

Operational Audit Of Human Resources (Case Study At PT. Jabarti Abazas Prima)

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ABSTRACT

This study aims to find out related to employee activities that have been determined, to determine the controls that have been implemented, and to find out whether operational audits of human resources can improve efficiency and effectiveness on the performance of company employees. In order to assess the effectiveness and efficiency of the company's operational activities.

The research method used in this study is to use a qualitative approach using descriptive methods where the results of data research are in the form of exposure to the results of the situation that has been studied and presented in the form of narrative variants or recommendations for companies. The data collection used are interviews, observation, documentation and literature study. Assessment of the effectiveness and efficiency of the company obtained from data sources in the form of secondary data, namely the history and development of the company, organizational structure, data on the implementation of human resources and documents related to research and also obtained data sources in the form of primary data, namely financial reports on operational activities and interviews with company manager.

The results of the study indicate that the policies contained in the company towards employee activities are in accordance with what has been determined. It can be concluded that the operational activities of human resources at PT. Jabarti Abazas Prima has not been effective and efficient because there are still weaknesses that have resulted in hampering the development of the company.

Keywords: *Operational Audit, Human Resources, Effectiveness, Efficiency, Factory Distributor*

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Introduction

The business world is growing rapidly which causes a lot of competition to occur, one of which is paying attention to the performance of human resources in the company in order to produce superior products that can compete with other companies. The operational activities of a company are said to be efficient if the products produced are in accordance with predetermined criteria and minimal use of company resources and funds. Effectiveness is stated if the company has achieved its goals in accordance with expectations. Factory distributor is a place that processes finished goods that have economic value for distribution, so that they should provide production results that are in accordance with established standards in order to obtain increased market demand.

As the object of research is PT. Jabarti Abazas Prima, where the main activity is to carry out trading activities in the form of subsidized and non-subsidized fertilizers. Factory distributor is a place that processes finished goods that have economic value for distribution, so that they should provide production results that are in accordance with established standards in order to obtain increased market demand.

Sales volume is a very important thing to continue to increase, because sales are one of the determining elements of the profit generated by the company. But at PT. Jabarti Abazas Prima in running its business is not effective so that the distribution does not run in accordance with the provisions that have been set. This has an impact on sales decline or sales get complaints from buyers due to late distribution that is not in accordance with the agreement. In accordance with the results of

Heslinawati and Heri's (2015) research, human resources affect the effectiveness of employee performance which can be seen in the performance achievement form obtained.

By implementing an operational audit within the company, it can be seen whether human resources have been running effectively and efficiently, especially in the distribution section which is an important component in the company.

Improving the competitiveness of human resources directed at improving and developing competencies is one of the steps used.

Based on the background and problems described by the author, the authors are interested in conducting research with the title "Operational Audit of Human Resources (Case Study at PT. Jabarti Abazas Prima)"

The purpose of this study is to determine the activities of employees that have been determined, to determine the controls applied and to determine whether the role of operational audit on the human resource function can increase the efficiency and effectiveness of employee performance at PT. Jabarti Abazas Prima.

In accordance with the formulation of the problem that has been described, the objectives to be achieved in this study are: a) To find out the activities of employees that have been set by PT. Jabarti Abazas Prima. b) To find out the internal control applied at PT. Jabarti Abazas Prima c) To find out whether the role of operational audit on the function of human resources can increase efficiency and effectiveness on the performance of employees of PT. Jabarti Abazas Prima.

Research Method

In this study the object used is PT. Jabarti Abazas Prima, located in Gunung Guruh, Sukabumi Regency, whose activities focus on distributing fertilizers. The data used in this study is qualitative which aims to obtain clarity regarding operational activities on the effectiveness and efficiency of human resources to determine a truth or strengthen the description of existing cases with data obtained through preliminary surveys, interviews and observations with primary data sources and Secondary data in this study are books, journals and theses related to the problem in the research conducted

The method of analysis carried out in this study uses descriptive qualitative methods which aim to process existing raw data into data that can be understood. The data analysis stage of this research is as follows: a) Preliminary examination is to obtain an overview of PT. Jabarti Abazas Prima in the form of history, location, structure and other supporting information. b) Reviewing and Testing Management Control, namely the researcher conducted a review and test of the data obtained on the management control of PT. Jabarti Abazas Prima. c) Detailed examination, namely the researcher analyzes the data that has been obtained using criteria, causes, and effects. d) Report Development and Formulation, namely making conclusions regarding the audit carried out and followed up by making recommendations as a result of the human resources audit at PT. jabarti Abazas Prima.

Results

Company Policy Against Employee Activities

The company has several policies regarding the activities of its employees so that they can carry out activities in the company to be directed, including: a) Employee activities are carried out on Monday-Friday and distribution activities are carried out on Monday-Saturday. b) The company guarantees the maintenance of occupational health and safety for employees who are in the office or on duty in the field. c) The company gives permission to employees due to illness / has a sudden need by providing information to management. d) The company provides salaries and allowances to company employees. e) Identify the aspects and impacts of each operational activity carried out. f) Conduct regular reviews of the goals and objectives to ensure their conformity to the company. g) Comply with the prevailing laws and regulations in Indonesia. h) Can provide sufficient resources to achieve the company's goals based on the principles of good corporate management. This policy is socialized to all employees of PT. Jabarti Abazas Prima.

Internal Controls That Have Been Implemented Against Employees

Internal control that has been implemented by PT. Jabarti Abazas Men in their employee activities are: a) Creating a company organizational structure which is a framework for planning and controlling operations as well as the influence of the control environment. b) Finance and administrative staff have recorded financial statements in accordance with generally accepted financial accounting standards. c) The company has provided rules regarding leave/sick leave to all employees of the company.

Operational Audit Implementation
General Condition of the Company
Number of Employees

The number of employees is 19 people, which are classified as follows:

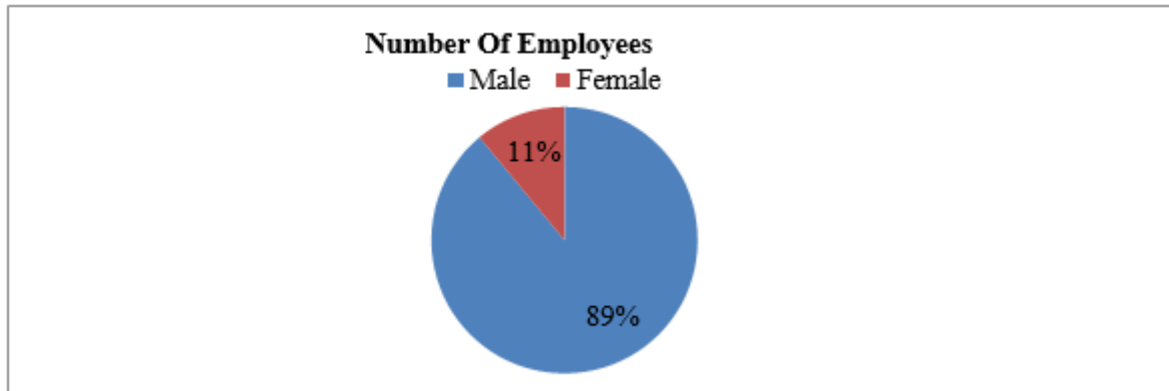


Figure 1 Number of Employees

Level Of Education

The education level of employees of factory distributors at PT. Jabarti Abazas Prima, as follows:

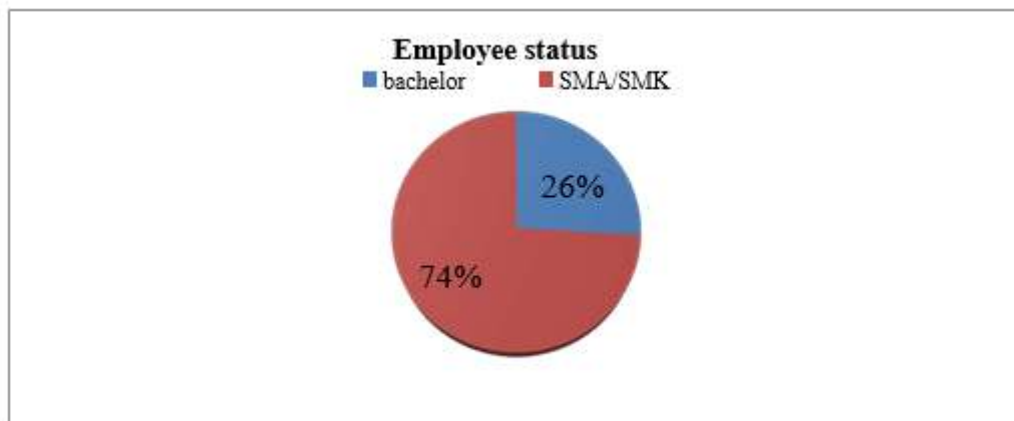


Figure 2 Employee Education Level

Working Hours Arrangement and Payroll System

The working hours regulations applied by PT. Jabarti Abazas Prima is 08.00 – 16.00 WIB as well as the distribution time is carried out at the company's operational hours.

Payroll system at PT. Jabarti Abazas Prima is using a monthly salary system. The monthly salary system is given to employees who work in the office or in the field. The salary range given by the company is Rp. 3,125,000 up to Rp. 10,500,000.

In addition to the basic salary provided by the company, the company also provides benefits to all its employees, namely: a) Holiday Allowance. b) Allowance for medical expenses and salaries

that will still be paid for employees who have work accidents. c) Insurance allowances paid by the company.

Management Control Review and Test

There are several things that are of concern to researchers in reviewing the management control system, especially those related to the program, Human Resources, namely: a) Objectives of the Human Resources Program Some programs are not implemented properly to support the company's goals. The company has formulated in a structured manner the objectives of the implementation of the human resource program, but its implementation has not been maximized, especially in the distribution of fertilizers which has caused the company to receive complaints from buyers. Researchers conclude that management control of human resource programs is relatively weak. b) Quality and Quantity of Human Resources PT. Jabarti Abazas Prima has not many employees, only 19 people and all of them are permanent employees/monthly employees. Each employee has a different task, for example, recruitment is carried out directly by the company leadership, payroll activities are carried out by the finance and administration department and so on, and distribution activities are carried out by the distribution division. c) Working Method PT. Jabarti Abazas Prima uses the guidelines that have been given by producers and directors but is still adapted to the needs that exist in practice, such as Regional Regulations, Manpower Laws and Managers making various operational standards. Judging from the work method, the researcher can conclude that the existing management control in the company is relatively strong. d) Program Budget In the human resources department at PT. Jabarti Abazas Prima are in accordance with their respective sections. So the researcher concludes that the program planning has been relatively strong. e) Job Specifications and Description Job specifications and descriptions at each job level have been clearly formulated. This is evidenced by the existence of an organizational structure owned by the company. f) Performance Appraisal Standard The company uses an assessment based on years of service with certain criteria. However, the standard of assessment is not shown openly to employees.

Detailed Inspection

Audit Purpose

The purpose of the audit carried out will be proven by researchers in an operational audit of the effectiveness and efficiency of the human resource function at the factory distributor of PT. Jabarti Abazas Prima is the organization of human resource programs at PT. Jabarti Abazas Prima has been effective and efficient in support the achievement of objectives and in accordance with applicable laws and regulations. The legislation used as a reference is Law no. 13 of 2003 concerning Manpower and other regulations that can be used as a reference.

Audit Procedures Used

a) Interview : Interviews were conducted with related parties at PT. Jabarti Abazas Prima. b) Observation : Observing events found directly in the field such as employee work activities. These results are documented as audit findings. c) Questionnaire Provide a questionnaire to the Manager of PT. Jabarti Abazas Prima. d) Documentation : The documentation in this research is in the form of written data that is collected and will be used as the basic criteria for the implementation of the human resources audit of PT. Jabarti Abazas Prima. The data obtained in this procedure include data on the number of employees, financial statements of operational activities, and documents that support the research results.

Finding Development

The researcher tries to assemble the findings and identify the findings as the root of the problems that occur in the development of the findings. a) Planning for human resource activities has been made containing the programs to be implemented. The preparation of this plan is carried out by involving other fields so that there is alignment of objectives. With the hope that the company's goals can be achieved optimally. Planning procedures have been made well, but there are some procedures that have

not been implemented properly and in 2020 there was a global pandemic, including Indonesia, namely the spread of the covid-19 virus which hampered the company's development. b) Structure and performance appraisal were prepared based on the results of work evaluations, government regulations and internal conditions. With the structure and performance appraisal as a measure of the success of human resources in determining performance such as remuneration and career development functions. c) Organizing human resource activities under the responsibility of the company leadership. In this section compile programs in the scope of employment or general activities that occur in the company area. The tasks given are very broad, making managers and staff aware that there are still weaknesses and trying to improve so that the objectives of implementing the effectiveness and efficiency of human resources can run on target and can achieve company goals.

Reporting

Based on the audit findings that have been found, the researcher can draw the following conclusions: 1) The human resource activity plan has been prepared by the company so that it can be used as a guideline. However, the implementation of the resource activity plan in the distribution division is said to have not been effective, because there are employees who have low responsibility for work, the distribution fleet cannot operate optimally and in 2020 Indonesia was hit by the covid-19 virus outbreak. Based on audit findings in 2018/2019 before the pandemic that was endemic in Indonesia, the distribution went quite well, the company did not receive any complaints from the buyer regarding the delay in distribution. 2) The recruitment function is said to be effective and efficient because it uses standard methods that apply in Indonesia. 3) Employee training is not implemented and is not in accordance with applicable regulations. So that employee training cannot be said to be effective and efficient. 4) The performance appraisal function has been documented so that it can be used as a guideline for internal appraisal standards for each employee at every level, but this appraisal system is not socialized to all employees. It can be said that the performance appraisal function has been effectively and efficiently carried out. 5) Health and safety functions have been created, for example health security and so on. The implementation has been maximized so that employees understand the importance of occupational health and safety. And it can be concluded that the function of health and safety has been effective and efficient. 6) The arrangement adopted by the company in fulfilling the rights and obligations between employees and the company has been based on regulations, conditions of the company or employees. 7) Company managers realize that there are still weaknesses and try to improve so that the objectives of human resource activities can run on target and can achieve company goals. 8) Implementation of the overall effectiveness and efficiency of the human resource function at the factory distributor of PT. Jabarti Abazas Prima can be said to have been effective and efficient in achieving company goals and in accordance with applicable laws and regulations, namely Law No. 13 of 2003 concerning Manpower.

Recommendation Formulation

Based on the weaknesses that have been found in the management audit on the implementation of the effectiveness and efficiency of human resources at PT. Jabarti Abazas Prima researchers formulate recommendations. The weaknesses are grouped into: 1) Weaknesses that occur in the policies made by the leadership. 2) Weaknesses that occur are caused by the company's internal control. 3) Weaknesses in distribution occur due to low employee awareness, educational status, operational fleets that do not work optimally and the COVID-19 pandemic which is still endemic in Indonesia. Recommendations: 1) Company leaders need to make policies on employee training and development. Development should be carried out for all employees so that they can have professional and good performance in the future. 2) The company is recommended to make SOPs for each employee's job so that they can know every standard operating procedure for each employee's job desk and strengthen weak internal controls so that in the future the company's internals can be controlled properly and can avoid fraud. 3) The distribution time carried out at 08.00 - 16.00 is said to be ineffective and inefficient because at that time there is a traffic density, the fleet owned by the company must be maintained regularly so that it does not have problems when distributing so that it can operate optimally and in a

timely manner. facing the current pandemic situation, companies can make distribution hours with per-shift time groups so that there are no distribution delays.

Conclusion

Based on the results of the study, it can be concluded that the company's human resources on employee activities are in accordance with the assigned tasks. The activities of employees in the company have been implemented in a directed manner and in accordance with procedures, however, policy making at the company is still considered weak and lacking because there is no policy regarding employee development policies. Internal control over employees that has been implemented is considered ineffective and still weak because in the company's internal control there is no employee SOP.

Operational audit of the human resources function at PT. Jabarti Abazas Prima can be said to have been quite effective, but distribution operations cannot be said to be efficient, because in these activities there are distribution delays.

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