factors. Internal resources such as talent, ability, willingness and effort. While external sources consist of work environment, co-workers, and leaders (Maryani, 2010).

To test the hypothesis conducted in this study used a multiple regression analysis model with the following equation formula:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e \dots \dots \dots (1)$$

Where,

Y	= Performance Variable.	X ₄	= Locus of Control Variable.
X ₁	= Role Conflict Variable.	X ₂	= Task Complexity Variable.
X ₃	= Role Obscurity Variable.	α	= Constant.
β ₁ , β ₂ , β ₃ , β ₄	= Coeffisien of Independent Variable.	e	= Error.

RESULT AND DISCUSSION

This research conducted by data collection by distributing 100 questionnaires to star-rated hotels in Bali by targeting internal auditors. The questionnaire returned within 4 weeks as many as 66 questionnaires that were filled in completely. The details of the respondents who participated in filling out the questionnaire were based on sex: 56 men and 10 women. The results of testing the validity and reliability of the instrument indicate that the instrument used in this study is valid and reliable, as indicated by the item-total correlation coefficient variable greater than 0.3 and the significance is less than 0.05. The reliability test results show that the cronbach alpha value for all variables used in this study is greater than 0.70.

The results of normality testing with the One Sample Kolmogorov Smirnov Test showed the results of Asymp. Sig (2-tailed) of 0.436 which is higher than 0.05 so that the data is normally distributed. The results of calculating tolerance values indicate that all independent variables have a tolerance value of more than 0.10. The results of the calculation of the VIF value also shows that all independent variables have a VIF value < 10, so it can be concluded that there are no symptoms of multicollinearity between independent variables. Whereas, the result of heteroscedasticity test shows that all variables are not significant at 0.01 so it can be concluded that heteroscedasticity does not occur.

The results of regression of the research variable test states that the model summary shows the adjusted R² amount of 0.824, this means that 82.4% of the internal auditor

performance variables can be explained by the variation of the four independent variables namely role conflict, task complexity, role obscurity and locus of control while the rest (100%-82.4%=17.6%) is explained by other causes outside the model.

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	0.821 ^a	0.431	0.824	19.301
a. Dependent Variable: internal performance of auditor				

While the test results using SPSS can be seen from the table of coefficients (Table 2), t value of the variable task complexity and locus of control respectively -0.658 with probability of 0.004 and 0.010 with a probability of 0.002 then the probability is <0.005 which means there is a significant influence. Whereas, role conflict variables and role obscurity shows insignificant influences with probability values of 0.274 and 0.152 > 0.005.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	40.227	11.022		4.990	0.000
	konflik peran (Role Conflict)	0.119	0.089	0.136	1.103	0.274
	Kompleksitas tugas (Task Complexity)	-0.076	0.119	-0.076	-0.658	0.004
	Ketidakjelasan peran (Role Ambiguity)	0.006	0.021	0.017	0.043	0.152
	Locus of control	0.001	0.006	0.001	0.010	0.002

Based on the results of the data analysis above, it can be stated that hypotheses one and three are rejected because it gives results that role conflict and role obscurity do not have a significant influence on the internal auditor's performance and the two and four hypotheses are acceptable, so that it can be concluded that in the internal auditor's work, conflict can be minimized due to the complexity of the task. With the many duties of a professional auditor, organizational conflicts are almost forgotten. Likewise, role obscurity, in the auditor's profession, is very rare because the duties of a profession are clear and undergoing in their respective roles quite clearly. However, the internal auditor will feel disturbed if the work is too excessive, causing problems in self-confidence in completing these tasks, namely locus of control. Therefore, both of these things, both the complexity of the task and the locus of control have a significant influence on the performance of an internal auditor's profession.

CONCLUSSION AND RECOMMENDATION

Variable of role conflict and role obscurity do not have a significant influence on internal auditor performance. Role conflict and role obscurity can also arise when the auditor receives

several different commands and difficulties in adjusting the various roles that are held at the same time. However, in the case of internal auditors it does not occur, because it has a regular schedule and the implementation of a strict supervision system in hotel companies. While the complexity of the task and locus of control shows a significant influence on the performance of the internal auditor of the hotel. This is because auditors are always faced with complex, many, different and interrelated tasks with each other. Task complexity is an unstructured, confusing and difficult task. And, Locus of Control (LOC) is a person's perspective on an event whether he can or cannot control the events that occur to him. Locus of control is divided into internal locus of control and external locus of control

Suggestions for further research are to pay more attention to other variables that are likely to have a relationship with internal auditor performance such as organizational culture, competence, work pressure, work stress and other variables that lead to a person's psychological factors.

REFERENCES

- Agustina, L. (2009). The influence of role conflict, uncertainty of role, and excess role against job satisfaction and auditor performance (Research on public accounting firm partnering with big four public accountant office in dki jakarta region). *Jurnal Akuntansi*, 1(1), 40-69.
- Engko, C., & Gudono. (2007). *Effect of task complexity and locus of control on the relationship between leadership style and auditor job satisfaction*. Simposium Nasional Akuntansi X, Makasar
- Ikhsan, A., & Ishak, M. (2005). *Accounting for behavior: An overview of behavioral science*. Krista (Ed.), Penerbit Salemba Empat.
- Karagiorgos, T., Drogalas, G., & Giovanis, N. (2011). Evaluation of the effectiveness of internal audit in greek hotel business. *International Journal of Economic Sciences and Applied Research*, 4(1), 19-34.
- Lubis, A.I. (2011). *Accounting for Compliance*, (Second Edition). Jakarta: Salemba Empat.
- Sanusi, Z.M., & Iskandar, T.M. (2007). Judgment audit performance: Assessment of the effect of performance incentive, effort and task complexity. *Managerial Auditing Journal*, 22(1), 34-52.
- Saputra, K.A.K. (2012). Analysis of the effect of locus of control on the performance and job satisfaction of internal auditors with tri hita karana local culture as moderation variables (Research on Starred Hotel Internal Auditors in Bali). *Multiparadigm Accounting Journal (JAMAL)*, 3(1).
- Sari, N.P.E.R., & Suryanawa, I.K. (2016). Role conflict, unclear role, and role excess on auditor performance with time pressure as moderating. *E-Journal of Accounting at Udayana University*, 15(2), 1392-1421.
- Sawyer, L.B., Dittenhofer, M.A., & Scheiner, J.H. (2005). *Sawyer's Internal Auditing*. The Institute of Internal Auditors. Salemba Empat, Jakarta.
- Sugiyono. (2009). *Business Research Methods*. Alfabeta, Bandung.
- Yadnyana, I.K. (2006). The influence of internal auditor service quality on the effectiveness of internal control in four and five star hotels in bali. *AUDI Journal of the Faculty of Economics*, Udayana University.