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The Effect of Human Resources Competency, Managerial Control, Internal Auditor Role, Internal Control System, and Information Technology Utilization on the Quality of Financial Reports with Organizational Commitment as a Moderation Variable at the Belawan Marine and Fishery Surveillance Station

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ABSTRACT

Marine and Fishery Resources (MFR) Belawan station is a sub-section in the MFR Directorate General's Financial Report. Many factors affect the quality of financial reports, including human resource competence, managerial control, the role of internal auditors, internal control systems, and information technology.

The present study is quantitatively aimed at analyzing the influence of human resource competence, managerial control, the role of internal auditors, internal control systems, and the use of information technology on the quality of financial reports. This study included all the MFR Belawan Surveillance Station employees and 120 research samples. Data analysis using Smart PLS.

The research results show that competence, the role of internal audit, internal control systems, and information technology significantly affect the quality of financial reports. Meanwhile, managerial control does not affect the quality of financial reports. Based on the results of the moderation test, organizational commitment can moderate the influence of HR competence and information technology utilization on the quality of financial reports. However, organizational commitment cannot moderate the effect of managerial control, the role of internal audit, and internal control systems on the quality of financial reports.

Keywords: *human resource competence, managerial control, role of internal auditor, internal control system, utilization of information technology, quality of financial reports*

INTRODUCTION

Financial statements are media for an entity and media for the government to account for their financial performance to the public. Complex accounting practices need to publish financial information, even without coercion. Business and public institutions are voluntarily willing to present financial reports and disclose important information related to the organization to stakeholders (stakeholders). Financial reports are presented to stakeholders not to complicate and confuse readers but to assist them in making social, political, and economic decisions so that decisions can be of higher quality (Mahmudi, 2010).

The MFR Belawan Surveillance Station is a government institution at the echelon IV level which has working areas in 3 provinces, namely North Sumatra, Aceh, and Riau. In carrying out its duties and responsibilities, the MFR Belawan Surveillance Station is directly responsible to the Director General of Surveillance MFR, Ministry of Maritime

Affairs, and Fisheries of the Republic of Indonesia. Per the Regulation of the Minister of Maritime Affairs and Fisheries Number PER.04/MEN/2006 concerning the Organization and Work Procedures of the UPT in the Surveillance of Marine and Fisheries Resources, the Organizational structure of the MFR Belawan Surveillance Station consists of a Station Head who serves as Echelon IV and directly supervises Administrative Officers, Functional Position Group, and Head of Work Unit.

The MFR Belawan Financial Report as a form of accountability for implementing the State Revenue and Expenditure Budget. In this case, the Ministry must be prepared based on an adequate internal control system, and its contents have presented information on budget implementation and financial position properly and reasonably, per Central Government Accounting Standards.

Based on the Review Results of the MFR Belawan Surveillance Station Monitoring in the 2018-2022 period, several findings were found, namely the following:

Table 1. Findings of The MFR Belawan Surveillance Station Monitoring Review Result Notes for the 2018-2022 Period

No	Year	Findings
1	2018	There is a KDP, a development plan for the SDKP Langsa Satwas Office worth Rp. 49,460,000 (pending land availability at the construction site) has not been detailed.
2	2018	There are findings from the inspection results of the KKP Inspectorate General regarding the value of inventory balances, which do not reflect the actual conditions and cannot be trusted to be true.
2	2019	There are BPK-RI findings on the 2017 financial statements in the form of equipment and machinery fixed assets recorded in a severely damaged condition worth IDR 61,840,000, which have been discontinued and will be processed for write-off in the first semester of 2019
3	2021	There is a record of the inventory value that does not accommodate the use of the FIFO method according to the Letter of the Director General of the Treasury Number S-3/PB/PB.6/2021
4	2020	There are extra-comtable goods worth IDR 1,170,400, but the information on CalBMN has not been added.
5	2022	Some fixed assets have been discontinued in the amount of IDR 14,500,000, which have not been followed up with write-offs.

Source: MFR Belawan Surveillance Station Monitoring Review Results Notes

The phenomenon regarding the quality of financial reports is very interesting to study further because, in fact, in the government financial reports, there are still many data that are not appropriate and do not follow generally accepted accounting principles. In this case, in Ministries and Institutions, many central government financial reports have not been prepared according to established standards and have not met the required completeness and lack of evidence of transactions that can be found, including compliance with laws and regulations.

An entity or work unit to produce quality financial reports requires individuals who understand the preparation of financial reports, understand the accounting process, and follow the applicable principles and standards for preparing financial reports. This is because someone with a good understanding of accounting will produce quality financial reports.

The low quality of reports can be caused by the lack of implementation of the financial accounting system, the lack of understanding of accounting from the preparers of the financial statements themselves, or the lack of competency of human resources and the weak role of internal audit. Apart from that, preparing financial reports also requires human resources with sufficient experience.

Many factors affect the quality of financial reports, including the competence of human resources, managerial control, the role of internal auditors, internal audit, and information technology. The competence of human resources is a factor that influences the quality of government financial reports. Human resource competence is the ability to carry out the duties and responsibilities given to them with adequate education, training, and experience. So that in order to implement an accounting system, human resources must have adequate competence in order to be able to understand accounting logic well. Failure to understand accounting logic properly will impact financial reports being made wrong and reports not conforming to the standards set by the government (Yosefrinaldi, 2018).

Purnomo (2018) in his research stated that in order to produce quality financial reports, the government needs human resources who have good knowledge and competence in financial accounting. Another thing to consider is the competence of local government staff in preparing financial reports.

Managerial control can also affect the quality of financial reports. To produce quality financial reports in an organization, managerial control is needed. The managerial control system is all the efforts made to ensure that the organization's human resources are used effectively and efficiently in order to achieve an organizational goal, or the process is carried out to influence other people in an organization so that it can effectively and efficiently achieve organizational goals through certain strategies (Pratiwi & Amanah, 2019).

Daromes (2019), in his research, proved that managerial abilities positively and significantly influence the quality of financial reports. The quality of financial statements has a significant effect on firm value. A managerial control system is also needed to prevent problems arising from weak Surveillance and control in producing reliable financial reporting information. With good managerial control in an organization, the financial reports presented will be of higher quality and reliability.

The role of quality internal audit is the use of good technology in financial reporting systems. The quality of information in preparing financial reports is strongly influenced by the role of internal audit working in the preparation of financial reports. Internal audit will help the organization achieve its goals through a systematic and scheduled approach to evaluate and improve the effectiveness of the risk management process and efficiency and economy in company activities, adequacy of control, and management of controls (Armansyah & Kurnia, 2015). Internal audit has a very crucial role in the process of achieving predetermined company goals. The need for the concept of internal audit is due to the increasing scope of the company.

The role of the internal auditor has a close relationship with the quality of financial reporting because an internal auditor should have better knowledge of every aspect of the company so that it is more effective, also in detecting fraud in financial reports and can improve the quality of financial reports (Armansyah & Kurnia, 2016).

Zeyn's research (2019) proves that the role of government internal auditors as part of government internal control is an important management function in government. Local government internal auditors play a very important role in creating accountability and transparency in financial management and helping regional heads present generally accountable and acceptable financial reports. Nazaruddin & Syahrial (2017) stated that for the sake of the quality of financial reporting, there must be a quality internal audit role that uses good technology in financial reporting systems. The quality of information in preparing financial reports is strongly influenced by the role of internal audit working in the preparation of financial reports.

The internal control system can also affect the quality of financial reports. The internal control system is an integral process of actions and activities carried out continuously by leaders and all employees to provide adequate assurance of achieving organizational goals through effective and efficient activities, reliability of financial reporting, safeguarding state assets, and compliance with laws and regulations.

Leaders/superiors can direct their subordinates and oversee organizational resources against embezzlement or fraud through the internal control system. If an organization's internal control system is low, then the possibility of errors, inaccuracies, or fraud in the presentation of the organization's financial statements is very large. Mampanyuki's research (2020) proves that internal control is a process, policy, and procedure designed by management to ensure reliable financial reports and prepare reports following a standard accounting framework.

According to Widari & Sutrisno (2017), a high internal control system can minimize the occurrence of irregularities or fraud in the presentation of financial statements. It shows that the higher the internal control system, the higher the quality of financial reports.

The utilization of information technology also influences the quality of financial reports, especially reliability and timeliness. Utilization of information technology is the act of utilizing a set of tools that help generate, manipulate, store, and convey information. According to Yosefrinaldi (2018), using information technology can increase the effectiveness and efficiency of the internal control system using computer control. Besides that, the use of information technology can increase the accuracy of information.

Dachi (2019), in his research, stated that the use of information technology that has not been maximized will also affect the quality of local government financial reports. Information technology consists of parts that are used to process data,

Utilization of information technology (computers and networks) will greatly help speed up the processing of transaction data and presentation of government financial reports so that these financial reports do not lose the value of information, namely timeliness. Timeliness is one of the requirements or indicators of quality financial reports.

As a form of achieving organizational goals, organizational commitment is a factor that has an important role. Organizational commitment is the desire to remain a member of the organization. Someone who has a strong commitment to the organization will show a willingness to maintain his membership in the organization and try hard to achieve organizational goals (Ratifah & Ridwan, 2012)

In this study, organizational commitment is used as a moderating variable because organizational commitment has the potential to influence the relationship between HR competence, the role of internal audit, internal control systems and the use of information technology, and the quality of financial reports. Researchers argue that strong organizational commitment will encourage employees/employees to work hard to achieve agency goals. Quality financial reports are one of the objectives of each agency.

Referring to the results of previous studies, there is a research gap between one study and another. On the one hand, there is research that human resource competence, managerial control, the role of internal audit, internal control, and the use of information technology significantly affect the quality of financial reports, which is moderated by organizational commitment. However, on the other hand, some studies say it has no significant effect. For example, Supriana's research (2021) proves that simultaneously and partially, there is a positive and significant effect of human resource competence, implementation of financial applications, and government accounting standards on the quality of financial reports. Organizational commitment can moderate the correlation of the influence of human resource competence on the quality of financial reports.

In contrast, Ydantara's research (2023) proves that human resource competence, internal control, internal audit role, and information technology use have no significant effect on the quality of financial reports. Likewise, Dewi's research (2020) proves that organizational commitment cannot moderate the effect of human resource competence and information technology on the quality of financial reports. However, organizational commitment can moderate (strengthen) the effect of internal control on the quality of financial reports.

LITERATURE REVIEW

Central Government Financial Statements

Ministries' financial reports are part of the central government's financial reports as a form of government accountability for implementing the state budget in the form of Budget Realization Reports, Balance Sheets, Cash Flow Reports, and Notes to Financial Statements. Central Government Financial Reports are submitted to the DPR as accountability for State Budget implementation. Before being submitted to the Legislative Council, the Central government financial report is audited first by the Audit Board of the Republic of Indonesia. The financial reports of the MFR Belawan Surveillance Station, which have been prepared, include financial reports in the form of Budget Realization Reports, Balance Sheets, Operational Reports, Changes in Equity Reports, and Notes to Financial Statements.

Human Resource Competency

Human resource competence is the ability of human resources to carry out the duties and responsibilities delegated to them with the support of adequate education, training, and experience. Competent human resources will be able to understand accounting logic well. Human Resources refers to integrating one's intelligence and physical strength, whose behavior and traits are determined by heredity and environment (Young et al., 2017).

Managerial Control

Control is monitoring and inspection, and evaluation carried out by superiors as a form of avoiding risks within the organization to achieve the goals set by an organization (Rukmin et al., 2019). Meanwhile, managerial is a word related to managers, which means high skills necessary for every leader. Thus, it can be concluded that managerial control is a process that leads to actions and activities that are not only incidental and responsive to certain cases but are also continuously carried out by organizational leaders and all employees.

The Role of Internal Audit

Internal audit can be interpreted as an inspection and assessment activity within a company that aims to assist all levels of management in carrying out their responsibilities effectively. Institute of Internal Auditors (IIA) in Sawyer et al. (2009: 8) defines internal audit as follows: "An independent assurance control function within the organization to examine and evaluate the activities of the organization as a service provider to the organization." Internal audit performs independent and objective assurance and consulting activities designed to add value and improve an organization's operations

With an adequate internal audit, all deficiencies or errors and other actions detrimental to the company will be minimal. Internal audit has a very important role in supporting the effective implementation of internal control because, through this function, it can be maintained that all procedures, methods, or means which are elements of internal audit can be carried out as they should.

Internal Control System

The internal control system has an important role in realizing financial accountability. The internal control system is part of risk management that each institution or organization must implement to achieve the goals of the institution. The Association of Indonesian Public Accountants (IAPI) argues that internal control is a process carried out by the board of commissioners, management, and other members of the entity that is formed to ensure the achievement of three objectives, namely reliability of financial reporting, effectiveness, and efficiency of operations and, compliance with applicable laws and regulations (Sukrisno, 2012).

Information Technology

Fast, reliable, and accurate information in an environment full of uncertainties is necessary. This need can be met if the company invests in information technology (Rahmawati, 2018). Therefore, information technology is needed to support individual and organizational performance.

Information technology includes computer technology (computing technology) and communication technology (communication technology), which are used to process and disseminate financial and non-financial information. Information technology can be utilized effectively if individuals in the organization can make good use of the technology.

According to Dewi & Hoesada (2020), The development of information technology shows that financial data processing by utilizing information technology (networks and computers) provides many advantages in terms of accuracy/precision of operating results and its predicate as multipurpose. The utilization of information technology machines can reduce errors that occur.

Organizational Commitment

Robbins and Judge (2017:25) define commitment as a condition in which an individual sides with the organization and its goals and desires to maintain its membership. Meanwhile, Kuntjoro (2018) defines organizational commitment as a sense of identification (belief in organizational values), involvement (willingness to do their best for the benefit of the organization), and loyalty (desire to remain a member of the organization concerned) expressed by an employee towards his organization. Steers argues that organizational commitment is a condition where employees are very interested in their organization's goals, values, and goals. Commitment to the organization means more than just formal membership because it includes an attitude of liking the organization and a willingness to exert a high level of effort for the benefit of the organization in order to achieve goals.

Framework

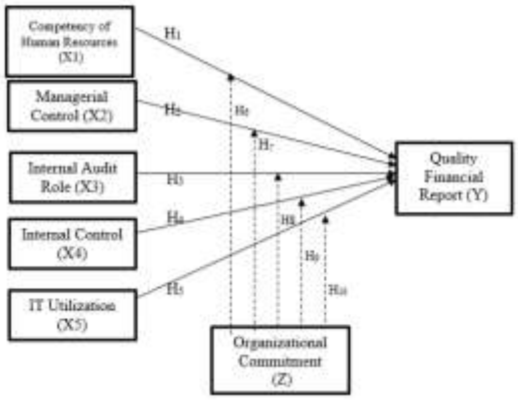

Figure 1. Framework

H1: The competence of human resources affects the quality of financial reports.
H2: Managerial Control affects the quality of financial reports.
H3: The role of the internal auditor affects the quality of financial reports.
H4: The internal control system affects the quality of financial reports.
H5: Utilization of information technology affects the quality of financial reports.
H6: Organizational commitment moderates the effect of human resource competency on the quality of financial reports.
H7: Organizational commitment moderates the effect of managerial control on the quality of financial reports.
H8: Organizational commitment moderates the effect of the role of the internal auditor on the quality of financial reports.
H9: Organizational commitment moderates the effect of the internal control system on the quality of financial reports.
H10: Organizational commitment moderates the effect of information technology utilization on the quality of financial reports.

MATERIALS & METHODS

The type of research used in this research is associative research. According to (Sugiyono, 2018), associative research aims to determine the effect or relationship between two or more variables. Using the associative research method, the influence of HR competence, managerial control, the role of internal audit, internal control systems, and information technology on the quality of financial reports with organizational commitment as a moderating variable will be known.

The data collection method used in this study was a survey method, namely a primary data collection method using oral and written questions. This method requires contact or a relationship between researchers and research subjects (respondents) to obtain the necessary data, so that this survey method is based on communication between researchers and respondents. The data collection technique that researchers use is a questionnaire.

The source of data used in this research is primary data. Data obtained from respondents was directly collected through field surveys using specific data collection techniques.

The population of this study was all employees engaged in administrative and functional positions at the MFR Belawan Surveillance Station and included the Langsa MFR Satwas, Asahan MFR Satwas, and Rokan Hilir MFR Satwas, totaling 120 people consisting of 1 Spending Treasurer. 3 Assistant Spending Treasurers, 60 people are administrative employees, and 56 functional employees

RESULT

Inner Model

Tests on the inner model are carried out by testing the path coefficient, R-square, effect size, and hypothesis testing.

Path Coefficient Analysis

Table 2. Path Coefficient value and p-value before moderation

Research variable	*Coefficient*	*P-Value*
HR Competence → Quality of Financial Statements	1.132	0.000
Managerial Control → Quality of Financial Statements	0.124	0.236
The Role of Internal Audit → Quality of Financial Statements	0.104	0.003
Internal Control System → Quality of Financial Statements	0.053	0.041
Utilization of Information Technology → Quality of Financial Statements	0.110	0.023

Sources: Results of data processing 2023

Based on Table 2 above, the effect of each independent variable on the model can be seen before it gets a moderating effect in influencing the dependent variable. So that the structural equation can be formed as follows:

LK Quality = 1.132 HR Competence + 0.124 Managerial control + 0.104 Internal Audit Role + 0.053 Internal Control System + 0.110 IT Utilization.

The structural equation before getting the moderating effect above can explain that the coefficient value produced by each variable is positive, meaning that each increase in the value of the independent variable by one unit can be assumed to increase the quality of financial reports according to the coefficient value produced by the independent variable.

After seeing the path coefficient values generated in the research model before moderation, then an assessment of the research model is carried out on the research model with moderation.

Path Coefficient Results with Moderation

Table 3. Path Coefficient value and p-value with moderation

Variable	*Coefficient*	*P-Value*
HR Competence → Quality of Financial Statements	1.059	0.000
Managerial Control → Quality of Financial Statements	0.100	0.199
The Role of Internal Audit → Quality of Financial Statements	0.023	0.001
Internal Control System → Quality of Financial Statements	0.136	0.008
Utilization of Information Technology → Quality of Financial Statements	0.093	0.009
Organizational Commitment* HR Competence → Quality of Financial Statements	0.101	0.015
Organizational Commitment*Control → Quality of Managerial Financial Reports	0.053	0.479
Organizational Commitment*The Role of Internal Audit → Quality of Financial Statements	0.021	0.737
Organizational Commitment*Internal Control System → Quality of Financial Statements	0.092	0.455
Organizational Commitment* Utilization of Information Technology → Quality of Financial Statements	0.087	0.006

Sources: Results of data processing 2023

Based on Table 3 above, it can be seen the influence of each independent variable in the model after moderation in influencing the dependent variable. So that the structural equation can be formed as follows:

Quality of Financial Reports = 1.059 HR Competence + 0.100 Managerial control+ 0,023 The Role of Internal Audit + 0.136 Internal Control System + 0.093 IT Utilization + 0.101 Organizational Commitment* HR Competence + 0.053 Organizational Commitment * Managerial Control + 0.021 Organizational Commitment * The Role of Internal Audit + 0.092 Organizational Commitment * Internal Control System + 0.087 Commitment Organization
* Utilization of Information Technology

The structural equation after the above moderation can explain that the coefficient value is generated by HR Competence, Managerial Control, Role of Internal Audit, Internal Control System, Utilization of Information Technology, Organizational Commitment, Organizational Commitment* HR Competence, Organizational Commitment*Managerial Control, Organizational Commitment*Role of Internal Audit, Organizational Commitment*Internal Control System and Organizational Commitment*Utilization of Information Technology each have a path coefficient with a positive value. This also shows that each increase in the value of a variable by one unit can be assumed to increase its effect on the quality of financial statements according to the resulting coefficient value.

R-Square Test Results

R-Square Test Results Before Moderation

The R Square value is the coefficient of determination in the endogenous construct with the condition that the R-square value is 0.67 (strong). 0.33 (moderate) and 0.19 (weak) (Chin. 2018). Based on the data processing that has been done, the R Square value is obtained before moderation which is presented in Table 4 as follows:

Table 4. Determination Test Results (R-square) before moderation

Variable Endogen	R-Square	Standard (0.67)	Conclusion
Quality of Financial Statements (Y)	0.993	0.67	Strong

Sources: Results of data processing 2023

The presentation of the data in Table 4 above shows that the R Square value obtained in this research model is 0.993. The acquisition of this value explains that the percentage of the quality of the financial statements can be explained by the independent variable, which is 0.993 or 99.3%. This means that HR competence, managerial control, the role of internal audit, internal control systems, and information technology utilization can explain the quality of financial reports by 99.3%. In comparison, the other 0.7% are explained or influenced by other variables not used in this study. Based on the R-Square value obtained in the research model before this moderation, namely 0.993, it can be said that it is included in the strong category.

R-Square Test Results with Moderation

Based on the data processing that has been done, the R Square value is also obtained with the moderating variable presented in Table 5 as follows:

Table 5. Determination Test Results (R-square) with moderation

Endogenous Variables	R-Square	Standard (0.67)	Conclusion
Quality of Financial Statements (Y)	0.994	0.67	Strong

Sources: Results of data processing 2023

The presentation of the data in Table 5 above shows that the R Square value obtained in this research model is 0.994. The acquisition of this value explains that the percentage of the quality of the financial statements can be explained by the independent variable, which is 0.994 or 99.4%. Means HR Competence, Managerial Control, Role of Internal Audit, Internal Control System, Utilization of Information Technology, Organizational Commitment, Organizational Commitment*HR Competence, Organizational Commitment*Managerial Control, Organizational Commitment*Role of Internal Audit, Organizational Commitment*Internal Control System and Organizational Commitment *Utilization of Information Technology can explain the quality of financial reports by 99.4%. In comparison, the other 0.6% is explained or influenced by other variables not used in this study. Based on the R-Square value obtained in the research model before this moderation, namely 0.994, it can be said that it is included in the strong category.

Effect Size Test Results (f^2)

The effect size value (f^2) indicates the interaction between the independent and moderating variables in influencing the dependent variable. The calculation of the effect size (f^2) is used to measure the contribution of each variable to the R-Square by looking at the f^2 values of 0.02, 0.15, and 0.35, which indicate that the model is small, medium, and large (Ghozali, 2015).

Based on the R-Square value calculated using SmartPLS, which can be seen in tables 5.12 and 5.13. above the effect size value can be calculated in this research model as follows:

$$f^2 = \frac{0.994 - 0.993}{1 - 0.994} = 0.166$$

Based on the effect size calculation results above, the organizational commitment variable contributes 0.166 to the quality of financial reports, which means it is included in the medium category.

Hypothesis Test Results

Hypothesis testing looks at the t-statistic values resulting from the bootstrapping process. The hypothesis is accepted (supported) if the resulting statistical value is greater than 1.96 with a significance level of 0.05 (two-tailed). Hypothesis testing is done twice. The first test tested the model without including the organizational commitment construct as a moderating variable. The results of the bootstrapping process for models without moderation in the SmartPLS program can be seen in Table 6 as follows.

Table 6. Hypothesis Testing Results Before Moderation

Hypothesis	Variable	T-Statistik	P-Value	Conclusion
H1	X1→Y	2,103	0.000	Ha accepted
H2	X2→Y	0.367	0.236	Ha rejected
H3	X3→Y	2.418	0.003	Ha accepted
H4	X4→Y	3.406	0.041	Ha accepted
H5	X5→Y	2.657	0.023	Ha accepted

Sources: Results of data processing 2023

Based on the test results in Table 6 above, it can be explained as follows:

1. The results of the H1 test obtained a statistical t value which showed a result of 2.103 > 1.96 and a p-value of 0.000 <0.05. Thus, it can be concluded that the hypothesis is acceptable, where there is an influence on HR competence (X1) on the quality of financial reports.
2. The H2 test shows no significant effect of managerial control (X2) on the quality of financial reports, as indicated by the t-statistic value of 0.367 < 1.96 and p-value 0.236 > 0.05, so the hypothesis is rejected.
3. The H3 test obtained a t-statistic of 2,418 > 1.96 and a p-value of 0.003 <0.05, so the hypothesis is accepted. Thus, it can be concluded that there is a role for internal audit (X3) in the quality of financial reports.
4. The test results on H4 show a statistical t-value of 3.406 > 1.96 and a p-value of 0.041 <0.05, indicating an influence of the internal control system (X4) on the quality of financial reports, so the hypothesis is accepted.
5. Testing for H5 shows a t-statistic result of 2,657 > 1.96 and a p-value of 0.023 <0.05, meaning that using information technology (X5) in this study significantly affects the quality of financial reports, so the hypothesis is accepted.

Furthermore, the test is carried out by adding the organizational commitment moderating variable. Hypothesis testing looks at the t-statistic values resulting from the bootstrapping process. The hypothesis is accepted (supported) if the resulting statistical value is greater than 1.96 with a significance level of 0.05 (two-tailed). The results of the bootstrapping process for moderated models in the SmartPLS program can be seen in Table 7 as follows:

Table 7. Hypothesis Testing Results with Moderation

Hypo-thesis	Variable	T-Statis-tik	P-Value	Conclusion
H6	Z*X1→Y	2.014	0.015	Ha accepted
H7	Z*X2→Y	0.578	0.479	Ha rejected
H8	Z*X3→Y	1.381	0.737	Ha rejected
H9	Z*X4→Y	0.458	0.455	Ha rejected
H10	Z*X5→Y	1.998	0.006	Ha accepted

Sources: Results of data processing 2023

Table 7 shows the hypothesis testing, including organizational commitment as a moderating variable. The table above can be explained in the points below:

1. The multiplication of the organizational commitment variable with the HR competency variable (Z*X1) shows that the organizational commitment variable can moderate HR competency (X1) on the quality of financial reports (Y). This can be seen from the t-statistic value of 2.014 and the p-value of 0.015. The hypothesis is accepted because the resulting statistical value is greater than 1.96, and the p-value is smaller than 0.05.
2. Z*X2, the interaction between organizational commitment and managerial control, has a t-statistic value of 0.578, which is smaller than 1.96, and a p-value of 0.479, greater than 0.05.
3. Z*X3, which is the interaction between organizational commitment and the role of internal auditors, has a t-statistic value of 1,381, which is smaller than 1.96, and a p-value of 0.737, greater than 0.05.
4. Z*X4, the interaction between organizational commitment variables and the internal control system, has a t-statistic value of 0.458, smaller than 1.96, and a p-value of 0.455, greater than 0.05. So, it can be concluded that organizational commitment cannot moderate the effect of the internal control system on the quality of financial reports.
5. Z*X5, the interaction between the variables of organizational commitment and the use of information technology, has a t-statistic value of 1,998, greater than 1.96, and a p-value of 0.006, less than 0.05. So, it can be concluded that organizational commitment can moderate the influence of information technology on the quality of financial reports.

CONCLUSION

Based on the results of the research and discussion in the previous chapter, several conclusions can be drawn as follows:

1. HR competence significantly affects the quality of financial reports of the MFR Belawan Surveillance Station.
2. Managerial control does not affect the quality of financial reports of the MFR Belawan Surveillance Station.
3. Internal audit significantly affects the quality of financial reports of the MFR Belawan Surveillance Station.
4. Internal control significantly affects the quality of financial reports of the MFR Belawan Surveillance Station.
5. The use of information technology has a significant effect on the quality of financial reports of the MFR Belawan Surveillance Station.
6. Organizational commitment moderates the influence of HR competence on the quality of financial reports of the MFR Belawan Surveillance Station.
7. Organizational commitment cannot moderate the effect of managerial control on the quality of financial reports of the MFR Belawan Surveillance Station.
8. Organizational commitment cannot moderate the effect of internal audit on the quality of financial reports of the

MFR Belawan Surveillance Station.

9. Organizational commitment cannot moderate the effect of internal control on the quality of financial reports of the MFR Belawan Surveillance Station.
10. Organizational commitment moderates the effect of the information technology utilization on the quality of financial reports of the MFR Belawan Surveillance Station.

RESEARCH LIMITATIONS

The limitations of this research are:

1. The data collection instrument only uses a questionnaire. Hence, the research data is only in the form of perceptions about the factors that affect the quality of financial reports and does not describe the overall condition of preparing financial reports at the MFR Belawan Surveillance Station.
2. The scope of the research is only at the agency sub-unit level, namely at the MFR Belawan Surveillance Station, so it cannot describe the condition of the quality of financial reports at both the Technical Implementation Unit and Ministry levels.

SUGGESTION

Based on the limitations of the research, the suggestions given to make future research input are as follows:

1. To the leadership of the MFR Belawan Surveillance Station, it is recommended to increase attention to the factors so that the quality of financial reports can be further improved.
2. To the employees of the MFR Belawan Surveillance Station, it is suggested to increase organizational commitment further to improve managerial control, the role of internal audit, and the internal control system to further improve the quality of financial reports that have been achieved.
3. To other researchers, conducting similar research on a wider scale is suggested to obtain more reliable results.

Declaration by Authors

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