

The Effect of the Internal Control System, the Competency of Village Employees and Organizational Commitments on Village Physical Development in Galang District Deli Serdang Regency

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Abstract

The objectives of this study are to: 1) Analyze the effect of the internal control system on the physical development of villages in Galang District, Deli Serdang Regency; 2) Analyzing the influence of village apparatus competence on village physical development in Galang District, Deli Serdang Regency and 3) Analyzing the effect of organizational commitment on village physical development in Galang District, Deli Serdang Regency. The research was conducted in Galang District concerning the Effect of Internal Control Systems, Village Apparatus Competence and Organizational Commitment on Village Physical Development in Galang District, Deli Serdang Regency. The method of analysis used in this research is multiple regression analysis. The results showed that the internal control system has a positive and significant effect on the physical development of the village in Galang District, Deli Serdang Regency. The competence of village officials has a positive and significant effect on the physical development of the village in Galang District, Deli Serdang Regency. Organizational commitment has a positive and significant effect on the physical development of villages in Galang District, Deli Serdang Regency.

Keywords

internal control system;
village apparatus
competence; organizational
commitment; village
physical development



I. Introduction

One of the District in Deli Serdang Regency that conducts rural development is Galang District. Galang District consists of 29 villages with a total area of 150.29 Km². Problems in physical development in Galang District show that the development of road length by surface in Galang District from 2015-2019 shows no change, namely asphalt surface 48 kilometers and land 26 kilometers with moderate conditions (BPS Deli Serdang Regency, 2019), while development funds, such as Village Fund continues to be given for development in Galang District, as seen in Table 1.

Table 1. Amount of Village Funds in Galang District Deli Serdang Regency Year 2015-2020

Year	Amount (Rp)	Percentage From Previous Year (%)
2015	24.472.614.000,-	-
2016	22.819.728.000,-	-6,75
2017	21,605.374.000,-	-5,32
2018	18.784.586,000,-	-13,06
2019	21.144.618.000,-	12,56
2020	21.395.547.000,-	1,19

Source: BPS Deli Serdang Regency, 2020

The amount of village funds is adjusted and allocated based on the number of residents, area, poverty rate and geographical difficulty level, among others based on the level of physical infrastructure prices relatively between regions and variable availability of basic services, infrastructure conditions, transportation and communication. In the calculation of village funding based on basic allocation, formula allocation, affirmation allocation and performance allocation. Galang District since 2019 has received an additional allocation of village funds because it gets a performance allocation that is increasing the status of the village so that it gets an additional allocation of village funds. In addition, the fluctuation of the amount of village funds provided in Galang District is due to the policy of the Deli Serdang Regency Government in accordance with the development needs in the District. The above conditions show that the development plan has not been implemented properly in Galang District. Conditions in the village government of Galang District show that the level of accountability and transparency is still very low.

The problem of apparatus competency that occurs in the villages of Galang District is the lack of maximum coordination between the implementing party and the community, this is because the initial process of receiving village apparatus is not based on the basis of education and competence owned (*the right man on the right place*) but depends on who is considered capable and willing, as well as the intervention of the upper parties ranging from the District to the Regency so that the impact of resources can not develop. Human resources available as implementers of village apparatus have a minimum education jss. Limited knowledge and expertise possessed by human resources as village apparatus can result in improper management and use of development budgets.

II. Review of Literature

2.1 Theory of Regional Development

Development is an activity to increase, increase, improve or expand. The region is a group of areas exposed as a geographical unity in their shape and size (Sirojuzilam and Mahalli, 2010). According to Law No. 26 of 2007 on Spatial Planning, a territory is a space that is a geographical unity along with all related elements whose boundaries and systems are determined based on administrative aspects and/or functional aspects. In general, the territory is distinguished into 3 parts, namely Homogeneous Region, Nodal Region, and Administrative Region. Regional development basically has the meaning of increasing the value of regional benefits for the community of a particular region is able to accommodate more residents, with the level of community welfare that averages many facilities/infrastructure, goods or services available and community business activities are increasing, both in the sense of type, intensity, service and quality (Sirojuzilam, 2005). Public policy was meant as state wisdom, a decision meant to overcome certain problem, to conduct certain activity, or to achieve certain activity, which was done by the authorized institution as part of implementation of state's task and development. (Syakur, A. et al. 2020)

2.2 Internal Control System

To get a good internal control, according to Hartadu (2008) must be considered the principles that exist in an internal control of the company: 1). Qualified and trustworthy employees. Each of these officers is certainly given responsibilities in accordance with his skills, experience, and honesty; 2). Separation of authorities. The organizational structure must be well organized and clear so that on the one hand the workforce can be used

properly, but on the other hand at the same time there is a division of tasks for the purpose of internal control and 3). supervision. The work structure of each employee must be supervised and assessed by each of his/her superiors who are responsible for the work of their subordinates or employees.

2.3 Competencies

Competence is an ability to carry out or perform a job or task based on knowledge and skills and supported by the attitude of work required by the work. Competence shows skills or knowledge characterized by professionalism in a particular field as something important and superior in that field (Wibowo, 2007). Amstrong in Dharma (2004) suggests that competence refers to the behavioral dimension of a role or behavior that a person needs to be able to perform his work satisfactorily. According to the Decree of the Head of State Staffing Agency No. 46 A of 2003 stated that competence consists of Knowledge, Skills, and Behavior Attitudes. According to Wibowo (2007) competency indicators consist of Knowledge, Skills, and Attitudes.

2.4 Organizational Commitment

Handoko (2008), organizational commitment is the level at which a worker identifies with the company and its objectives and wishes to maintain its membership in the company. Desiana and Soetjipto (2006) suggest that commitment is seen as an orientation of values towards organizing that shows individuals are very concerned and prioritize their work and organization. Individuals will strive to give all their efforts in order to help the organization achieve its goals.

2.5 Physical Development of the Village

The development goals according to Giant *in* Sirojuzilam and Mahalli (2010) there are two stages, namely: The first stage, in fact development aims to eliminate poverty. If this goal has begun to be felt the result then the second stage is to create opportunities for its citizens to be able to live happily and fulfill all their needs. Rural development has an important role in the context of national development because it covers the largest part of the national territory. About 65% of Indonesians live in rural areas. Therefore, the development of rural communities must be continuously improved through the development of human resource capabilities in the countryside so that creativity and activities can be further developed and environmental awareness is higher (Adisasmita, 2006). The form of village development is to hold various development programs and projects aimed at creating village progress (Purba, 2006).

The experts have poured many ideas related to development which are expected to achieve the balance of nature and human needs. Various environmental ethics have become studies that are often voiced in efforts to preserve environmental ecology (Pandapotan and Silalahi, 2019). According to Ridwan et al (2020), Cological citizenship is a new idea that is strived to shape the awareness of citizens in forming a whole human being in the involvement of protecting the environment.

2.6 Frame of Mind

The research framework is as follows:

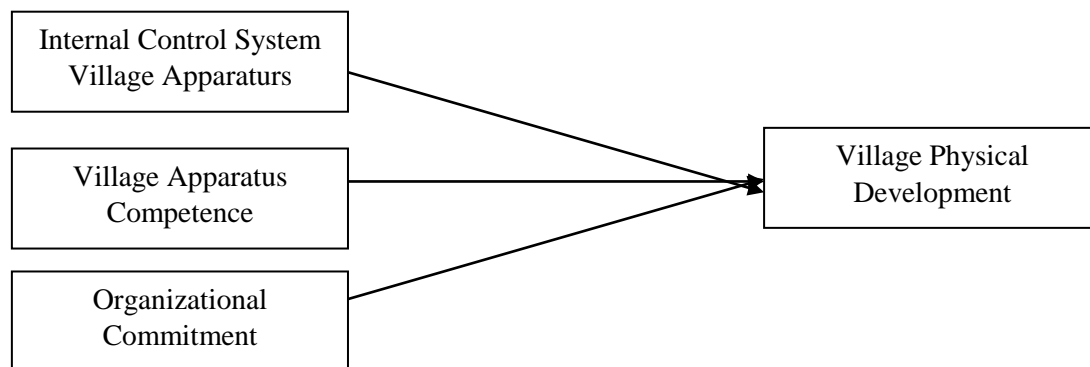


Figure 1. *Conceptual Framework of Research*

III. Research Methods

The type of research by explanation level is quantitative/associative/correlational, i.e. data analysis using inferential statistics (Rusiadi, et al.,2014). The method of analysis used in this study is multiple regression analysis. The research was conducted in Galang District, Deli Serdang Regency. The data needed in this study include primary data and secondary data. The samples will be selected using multi stage sampling method Next selected 4 (four) villages purposively. The score was conducted on the answers of respondents to question items in questionnaires (Sugiyono, 2003). The data analysis is done by instrument test by conducting analysis to know the validity and reliability.

IV. Results and Discussion

4.1 Effect of Internal Control System on Village Physical Development in Galang District Deli Serdang Regency

Internal control system variables with a regression coefficient value of 0.168 have a direct influence which means that each addition or increase in the value of one unit of variable score Internal control system will increase the value of Village Physical Development in Galang District Deli Serdang Regency by 0.168 per one score unit. The internal system control of the village government in Galang District is shown by: 1) The control environment is carried out by means of clarity of duties and authorities in the village government and the expenditure of money to the government is always documented on the evidence of cash expenditure; 2) Risk assessment is carried out by means of village apparatus always applying good behavior and norms in every activity, the authority given to the village apparatus in accordance with the level of responsibility is quite in accordance with the level of responsibility and the village apparatus establishes a good relationship with the relevant agencies in connection with the work program carried out; 3) Control activities are carried out by means of the village head always conducting performance reviews compared to performance benchmarks and safeguarding assets owned to avoid fraud (deliberate mistakes); 4) Information and communication is carried out by means of village government government has provided supporting tools for various transactions and presentation of financial statements such as hardware (hardware) and village government phas implemented a government management information system in the form of an

application system that can support the presentation of financial statements and 5) Monitoring is carried out by means of the village government always evaluates the advantages and weaknesses and makes recommendations to improve internal control.

4.2 Influence of Competency on Village Physical Development in Galang District Deli Serdang Regency

Competency Variables with a coefficient of regression value of 0.565 have a direct influence which means that each addition or increase in the value of one unit of competency variable score will increase the value of Village Physical Development in Galang District Deli Serdang Regency by 0.565 per score unit. Competency of village apparatus in Galang District is shown by: 1) Knowledge by means of village apparatus is able to understand the accounting cycle well and the main task, function, and description of the task is something that must be understood; 2) Skills by means of village apparatus are able to keep a journal for each transaction correctly and training related to the preparation of reports keuangan useful to develop the ability of village apparatus and 3) Attitudes by having social responsibility in the public interest. Have the will to develop themselves and learn continuously and can do work with good quality work.

4.3 Influence of Organizational Commitment to Village Physical Development in Galang District Deli Serdang Regency

Organizational commitment variable with a regression coefficient value of 0.263 has a direct influence which means that each addition or increase in the value of one unit of variable score organizational commitment will add the value of Village Physical Development in Galang District Deli Serdang Regency by 0.263 per score unit. Commitment organisasi village apparatus in Galang District is shown by: 1) the desire to survive as if it feels like having little choice to leave work and feel that life will be disrupted if leaving; 2) although there is a job offer elsewhere but will not move to work elsewhere; 3) have a sense of loyalty to the place of work; 4) have ethics in the work because it feels the similarity between the purpose of the place of cooperation with personal goals and 5) the existence of emotional feelings such as I feel part of the place of work and will make every effort to carry out duties as a village apparatus.

V. Conclusion

Based on the description of the results of the study, it can be concluded as follows:

1. Internal control system has a positive and significant effect on the physical development of villages in Galang District Deli Serdang Regency.
2. Competence of village apparatus has a positive and significant effect on the physical development of the village in Galang District Deli Serdang Regency.
3. The commitment of the organization has a positive and significant effect on the physical development of the village in Galang District Deli Serdang Regency.

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