The Influence of the Management Control System on Good University Governance withthe Internal Auditor's Role as Mediation*∗

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ABSTRACT

The objective of this study is to prove the role of the Internal Control System (SPM) on Good University Governance (GUG) with the internal auditor's role as mediation in the context of open and distance higher education (PTTJJ). The study assessed the effectiveness of SPM within the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission); GUG through indicators of audit findings, and the role of internal auditors through indicators of internal auditor competencies. The results of the test on 138 samples by using structural equation modeling (SEM) showed that the indicators of each variable valid and reliable. This study proves the effectiveness of SPM affects the GUG, but the internal auditor's role is not significant. Partial test results, only the auditor competence, either directly or as mediation do not even have a significant positive correlation. Thus in the context PTTJJ, the statement of Puspitarini (2012) and Sukirmanand Sari (2012) that this study does not support the effectiveness of the SPM role in the achievement of GUG through the internal auditor's role. Based on the findings, the competence of accounts should be improved, especially in time management, communication skills, how to search for evidence, and an explanation for the recommendation. Auditors were still influenced by the old paradigm that is as a watchdog, the representative of the Chairman and not as a catalysator and consultant. Even if the model fit as mediation has not been established, but this study confirm the indicators of the effectiveness of the SPM, the role of internal auditors and GUG. The more consistent management in implementing the COSO framework, the better management control systems, the auditor's competence and professionalism behave and act, the greater the role of internal auditors, and the less significant audit findings, the better GUG. Results of this research would be more interesting for further study if it were to be reexamined in the context of the higher education with different characteristics such as demographics, ownership status, and expanding research on the corporate level.

Typeof Paper: Empirical

Keywords:Good University Governance, fit, mediation, auditor internal.

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I.   Introduction

Services quality of State University (PTN) in Indonesia is considered unsatisfying (Sukirman and Sari, 2012). Breakthrough to overcome this is through the application of good university governance (GUG) (Anggriawan and Nurkholis, 2014). GUG can be seen as the application of the fundamental principles of the concept of "good governance" in the system and process of governance at institutions universities, through various adjustments to be made based on the values that should be upheld in higher education (Henard and Mitterle, 2010). GUG is not a single on mere administrative, but also on responsibility and joint efforts involving the participation of all constituents of the university. Therefore, GUG requires a robust system that can ensure the principles of GUG can be implemented correctly. The system is known as the internal control system functions, and roles escorted and confirmed its effectiveness by the Internal Control Unit (SPI) University. While the critical success factors of the role and the function of the SPI is the ability of internal auditors in carrying out the mandate of SPI (Sukirman and Sari, 2012). Thus, the relevance of these three factors (GUG, Internal Control Systems, and the ability of the internal auditors) become crucial in realizing excellent service of the university to the community.

Tests the effectiveness of the role and relationship of these three factors in particular in the PTN is still tiny, relatively partial, the measurement is not broad, and not in an alignment system model (fit). Sukirman and Sari (2012) through the regression test can prove the role of internal auditors on GUG. Puspitarini (2012) in addition to corroborating the findings Sukirman and Sari (2012) also demonstrated positive effect of the SPI unit on GUG. On the other hand, Anggriawan and Nurkholis (2014) through a case study in UB can evaluate the implementation, challenges and solutions related to the principles of GUG. The measurement of SPI on research Puspitarini (2012) derived from the internal audit professional standards that include independence, professional ability, the scope of work of internal audit, execution of inspection activities, and the internal audit management. The measurement of the role of internal audit in Sukirman (2011) implicitly depart from the essential functions of the auditor's task is researching, evaluating an accounting system as well as assessing the management policies implemented. The measurement of GUG is still moving from the implementation of the fundamental principles of GUG namely transparency, accountability, responsibility, independence and fairness (TARIF).

This study examined the effect of SPI on GUG with different approaches. First, the effectiveness of SPI seen deeper through the implementation of the internal control system within the framework of the COSO (Committee of Sponsoring Organizations of the Treadway Commission) made by management as a key partner of SPI. The existence of SPI is essential to ensure the system is implemented by the Directorate. Secondly, the role of internal auditors can be viewed directly from the competence, attitude and professionalism of internal auditors when carrying out the audit work. Third, the measurement of GUG is no longer directly refer toTARIF but rather a result of applying the TARIF itself is an improvement over the university management practices. Fourth, testing structural equation modeling (SEM) within the framework fit as mediation is done by connecting directly SPI with GUG and indirectly connect these two variables through the Role of the internal auditor, in one system. This research is expected to provide an overview of SPI's performance overall, strengthen contingency theory as fit, and implementation of GUG in Open and Distance Learning Higher Education (PTJJ). Thus, this study aims to prove the influence of SPM as a form of SPI effectiveness on GUG, either directly or indirectly through the role of the internal auditor.

2. Literature Review & Research Development

2. 1. Contingency Theory

Boezerooj (2006) states that one of the theories to explain the relationship between the organization and its context is the contingency theory. The best way to manage an organization associated with the adoption of a variety of variables such as structure, strategy or policy that fit with kontinjensinya. According to Donaldson (2001), the fit is what is needed so that organizations can run effectively.

Drazin and Van de Ven (1985) asserts that fit and the definition of fit that was adopted is critical in the development of contingency theory. Fit can be seen as the compatibility between two or more factors that could have an impact on the studied variables, such performance. Factor in the organization in question is the structure factor and organization process and organizational contextual factors

In the contingency theory, structure or governance, management accounting system (which includes internal control systems), as well as performance related to one another (Porter, 1985; Martin et al., 2005). Furthermore, contingent upon all relevant variables must be explicitly stated and testable (Drazin and Van de Ven, 1985). When they wanted to test the model on the simultaneous relations, is not sufficiently examined the association individually or partial, but it must be tested in a contingency system in order to produce a overall conclusion (Venkatraman and Prescott, 1990).

Fit of organization and context (the external environment and the characteristics of the organization) have positive implications on the performance (Venkatraman and Prescott, 1990). Assessing concept can fit through a variety of viewpoints, but Drazin and Van de Ven (1985) suggested that the systems approach is the view intact in the application of the concept of fit. Venkatraman (1989) adds that the fit may be present in many forms, one of which is fit as mediation

2.2. Internal Control System

Sourced from academic texts of UT's SPI (2009), in order to achieve organizational goals, the needed internal control system includes a control system procedures that are tangible and control substance that is intangible in order to monitor and ensure the alignment of all activities of the unit carried out by the organization to the strategy business strategy and other activities that have been established, and recommends corrective action if found any irregularities. Internal Control Unit (SPI) has a crucial role to ensure the internal control system with oversight and act as strategic partners

SPI carrying out its mission through a systematic and disciplined approach to help management achieve its objectives by:

a. To evaluate and improve the effectiveness of control risk management.
b. To evaluates the internal control system implemented at all levels of management independently and objectively.
c. To monitor reports, field monitoring, analysis, discussion, and make recommendations corrective action to maintain the alignment condition of the internal control and operational activities with the mission and goals of the PTJJ as a whole.

Following COSO Framework, the internal control includes five components: (1) control environment, (2) risk assessment, (3) control activities, (4) information processing and communication, and (5) monitoring.

2.3. The role of Internal Auditors

GUG implementation takes the role of internal auditors in charge of researching, evaluating an accounting system as well as assessing the management policies implemented. Internal auditors are one of the professions that support the realization of GUG which today has grown to be an important component in improving the effectiveness and efficiency of the University (Sukirman and Sari, 2012). Puspitarini (2012) and Sukirman and Sari (2012) proved the role of internal auditors on the GUG.

2.4. Good University Governance

GUG is crucial for a university; it is described Governance of Irish University (2007) in Henard and Mitterle (2010) as follows.

A robust system of governance is vital to enable organizations to operate effectively and to discharge their responsibilities as regards transparency and accountability to those they serve. Given their pivotal role in society and national economic and social development, as well as their heavy reliance on public as well as private funding, good governance is of particular importance in the case of the universities

GUG is not a single on mere administrative, but also on responsibility and joint efforts involving the participation of all constituents of the campus as it should be. In general, the principles of GUG still refers to the GG main principles of transparency, accountability, responsibility, and fairness (Puspitarini, 2012; Sukirman and Sari, 2012; Anggriawan and Nurkholis, 2014). The basic principles that should be followed in the administration of the higher education institution if it consistently wants to apply the concept of GUG. Application of these principles broadly is placed in almost any context of the problems that occur in the administration of the university.

The better GUG from the standpoint of SPI is when the audit did not find that material and significant findings. However, the focus of SPI's role shifting from watch dog role into the role of a strategic partner and a catalyst. Internal control becomes increasingly powerful and able to prevent misfit in the application of the principles of GUG.

2.5. Hypothesis Development

The internal control system is viewed as one of the variables that determine the college in achieving its objectives. The system was implemented by SPI to realize GUG (SPI-UT Academic Paper, 2009). Puspitarini (2012) proved that SPI positive role in the achievement of GUG. Those results confirmed the results of the study Sukirman and Sari (2012), which established the position of the SPI was derived from the enormous contribution of internal auditors in the achievement of the GUG.

In contrast to research Puspitarini (2012) and Sukirman and Sari (2012), through SEM, this study tried to look at the measurement of the internal control system, GUG, and the role of internal auditors in the different dimensions as well as build the model fit as mediation.

Indeed, the core functions of the SPI itself is to implement internal controls to identify and measure objectively and independently of the alignment of the implementation of the activity with the plan, policies, rules and regulations, systems for recording and reporting as well as human resource development system that has been set. Thereby measuring the effectiveness of SPI correctly is to look at the implementation of elements of internal control exist on the part of the strategic partner SPI (management). COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) mention five core components of internal control that is (1) control environment, (2) risk assessment, (3) control activities, (4)

information processing and communication, and (5) monitoring. On the other side of the internal auditor's role can be seen from the ability of internal auditors in carrying out the audit process. The GUG achievement can be seen from the significance and materiality of the findings of the audit. The most significant findings of, the better practices of GUG.

Based from thinking and previous studies, the research hypothesis can be stated as follows.

- H1: the management control system has positive influence on governance
- H2: management control system has positive influence on the role of internal auditors
- H3: the role of the internal auditor has positive effect on governance
- H4: management system control has positive effect on governance through the role of the internal auditor
- H5: simultaneous management control systems has significant positive effect on governance
- H6: form fit as mediation between management system control and governance through the role of the internal auditor

3. Research Methodology

The research method used survey design and testing hypotheses (Hypothesis testing) by testing the relationship of all the studied variables (causal research). By purposive sampling method on 138 strategic business unit of a PTJJ in Indonesia for the internal audit period 2012-2015. SPM Information obtained from the SPM assessment by the Auditor on the practice of SPM on the auditee units. Information Role of the Internal Auditor (AUDITOR) was obtained from the assessment of the chairman of the auditee units of competence audit team leader. Meanwhile Good University Governance (GOV) is derived from the findings resulting from the audit. SPM information and AUDITOR are taken through a questionnaire that has been tested for validity and reliability. According Ridgon and Ferguson (1991), and Doll, Xia, and Torkzadeh (1994) in Wijanto (2008), a variable is said to have good validity to construct or variable latent, if t-value of loading factors are greater than the value critical (or t-value> 1.96), and the value of Standardized Loading factors> 0.70. Meanwhile for reliability, Hair et al. (2007) states that a construct has an excellent reliability is if the value of Construct Reliability (CR) was> 0.70, and the value of Variance Extracted (VE) was> 0.50.

The only exogenous variables in this study are the SPM. SPM indicator refers to the COSO framework that includes (1) a controlled environment, (2) risk assessment, (3) control activities, (4) information and communication processing, and (5) monitoring. Endogenous variables in this study included two variables, GOV, and AUDITOR as a moderating variable. GOV consists of one indicator is the findings. AUDITOR consists of 8 (eight) indicators: (1) audit in general, (2) Communication, (3) Control of work (4) Time Management (5) How to find evidence, (6) Explanation of the auditor general condition, (7) explanation of the auditor on the findings, and (8) explanation of the auditor on the recommendation.

Structural model of alignment SPM and GOV as shown Figure 1 shows the relationship of exogenous latent variables, SPM, on endogenous variables, GOV, through endogenous variables, AUDITOR.
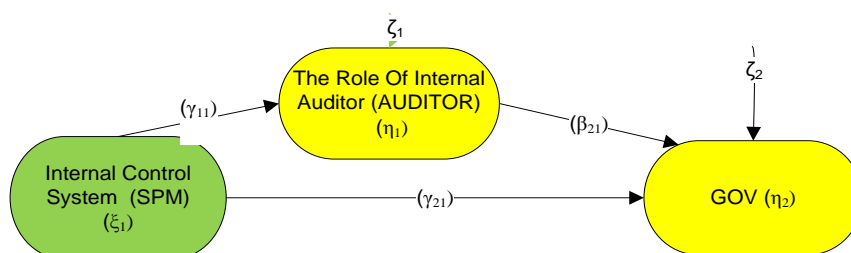
Figure 1. Research Structural Model

3.1.Analysis Method

In general the structural equation model, there are three primary relationships among the variables involved are indicated by coefficient parameters: (1) the structural effects of endogenous variables on other endogenous variables, denoted by β (beta), (2) a structural effect exogenous variables on endogenous variables, denoted by γ (gamma), and (3) the effect of the measurement of latent variables for unobserved variable or indicator, denoted by λ (lambda).

Estimated coefficient of unknown parameters can be obtained through iteration method, among others, maximum likelihood (ML) and generalized least squares (GLS). LISREL provide this analysis with two types of parameters, namely the original coefficient value and the standardized value.

3.2. Test of the Fit of Model to the Data

According to Hair et al. (1998) evaluation of the fit of the data to the model is done through several stages, namely, first Match Overall Model. Sourced from Wijanto (2008) and Ghozali (1998), the purpose of testing the suitability overall model is to evaluate the general degree of congruence or goodness of fit (GOF) between the data model by using some measure GOF or Goodness of Fit Indices (GOFI) that can use together or in combination. Hair et al. (1998) classify the existing GOFI into three parts are complete measure compatibility, size compatibility incremental, and the size of a match parsimony. Secondly, after the suitability of the model and the data, on the whole, is good, the next step is the evaluation or measurement model fit test. This evaluation is carried out on each construct or model of measurement (the relationship between the latent variable with some observed variables (indicators) separately through the assessment of the validity and reliability of the measurement model.

The structural model includes an examination of the significance of the estimated coefficients. SEM and LISREL provide value coefficients were determined and the value of t-test for each coefficient. By specifying the level of significance (usually α = 0.05), then each factor representing the hypothesized causal relationships can be tested statistical significance (if different from zero).

Also, it is also necessary to evaluate the standard solution where all variants have the same coefficient, and the maximum value is 1. The coefficient of zero indicates that the smaller the effect. Increasing the value of the coefficient associated with the increase in the importance of the relevant variables in a causal relationship. As the overall size of the structural equation, overall coefficient of determination (R2) was calculated as the regression.

If the model fit to the data has occurred, then the model at the initial hypothesis may explain the structural equation desired. But if only there is a mismatch of the model with the data, then the model at the beginning to be modified to improve the results fit. There is a variety of options to modify the model, depending on the level of mismatch models and data, generally through the reduction or removal of the wrong specifications. LISREL programs provide information on how the model should be modified (Hatcher, 1996).

4.   Finding and Discussion

Statistical descriptions indicate on a scale of bad, less, enough, and good for all indicators of SPM variable in the range enough. Control activities is an indicator that has the lowest average, followed successively risk assessment, information processing and communication, and monitoring. Indicator control environment has the highest mean value.

On a scale of incompetent, less competent, quite competent, and competent for all indicators of AUDITOR has an average value competent. Competence with the lowest mean value is an indicator of control over the work, followed by consecutive time management and an explanation for the state auditor general, how to look for evidence, explanations on the findings of the auditor, the auditor's explanation for the recommendation. Indicators that have the highest average value of communication and the conduct of audits in general. On a scale of material, enough material, less material and not material, materiality indicators for the variable GOV findings show a mean value approaching less material.

All the indicators have a standard loading factor are 0.70 and t-value above 1.96 which means it meets the criteria of validity. SPM, AUDITOR, and GUG has constructed reliability above 0.70 and variance extracted over 0.50 which means it complies with the standards of reliability. Results of testing the goodness of fit indicate that the model fits the data. The primary measure of Chi-Square, NCP interval, RMSEA, ECVI, AIC, CAIC, NFI, NNFI, CFI, IFI, and RFI showed good fit or have met the criteria. Likewise, its Degree of Freedom figures shows a relatively small and positive. Thus due to the overall Goodness of Fit criteria are met then we can say the model is good.

Table 1. Statistic Descriptive of Research Indicators

Indicators	Mean	min	max	StandardDeviation
Management Control System (SPM)				
control environment (X1)	3.13	1	4	0.66
risk assesment (X2)	3.04	1	4	0.60
control activities (X3)	3.01	1	4	0.59
information and communication processing (X4)	3.07	1	4	0.68
monitoring (X5)	3.09	1	4	0.69
AuditorsCompetence(AUDITOR)				
audit implementation in general (Y1)	3.78	2	4	0.44
communication (Y2)	3.80	2	4	0.42
control over work (Y3)	3.60	2	4	0.53
time management (Y4)	3.67	2	4	0.49
how to look for evidence (Y5)	3.69	2	4	0.51
explanation for the state auditor general (Y6)	3.67	3	4	0.47
explanations on the findings of auditors (Y7)	3.70	2	4	0.49
explanation auditors on recommendation (Y8)	3.73	2	4	0.46
Good University Governance (GOV)				
materiality findings (GUG)	2.88	1	4	0.90

Overall accordance with the structural model is built, model testing results of SEM by using lisrel 8.7 / 8.8 is as follows.
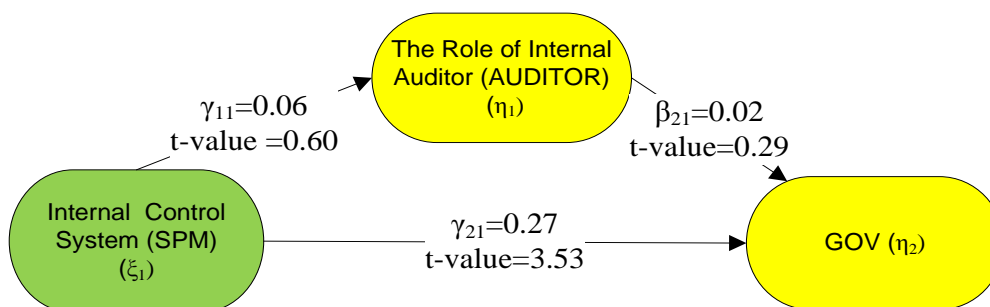

Figure 2. Result of Structural Model Test

If written in the regression equation is as follows.
1) Partial Effect
AUDITOR = 0.056*SPM, Errorvar.= 1.00 , R² = 0.0031
        (0.093)   (0.20)
        0.60   4.96
GOV = 0.023*AUDITOR + 0.27*SPM, Errorvar.= 0.74 , R² = 0.092
     (0.079)   (0.077)   (0.090)
     0.29   3.53   8.19

2) Indirect Effect
        SPM

GOV   0.00
        (0.00)
        0.26
3) Simultaneous Effect
    GOV = 0.27*SPM, Errorvar.= 0.74, R² = 0.091
(0.077)
3.55

Estimation of the measurement model to see the indicators used are reflecting each study variable. Table 2 presents the estimation results for the indicators of the variables.

Tabel 2. Measurement Model Estimation Results

indicators	Estimates value	t-value*
SPM		
control activities (X3)	0.55	14.27
risk assesment (X2)	0.56	14.04
information and communication processing (X4)	0.56	11.87
monitoring (X5)	0.59	12.39
control environment (X1)	0.63	14.93
AUDITOR		
time management (Y4)	0.24	5.64
Communication (Y2)	0.31	8.41
how to look for evidence (Y5)	0.32	7.16
explanation auditors on recommendation (Y8)	0.32	7.83
audit implementation in general (Y1)	0.33	
explanation for the state auditor general (Y6)	0.34	8.32
explanations on the findings of auditors (Y7)	0.37	8.74
control over work (Y3)	0.37	7.90
Good University Governance (GOV)		
materiality findings (GUG)	1.00	

*Significantat level α=1%.

Table 2 shows all indicators significantly reflecting each study variable (α = 1%). The successive estimated value of SPM from lowest to highest are control activities, risk assessment, information processing and communication, monitoring, and control environment.

As has been stated upfront, SPM practices are a reflection of the effectiveness of internal control units. It appears that the control activities, risk assessment, information processing, and communication are the indicators that should be improved given the control environment and monitoring is already well. AUDITOR consecutive to the estimated value of the lowest to the highest is time management, communication, how to look for evidence, explanations on the recommendation of auditors, audit implementation, in general, the report for the state auditor general, auditor explanations on the findings, and control over work.

Four indicators of weakness auditors should be improved the ability of the auditor to complete the time audit management, communication with the auditee, how to find supporting evidence and explanation of the auditor's findings. However, overall the auditors deemed mastering audit work.

Based on the mean value, it appears that GUG PTJJ should be improved because it is still in the range of up to a good enough yet. The number of findings indicates that the material necessary strategic steps in developing GUG PTJJ. The overall result confirms that the indicators developed by each study variable and can be used to determine the significant factors of variable SPM, Role of the Internal Auditor, and GUG.

4. 1. The effect of SPM on GUG

Management control system affect the PTJJ's governance with estimated value=0.27 and t-value=3.53 means significant at $\alpha = 1\%$. The better the management control practices, the better governance of PTJJ. These results support the findings Puspitarini (2012) and Sukirman and Sari (2012). If viewed from $R2 = 9.2\%$ appears that the overall effect of SPM on GUG very small. More variables other than SPM that affect GUG. However, these results provide enough evidence that the SPM contribute to the repair PTJJ's GUG. To improve PTJJ's GUG, SPM indicators that should be enhanced is control activity and management based on risk. Thus, H1: the management control system has a positive influence on governance supported.

4. 2. The effect of SPM on the Role of Internal Auditor

Effect of SPM as a reflection of SPI on the role of the internal auditor was not significant at $\alpha = 1, 5$, or 10%; the estimated value of 0.06 and t-value = 0.60. These results do not support the findings Puspitarini (2012) and Sukirman and Sari (2012). On the other hand, the findings of this study are quite interesting to be given one of the real strengths of the SPI is the competence of internal auditors. Apprenticeship learning process that has been developed SPI has not been optimal raising all parameters of the competence of auditors. SPI has not been able to improve the effectiveness of the internal auditor competence, especially in the management of time to complete the audit, communication with the auditee, how to find supporting evidence and explanation of the auditor's findings. It takes special training on time management, especially discipline in keeping the schedule of audits made in the audit program. Way, the style and content of communications to the auditee before, during and after the audit need to be repaired. Confirmation of the auditee confirms that the auditee sometimes does not understand the intent of the auditors on the message being communicated. Similarly, when searching for supporting evidence, sometimes auditee uncomfortable and explanation of the auditor's findings are likely not provide sufficient opportunity for the auditee to confirm and arguments. Thus, H2: management control system has a positive influence on the internal auditor's role is not supported.

4. 3. The effect of the Role of Internal Auditor on GUG

The influence of the role of internal auditors on PTJJ's GUG are not significant at α = 1%, 5%, or 10%; the estimated value of 0.02 and t-value = 0.29. These results do not support the findings Puspitarini (2012) and Sukirman and Sari (2012). SPI internal auditor competence has not been able to improve PTJJ.s GUG. Descriptive statistics shows PTJJ's GUG anywhere near enough, but it is not because of the internal auditor's role if any role is minuscule and insignificant. Auditor yet fully apply the paradigm consultant and catalyst, still implement the paradigm watch dog who tends to find many findings but has not had a significant impact on improved governance of the auditee. Need to do a refresher and an improved understanding of the auditor on the paradigm of the auditor as a consultant and a catalyst whose output is short-term and long-term solutions for improving governance. Thereby H3: the role of the internal auditor positive effect on governance was not supported.

4. 4. The effect of SPM on GUG through the Role of Internal Auditor

The indirect effect of SPM on PTJJ's GUG, through the role of the internal auditor is not significant to the estimated value=0.00 and the t-value=0.26. These results do not support Puspitarini (2012) and Sukirman and Sari (2012) also confirmed the test results H2 and H3. Behind these findings provide an important signal and immediately enhance the role of internal auditors in increased PTJJ's GUG, through increased competence, especially in time management, communication with the auditee, how to find supporting evidence and explanation of the auditor's findings. Thus, H4: system management control positive effect on governance through the internal auditor's role is not supported

4. 5. The Simultaneous Effect of SPM on Governance

SPM simultaneous effect against GUG significant at α = 1%, with the estimated value = 0.27 and t-value = 3.55 and R2 = 9.10%. The results proved that SPM has a dominant role in influencing PTJJ's GUG. There are other variables beyond the SPM, which play a role in improving the governance of 91%. Thus, this study supports the evidence presented in part Puspitarini (2012) and Sukirman and Sari (2012) about the influence of SPM on GUG. Under these conditions, H5: simultaneously, management control systems have significant positive effect on governance supported.

4. 6. Fit Model as Mediation

One goal of this research is to build a model fit as mediation. The direct effect of SPM on GUG significant on α = 1%, with the estimated value=0.27 and t-value = 3.53 (H1). While the effect of SPM on governance through the internal auditor's role is not significant at α = 1%, 5% and 10%, with the estimated value =0.00 and t-value = 0.26 (H4). Because H4 insignificant and H1 significant then fit as mediation is not formed. Thus the results Puspitarini (2012) and Sukirman and Sari (2012) and H6: form fit as mediation between management system control and governance through the internal auditor's role was not supported.

These results provide a strong enough message to the SPI that need a big step and systematically to the role of internal auditors to provide a significant impact on the improvement PTJJ's GUG, through increasing the capacity or competence of an internal auditor. Increasing the role of internal auditors is becoming increasingly important and urgent given the results of the audit SPI and GUG be part of the management performance

measurement indicators. Besides internal auditor also become the foundation for increasing the SPI effectiveness of proven SPI effectiveness can increase PTJJ's GUG.

5. Conclusion

Based on the results of hypothesis testing can be concluded that the management control systems as a form of the effectiveness of SPI affect on PTJJ's GUG, both directly and simultaneously. But the influence of the role of internal auditors in the improvement of governance has not appeared either directly or indirectly in model fit as mediation. Internal auditor competence in time management when conducting an audit, communications with auditors, how to search for evidence, and explanations auditors on its recommendation to the part that causes the internal auditor's role has not appeared.

The model developed could prove the influence of SPM on GUG by 9%. SPM indicators that should be optimized so that their role in governance is the greater control activities, risk-based management, and information and communication processes. Beyond that, there are other variables that affect the governance other than SPM both external and internal environment.

Limitations of this study were conducted in a strategic business unit (SBU) from one institution alone. In addition, respondents who filled the instrument only from one side only, such as the auditee only top leaders only when the auditee as well in addition to top management. Similarly, the internal auditor competence is taken only from the head of the audit team when the internal auditor could also include members of the audit team. It is therefore recommended further research to expand the research on the corporate level, the auditee surveyed, including those directly related when audits, as well as the internal auditors surveyed including members of the audit team.

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