

**THE INFLUENCE OF INDEPENDENCE, MANAGEMENT SUPPORT,
AND TRANSFORMATIONAL LEADERSHIP ON THE AUDIT
INTERNAL EFFECTIVENESS
(Empirical Study of Representatives of Badan Pengawasan Keuangan dan
Pembangunan DIY)**

***PENGARUH INDEPENDENSI, MANAGEMENT SUPPORT, DAN GAYA
KEPEMIMPINAN TRANSFORMATIONAL TERHADAP EFEKTIVITAS
INTERNAL AUDIT
(Studi Empiris kepada Perwakilan Badan Pengawasan Keuangan dan
Pembangunan DIY)***

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Abstract: The Influence of Independence, Management Support, and Transformational Leadership on the Audit Internal Effectiveness (Empirical Study Of Representatives Of Badan Pengawasan Keuangan Dan Pembangunan DIY). This study aims to determine the influence of Independence, Management Support, and Transformational Leadership on the Effectiveness of Internal Audit. The sample in this study is the government internal auditor at the BPKP DIY Representative. The sampling technique uses convenience sampling. A minimum value for the sample as many as 40 samples. Data collection techniques using a questionnaire and answers measured using a Linkert scale. The data analysis technique used is multiple linear regression test. From the results of the study note that Independence has a significant effect by the t-value of 2.088 and a positive impact. Management support also has a significant effect which t-value of 2.740 and a positive impact. Transformational Leadership does not affect with t-value of 0.231. Independence, Management Support, and Transformational Leadership simultaneously influence the effectiveness of Internal Audit with a calculated F value of 6.361 and an adjusted R square value of 0.203

Keywords: Effectiveness of Internal Audit, Independence, Management Support, Transformational Leadership

Abstrak: Pengaruh Independensi, Management Support, dan Gaya Kepemimpinan Transformational Terhadap Efektivitas Internal Audit (Studi Empiris kepada Perwakilan Badan Pengawasan Keuangan dan Pembangunan DIY). Penelitian ini bertujuan untuk mengetahui pengaruh Independensi, Dukungan Manajemen, dan Gaya Kepemimpinan Transformational terhadap Efektivitas Internal Audit. Sampel dalam penelitian ini merupakan auditor internal pemerintahan pada Perwakilan BPKP DIY. Teknik pengambilan sample yaitu menggunakan teknik convenience sampling. Nilai minimal sample yang dibutuhkan yaitu 40 sample. Teknik pengumpulan data menggunakan kuesioner dan jawaban diukur menggunakan skala linkert. Teknik analisis data yang digunakan adalah uji regresi linear berganda. Dari hasil penelitian diketahui bahwa Independensi berpengaruh signifikan dengan nilai t-hitung sebesar 2,088 dan berpengaruh positif. Dukungan Manajemen juga berpengaruh signifikan dengan nilai t-hitung

sebesar 2,740 dan berpengaruh positif. Gaya Kepemimpinan Transformational tidak berpengaruh dengan nilai t hitung sebesar 0,231. Independensi, Management Support, dan Transformational Leadership berpengaruh secara simultan terhadap Efektivitas Internal Audit dengan nilai F hitung sebesar 6,361 dan nilai Adjusted R square sebesar 0,203.

Kata kunci: Efektivitas Internal Audit, Independensi, Dukungan Manajemen, Gaya Kepemimpinan Transformational

INTRODUCTION

Public Sector Organisations operate in a very complex and turbulent environment (Bastian, 2014). Therefore organisations need professionals who can be given responsibility for managing the organisation so that organisational goals can be achieved (Ahmad & Septriani, 2008). These professionals are called managers or agents. Agents play a role in leading, managing, controlling, managing and developing organisations. Agents who are given the power to manage the organisation for the interests of stakeholders, in this case, will potentially lead to conflicts of interest (Ahmad & Septriani, 2008). In the case of public sector organisations that have many stakeholders, stakeholders often compete in interests. Organisational elected officials who play critical roles in organisations or often do not agree to give top priority to several stakeholders who have different interests (Dawson, Denford, & Willi, 2017).

A conflict of interest in running an organisation will increase uncertainty and reduce the accuracy of the organisation's financial information (Eisenhardt K. , 1989). As a result of conflicts of interest that occur,

then there is a need for control so as not to harm and can increase the value of organisational financial information for stakeholders. Monitoring is carried out not only with financial control but also various non-financial control factors. Kaplan and Norton (1996) suggest that controlling non-financial performance will also affect financial performance improvement. Stakeholders can find out the performance of an organisation by developing an audit function that works independently to provide an assessment of effectiveness (Tugiman, 2000). Therefore we need the role of internal auditors to oversee and improve performance.

According to Presidential Regulation of the Republic of Indonesia, Number 192 of 2014 Article 2 and 3 concerning the *Badan Pemeriksa Keuangan dan Pembangunan* (BPKP), BPKP has to carry out governmental affairs in the field of state / regional financial supervision and national development. In carrying out its duties, BPKP carries out functions including to formulate national policies on internal surveillance of state or regional financial accountability and national development and

to coordinate the implementation of internal oversight of accountability with other government internal control officers (BPKP, 2019). According to the Institute of Internal Auditors (IIA, 1999a), internal auditing is an objective independent and consultative activity and is designed to add value and enhance organisational operations. Internal audit helps the organisation achieve its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of the management, control and governance processes. The scope of internal audit does not only concern the truth and fairness of mathematical calculations but covers all aspects of the organisation of the company. Therefore, internal auditors must pay attention to every element in the internal audit attribute standards according to IIA (2012), namely: 1) Purpose, Authority, and Responsibility, 2) Independence and Objectivity, 3) Professional Skills and Care Because, 4) Guarantee Program Quality and Improvement.

However, in its implementation, there are still cases in public sector companies that can be harmful to companies and stakeholders, namely in PT Garuda Indonesia, wherein the 2018 financial report Garuda acknowledged a profit of around Rp 11 billion. However, the report was considered odd, and at this time, the financial statement was declared no longer valid. The

case involved the management of Garuda Indonesia (Putra, 2019). From this case, the Ministry of Finance imposed sanctions on Garuda as an issuer, director and commissioner collectively (Laucereno, 2019). According to Tempo.co, besides this case, Garuda Indonesia was also involved in the smuggling of goods involving four directors (Rosana, 2019). In some of these cases, Garuda Indonesia is the concern of the Ministry of BUMN. The Ministry of BUMN said that the role of commissioners is crucial in the implementation of BUMN performance, so it is necessary to strengthen the position of commissioners. A staff of BUMN Minister Arya Sinulingga told the Tribune Bisnis media that this case was initially from a public report, but Garuda Indonesia's internal auditor also played a role in dismantling the incident involving the Garuda leadership (Pratama, 2019). This case shows that the leader is very influential in the course of the organisation.

In addition to the cases above, there are still cases that can be found by internal government auditors, one of which is the Public Corporation Pegadaian in 2004, which indicates corruption cases. Police Headquarters investigators arrested three suspects in a corruption case at the Kebayoran Baru branch pawnshop (BPKP, 2004). The total loss value, in this case, is IDR 5.5 billion. The three suspects are responsible for inflating the replacement of

pawned goods/funds to replace lost customer assets. The replacement value should be a maximum of 125%, but the three suspects increased funds to 300%. The corruption case was an audit finding by BPKP.

The two cases above show that the effectiveness of internal audit is very influential for the running of an organisation, especially in public sector organisations. The lack of effectiveness of internal audit in public sector organisations can trigger public distrust of internal government auditors that have an impact on public sector organisations in Indonesia. Therefore, it is necessary to increase effective internal control by government auditors so that the performance of public sector organisations can be more reliable. Internal audit department is needed because of agency theory which the principal considers that agents have their own interests. So there needs to be oversight of the performance of organisations, including public sector organisations. Then the performance goes according to the plan to achieve Good Corporate Governance. For good audit results, internal audit effectiveness is needed so that the information presented both financial and non-financial is appropriate to the state of the organisation.

The effectiveness of the internal audit is the value of performance results that cannot calculate but objective results which are assessed from evaluations of management

performance (Cohen & Sayag, 2010). Several criteria can be concluded by Albrecht (1988) in determining the effectiveness of Internal Audit, namely the conformity of work results with the goals set by management, internal auditor qualifications, management support for staff, and some characteristics found in the internal audit department. If the performance of the internal audit department is carried out effectively, it will support the achievement of objectives.

Internal auditors must carry out audit tasks independently. Based on the provisions contained in the Public Accountants Professional Standards (SPAP) book Auditing Standards (SA) Section 220, Statement on Auditing Standards (PSA) No. 4, an internal auditor must be independent which means not easily influenced. Internal auditors work for a company so that it carries out tasks for the public interest and achievement of company goals. Therefore an independent attitude is needed to provide input for operational improvement.

In addition to being independent of the internal auditor, management support also influences the effectiveness of the internal audit. In research (Cohen & Sayag, 2010) and (Alzeban & Gwilliam, 2014) show that management support is one of the variables that significantly influence the effectiveness of the internal audit. The findings of the audit conducted by the internal department are taken into consideration for management in

making decisions. Therefore, if management does not provide support in both the audit process and audit findings, the effectiveness of the internal audit cannot be achieved.

Also, to support management, the effectiveness of the internal audit is influenced by the leadership style of audit leader (leadership). According to Dal Mas, leadership styles that influence the effectiveness of internal audit are 1) Transformational leadership, 2) Transactional leadership, and 3) Laissez-faire leadership. Dal Mas (2018) in research on private and public sector organisations, state that the Transformational and Transactional leadership style of the Chief Executive Executive (CAE) affects the effectiveness of Internal Audit.

Based on the explanation above, this study is entitled "The Influence of Independence, Management Support, and Transformational Leadership on The Audit Internal Effectiveness (Empirical Study of Representatives of Badan Pengawasan Keuangan dan Pembangunan DIY)".

Internal Audit Effectiveness

According to the International Standards on Auditing / ISA (2009) and the International Standards of Supreme Audit Institution / ISSAI (2010), the internal audit function is an assessment activity provided to provide service functions including testing, evaluating, and monitoring the adequacy and

effectiveness of the company's internal controls. The effectiveness of internal audit is the ability of internal control systems that are planned and determined to be able to realise the objectives of the reliability of financial reporting, compliance with applicable laws and regulations, and operational effectiveness and efficiency. An effective internal audit function according to (Cangemi & Singleton, 2003) and (Cohen & Sayag, 2010) if it can achieve the objectives of internal audit, in improving the efficiency and effectiveness of internal control in an organisation. According to Beckmerhagen, Berg, Karapetrovic, and Willborn (2004), the auditor's effectiveness assessment is not only measured by the achievement of objectives but compares the achievement of the audit with the audit process. So that the indicators used in measuring the effectiveness of internal audit are 1) the auditor's understanding of applicable audit standards, 2) the auditor can be guided by applicable audit standards, 3) planning and identifying prime objectives, 4) evaluating the auditor's ability to find fault.

Agency Theory

Public organisations have many stakeholders who often have competing interests. Elected officials who play a crucial role in the oversight of public organisations rarely agree on overall goals and priorities for the actions of governments or other

stakeholders (Dawson, Denford, & Willi, 2017). Under the view of agency theory, agents (management) are believed to be rational actors interested in maximising their utility, even at the expense of the principal, agents are believed to be opportunistic, and a key goal of governance under classical agency theory is for the principal to manage that opportunism through two primary mechanisms: financial incentives and governance structures (Jensen & Meckling, 1976). The board of directors (acting on the directives of shareholders) can create financial incentives, such as compensation based on stock price performance, which is believed to create alignment of objectives.

Independence

Independence is a position that is not bound by any party and is neutral. Auditor independence is an impartial perspective in conducting audit testing, evaluating audit results, and preparing audit reports. There are five indicators in measuring independence, namely (1) Work relations between the Internal Audit staff and between staff and superiors, (2) Approval in making decisions, (3) Ease of data access that can be carried out by the Internal Audit department (IA) of all company data, (4) Type of work carried out by IA (Cohen & Sayag, 2010).

H1: Independence of internal auditors has a positive effect on the effectiveness of the internal audit.

Management Support

Management support is a critical factor in determining the effectiveness of the internal audit. Management support is all forms provided and determined by the company to support work processes such as training and development, performance standards, equipment and technology (Gamayuni, 2016). Indicators that can be used to measure management support according to (Cohen & Sayag, 2010) are (1) Having the necessary resources, (2) Employing highly qualified staff, and (3) Conducting Training and Development.

H2: Management Support has a positive effect on the effectiveness of the internal audit.

Transformational Leadership

Leadership is the ability of leaders to influence employees in an organisation, so they are motivated to achieve organisational goals (Tondok & Andarika, 2004). Transformational leadership style is a determining factor that influences the attitudes, perceptions, and behaviour of employees where an increase in trust in the leader, motivation, job satisfaction and can reduce the number of conflicts that often occur in an organisation (Podsakoff, MacKenzie, & Bommer, 1996). To measure the Transformational Leadership variable according to Dal Mas (2018), can use four indicators, namely idealised influence (II),

inspirational motivation (IM), intellectual stimulation (IS) and individualised consideration (IC).

H3: Transformational Leadership Style audit leaders have a positive effect on the effectiveness of the internal audit.

RESEARCH METHOD

This research is a type of quantitative research where all the data studied are numerical and calculated using statistics. Judging from its characteristics, this study is a comparative causal study that shows a causal relationship of two or more variables consisting of independent and dependent variables (Sugiyono, 2017). The research conducted at the Badan Pengawasan Keuangan dan Pembangunan (BPKP) Special Region of Yogyakarta with the research period from December 2019 to January 2020. The population of this study are auditor in Yogyakarta Representative of Badan Pengawasan Keuangan dan Pembangunan (BPKP). The number of a sample that was appropriate in the study according to Roscoe in Sugiyono (2012) about 50 to 500, if the study uses multivariate test, so the number of samples is ten times the number of variables. So the minimum number of samples is 40.

Validity Test

To make a scientific study, it is necessary to have valid and reliable data measurements (Sekaran, 2006). To test the validity can be done by examining the correlation between the score of question items with the total score of the contract or variable. This significance test was carried out by comparing the value of r arithmetic with r tables for a degree of freedom (df) $n - 2$. The amount of n is the number of samples to test validity. In this study, as many as 30 respondents were used. The value of df is 28 with a Level of Significance of 5%, and the value of r-table is 0.361. There are the results of the validity test on the research instrument:

Internal Audit Effectiveness (Y)

Table 1: Internal Audit Effectiveness Validity Test

Item Statement	r-value	Information
1	0,818	Valid
2	0,818	Valid
3	0,789	Valid
4	0,929	Valid
5	0,817	Valid
6	0,734	Valid
7	0,573	Valid
8	0,585	Valid

Source: Primary data processed in 2020

Independence (X1)

Table 2: Independence Validity Test

Statement Item	r-value	Information
1	0,254	Not Valid
2	0,588	Valid
3	0,498	Valid
4	0,788	Valid
5	0,775	Valid
6	0,809	Valid

7	0,803	Valid
8	0,146	Not Valid
9	0,697	Valid
10	0,535	Valid

Source: Primary data processed in 2020

Management Support (X2)

Table 3: Management Support Validity Test

Statement Item	r-value	Information
1	0,674	Valid
2	0,702	Valid
3	0,497	Valid
4	0,690	Valid
5	0,549	Valid
6	0,729	Valid

Source: Primary data processed in 2020

Transformational Leadership (X3)

Table 4: Transformational Leadership Validity Test

Statement Item	r-value	Information
1	0,737	Valid
2	0,843	Valid
3	0,806	Valid
4	0,836	Valid
5	0,616	Valid
6	0,552	Valid
7	0,712	Valid
8	0,792	Valid
9	0,723	Valid
10	0,803	Valid
11	0,881	Valid
12	0,541	Valid

Source: Primary data processed in 2020

Reliability Test

The reliability measurement in this study used Cronbach's Alpha statistical test. Variables can be said to be reliable if they show a Cronbach's Alpha value > 0.70 (Ghozali, 2013). From the results of data

collection, it can be concluded that the results of the reliability test are as follows:

Table 5: Reliability Test

No	Variable	Cronbach's Alpha Value	Information
1	Evektifitas Internal Audit (Y)	0,852	Reliabel
2	Independensi (X1)	0,821	Reliabel
3	Management Support (X2)	0,710	Reliabel
4	Transformational Leadership (X3)	0,897	Reliabel

Source: Primary data processed in 2020

Preliminary Test

Normality Test

Normality test can be done by testing non-parametric statistics, the Kolmogorov-Smirnov test. To find out the normal distribution of data, it can be seen from the Sig (2-tailed) Asymp line where the probability comparison obtained with a significance level (α) 0.05, and if $p\text{-value} > 0.05$, then the data is typically distributed.

There is the result of the normality test :

Table 6: Normality Test

Variable	Sig	Asym. Sig (2-tailed)
Unstandardized residual	0,05	0,200

Source: Primary data processed in 2020

From the results of the normality test using Kolmogorov Smirnov known Asym values. Sig. (2-tailed) is 0.200 or higher than the significance value (α) of 0.05, so it can be concluded that the data in this study are normally distributed.

Linearity Test

A good correlation should have a linear relationship between the independent variable (X) and the dependent variable (Y). Both variables can be known to have a linear relationship if the significance of the test one by one variable X with variable Y produces a Linearity value of less than 0.05.

There is the result of the linearity test:

Table 7: Linearity Test

Variable	F-value	Sig.
Independence(X1)	7,626	0,009
Management Support (X2)	17,028	0,000
Transformational Leadership (X3)	6,890	0,012

Source: Primary data processed in 2020

From the results of the linearity test known all of the variable's sig is less than 0.05, so it can be concluded that the data in this study are linear.

Multicollinearity Test

If between independent variables correlate, then it shows that multicollinearity occurs. With the tolerance value, the Variance Inflation Factor (VIF) value must be above 10%. The Cut Off value commonly used to determine multicollinearity is a tolerance value ≥ 0.10 or equal to a VIF value ≤ 10 with a collinearity level of 0.95 (Ghozali, 2009). If it does not show such a value, then it does not occur multicollinearity, and the

regression model is feasible to use. There is the result of multicollinearity test :

Table 8: Multicollinearity Test

Variable	Tolerance	VIF
Independensi (X1)	0,968	1,033
Management Support (X2)	0,686	1,457
Transformational Leadership (X3)	0,693	1,444

Source: Primary data processed in 2020

From the results of the multicollinearity test above, it can be concluded that there is no multicollinearity between the independent variables in this study. Tolerance values of all independent variables show results of more than 0.10 and VIF values show results of less than 10.00. This indicates that the regression model is feasible to be used for further testing.

Heteroscedasticity Test

When the residual variance from one view to another is fixed, this can indicate heteroscedasticity. The occurrence of heteroscedasticity can be one factor that causes multiple linear regression models are inefficient and inaccurate (Fakhruddin, 2018). The method that can be used to determine heteroscedasticity is by the glacier test, which will regress independent variables with absolute residuals as the dependent variable. There is the result of heteroscedasticity test:

Table 9: Heteroscedasticity Test

Variable	Sig	Information
Independensi (X1)	0,129	Heteroscedasticity does not occur
Management Support (X2)	0,135	Heteroscedasticity does not occur
Transformational Leadership (X3)	0,425	Heteroscedasticity does not occur

Source: Primary data processed in 2020

From the results of the heteroscedasticity test, it can be seen that all independent variables have a significant value > 0.05, which indicates that the independent variables affect the dependent variable and heteroscedasticity does not occur. The test results show that the hypothesis test can use multiple linear regression test.

RESULT AND DISCUSSIONS

Result of Descriptive Statistic Analysis

Internal Audit Effectiveness

From the data calculated using analytical test equipment it is known that the Internal Audit Effectiveness variable has a minimum value of 35, a maximum of 48, a mean of 41.50, a median of 40, a mode of 40, std. Deviation 3,300, and range 13.

Independence

From data calculated using analytical test equipment, it is known that the Independence has a minimum value of 14, a maximum of 44, a mean of 28.61, a median of 28, a mode of 27, std. Deviation 7,565, and range 30.

Management Support

From the data calculated using analytical test equipment it is known that the Management Support variable has a minimum value of 19, a maximum of 34, a mean of 28.03, a median of 28, a mode of 30, std. Deviation 3.202, and range 15.

Transformational Leadership

From the data calculated using a statistical test tool it is known that the Transformational Leadership variable has a minimum value of 37, a maximum of 72, a mean of 28.3, a median of 59, a mode of 60, std. Deviation 5,640, and range 35.

Hypothesis Test Result

Multiple Linear Regression Test

Table 10: Multiple Linear Regression

Var	Coef. Regres sion	Sig	Adjusted R square	F
Cons.	26,723	0,000		
X1	0,104	0,041	0,203	6,361
X2	0,383	0,008		
X3	0,018	0,818		

Source: Primary data processed in 2020

Based on the results of the multiple linear regression test in table 20 shows the regression line equation as follows:

$$Y = 26,723 + 0,104 X1 + 0,383 X2 + 0,018 X3$$

From the regression line equation, it can be seen that the value of the regression coefficient both constant and independent variables show positive values, which means

the multiple linear regression equation has a direct relationship. Increasing the effectiveness of Internal Audit will increase in line with the increase in Independence, Management Support, and the Transformational Leadership Style.

The adjusted R square value of 0.203, which indicates 20.3% The effectiveness of Internal Audit is influenced by Independence, Management Support, and Transformational Leadership Style while 79.7% is influenced by other factors outside this study.

The effect of independence, management support, and transformational leadership style simultaneously affect the effectiveness of the internal audit, the calculated F value is 6.361. This value is higher than the F table of 2.755 so that independence, management support, and transformational leadership style simultaneously have a significant effect on the effectiveness of the internal audit.

H1: Internal auditor independence has a positive effect on the effectiveness of the internal audit.

Table 11: Hypothesis 1

Variable	Regression Coefficient	t-value	Sig
Constant	26,723		
X1	0,104	2,088	0,041
t Tabel :	2,000		

Source: Primary data processed in 2020

The t-value of 2.088 is higher than the value of t table 2,000, and a significance value of 0.041 is smaller than 0.05. This states that independence has a significant effect on the effectiveness of internal audit so that Hypothesis 1, which indicates there is a positive effect of Independence on the Effectiveness of Internal Audit, is accepted. Regression coefficient X1 of 0.104, which states that an increase in independence by 1 unit will increase the effectiveness of the internal audit by 0.104. These results indicate that the direction of the relationship between independence and internal audit effectiveness is positive. The results of this study are in line with research conducted by Rachmat Kasdiarto in (2015) which states that independence has a significant effect on the Effectiveness of Internal Control.

H2: Management Support has a positive effect on the effectiveness of the internal audit.

Table 12: Hypothesis 2

Variable	Regression Coefficient	t-value	Sig
Constant	26,723		
X2	0,383	2,740	0,008
t Tabel :	2,000		

Source: Primary data processed in 2020

The t-value of 2.740 is higher than the value of t table 2,000, and a significance value of 0.008 is smaller than 0.05. This states that management support has a significant effect on the effectiveness of

internal audit so that Hypothesis 2, which indicates there is a positive effect of Management Support on the Effectiveness of Internal Audit, is accepted. Regression coefficient X2 of 0.383, which states that an increase in management support by 1 unit will increase the effectiveness of the internal audit by 0.383. These results indicate that the direction of the relationship between independence and internal audit effectiveness is positive. The results of this study are in line with research conducted by Abdulaziz Alzeban and David Gwilliam in 2014 which states that there is a significant relationship of the independent management support variables to the effectiveness of the internal audit.

H3: Transformational Leadership Style audit leaders have a positive effect on the effectiveness of the internal audit.

Table 13: Hypothesis 3

Variable	Regression Coefficient	t-value	Sig
Constant	26,723		
X3	0,018	0,231	0,818
t Tabel :	2,000		

Source: Primary data processed in 2020

The t-value of 0.231 is smaller than the t table value of 2,000, and a significance value of 0.818 is higher than 0.05. This states that transformational leadership has no significant effect on the effectiveness of internal audit, so Hypothesis 3, which indicates there is a positive influence of

Transformational Leadership on the Effectiveness of Internal Audit, is rejected. The X3 regression coefficient of 0.018, which says that an increase in management support by 1 unit will increase the effectiveness of the internal audit by 0.018. These results indicate that the direction of the relationship between independence and internal audit effectiveness is positive.

The results are not significant to the influence of the Transformational Leadership Style on the Effectiveness of Internal Audit can be caused in leadership theory in Dal Mas's research (2018) transformational leadership is based on transactional leadership where indicators on transactional leadership affect the achievement of good transformational leadership. Bass (1985), in his book, also states that although transformational and transactional leadership are separate concepts, achieving effectiveness requires a combination of the two leadership styles.

CONCLUSIONS AND SUGGESTIONS

Conclusions

1. Independence, Management Support and Transformational simultaneously have a positive effect on the effectiveness of Internal Audit. This is evidenced by the results of the F test of 6.361 with a significance of 0.001. From the results of Adjusted R square also produced other factors outside this study influence an R

square value of 0.203 which concluded that 20.3% of the effectiveness of Internal Audit is influenced by Independence, Management Support and Transformational Leadership and by 79.7%.

2. If seen from the partially variable X, it is known that the t value of the independence variable is 2.088 or higher than t table and the significance value of 0.041 is smaller than 0.05 so that the independence variable has a significant effect on the effectiveness of Internal Audit. Higher the independence of internal auditors will be higher the level of effectiveness of the internal audit. The t value of the calculated Management Support variable is 2.740 or higher than t table so it can be concluded that Management Support has a significant effect on the effectiveness of Internal Audit and higher the Support from Management will be higher the effectiveness of Internal Audit. While the t value of the Transformational Leadership variable of 0.231 is lower than the t table and the significance value of 0.818 is higher than 0.05, so it can be concluded that Transformational Leadership does not affect the effectiveness of Internal Audit.

Research Limitation

1. This research was performed using a questionnaire technique in data collection.

In taking data, researchers can't meet directly with respondents so researchers can not control the answers of respondents.

2. This study has a limited number of respondents because researchers cannot directly give questionnaires to all auditors to BPKP DIY representative due to auditors have busy work at the beginning of the year so that not all auditors at BPKP DIY representatives can fill out questionnaires.
3. From the results of this study prove that not only Independence, Management Support, and Transformational Leadership can affect the effectiveness of Internal Audit. From these results, it can be seen that there are still many other factors that can affect the effectiveness of the Internal Audit.

Suggestions

1. For BPKP DIY Representative
 - a. Based on the results of the study, the audit leader at the BPKP DIY representative should use a combination of transformational and transactional leadership styles. Transformational and transactional leadership styles are two separate leadership styles, but to achieve higher effectiveness, it is better if the audit leader uses a combination of the two leadership styles.

- b. For the transactional leadership style, the audit leader is advised to increase the Individualized Consideration (IC). Personal approach in the group is sometimes necessary if members of the group feel excluded from the group if the approach is made professionally.
2. For BPKP Auditee
- The auditing agency should limit the granting of data access to the auditor. It is recommended that access to audited information provided to the auditor be limited to the data needed for the audit assignment and not to give the entire data set that is not related to the audit requirements.
3. For Further Research
- a. It would be better if the number of samples could be more extensive and expanded to generalise the results further.
- b. It is recommended to add other factors to find out the factors that can influence the effectiveness of the internal audit.
- c. It would be better if using a leadership style can use a transformational and transactional leadership style.

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