

# **The Influence of Professionalism, Internal Audit, and Internal Control on The Implementation of Good Corporate Governance**

## **(Study of PT Bernofarm Pharmaceutical Company)**

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**Abstract.** Good Corporate Governance (GCG) is a form of decision by placing the company to be more organized and structured, based on the principles of transparency, independence, responsibility, accountability, and fairness. This study aims to determine the effect of professionalism, internal audit, and internal control on the implementation of good corporate governance (GCG). This research uses quantitative research. The population used is the staff of divisions related to the implementation of GCG at PT Bernofarm Pharmaceutical Company, namely the Acc Finance Accounting Division, Information Technology Division, and Quality Control Division totaling 50 people. The sample collection technique is Nonprobability sampling saturated sample method and data collection techniques by distributing questionnaires totaling 40 respondents. The data analysis technique in this study uses validity test, reliability test, multiple linear regression analysis, determination coefficient test, and t test with the help of SPSS version 23 in data processing. The results showed that internal audit and internal control affect the implementation of good corporate governance. Meanwhile, professionalism has no effect on the implementation of good corporate governance.

**Keywords:** Professionalism, Internal Audit, Internal Control, Good Corporate Governance.

### **1. Introduction**

In general, companies have a form of activity by maximizing profits and reducing costs to create value for management and investors. All activities carried out by the company as a whole to maximize employee performance so that company goals can be achieved optimally. Increasing company performance will have an impact on increasing profits, so it makes increasing company value good for investors [1]. As a company develops, the company will face an

increasingly complicated activities and problems, the more difficult it is to supervise the activities and operations of the company, and the possibility that this will result in fraud and corruption. Internal problems that arise in organizations such as the practice of KKN (Corruption, Collusion, Nepotism) are a sign that the role of internal audit is not implemented properly and consistently [2]. This raises the principles of application that aim to improve company performance so that it can encourage the implementation of good corporate governance or called Good Corporate Governance (GCG) [1].

Good Corporate Governance (GCG) is a form of decision by placing the company to be more organized and structured, with a mechanism that is in accordance with established business rules and is willing to accept the consequences when the rules are violated [3]. GCG is a set of rules that manages a relationship between shareholders, creditors, government officials, employees and other internal and external power holders, or the company's management and control system the relationship between shareholders, creditors, government officials, employees and other internal and external power holders, or the company's management and control system [3]. The existence of a principle in the implementation of GCG, including Transparency, Independence, Responsibility, Accountability and Fairness [4].

GCG implementation is related to Agency Theory. Agency theory explains a relationship based on a contract in which one or more people (the principal) involve other people (agents) [5]. The implementation of GCG based on agency theory can be explained through the relationship between the manager and the owner where the manager is the party tasked with maximizing profits for the owner and in return gets a reward in accordance with the contract [6]. This agency theory is used to determine the factors that influence agency problems can be minimized by a supervision and control system, namely internal audit and internal control [7]. In addition to agency theory, this research is also based on attribution theory. The attribution theory approach explains a person's behavior. This theory refers to a person's causes that are determined internally (e.g. traits, character, attitudes, etc.) or externally (such as certain conditions) [8]. This theory is used as a tool to determine the existence of factors that can influence auditors towards good corporate governance, one of which is the personal characteristics of auditors in this study, namely professionalism [9].

The main problem lies in governance and professionalism, as is the case with private companies [10] [11]. Professionalism is one of the factors that can affect the implementation of GCG. According to [12] Internal auditor professionalism is the ability to complete tasks in accordance with their expertise and work by using high knowledge and innovation as internal auditors. With the professionalism of internal auditors, it is hoped that they can make decisions to find out and predict errors that may occur [13]. According to the results of previous research [14] and [15] shows that the professionalism of internal auditors affects the implementation of GCG.

Apart from professionalism, another factor that influences the implementation of GCG is internal audit. Internal audit is part of the organization's internal control system to oversee the effectiveness of other components of the internal control system [16]. Internal audit is a management control tool that enables the implementation of the monitoring (control) function. Internal audit provides assistance to companies in realizing their objectives by implementing a systematic way to measure and improve the effectiveness of risk management, control and governance processes [5]. In principle, the purpose of internal audit is to support the control function of corporate governance. Therefore, the implementation of internal audit must be carried out effectively to make appropriate assessments and recommendations in improving good corporate governance processes [2]. According to the results of previous research [17], [18], [19] stated that internal audit has an effect on the implementation of GCG. However, in contrast to research [20] which says that internal audit has no effect on GCG implementation.

Other factors affecting the implementation of GCG can be seen from the ineffective management of the company, which can arise when the internal control system of a company does not function properly. [21]. Internal control is a control that can be achieved through a coordinated structure to assist managers in preparing financial reports, preventing fraud within the company and protecting company assets [3]. Internal control in a company is not just conducting financial and accounting activities, but also all aspects of company operations. Internal control must be implemented as effectively as possible in a company so that it can be used as a leadership factor in decision making and avoid misappropriation errors [21]. According to the results of previous research [7], [3], [2]. shows that internal control affects the implementation of GCG. However, it is different from the results of the study [5] and [22] which reveals that internal control has no effect on the implementation of GCG.

Based on different research in the past, it explains the inequality of the results, some have an effect and some have no effect on the independent variables used in this study, so this makes a research gap. The existence of research gaps from previous studies has made researchers want to re-examine the variables of professionalism, internal audit, and internal control on GCG implementation.

Researchers are interested in further developing a study conducted [5] and adding independent variables, namely professionalism and research objects that are different from previous studies. This is what distinguishes this research from previous studies. The purpose of this research is to test whether there is an effect of professionalism, internal audit, and internal control on the implementation of GCG. Therefore, the authors are interested in taking the title "The Influence of Professionalism, Internal Audit, and Internal Control on the Implementation of Good Corporate Governance".

## 2. Literature Review

### **The Influence of Professionalism on the Implementation of Good Corporate Governance**

Professionalism is behavior that is in line with the values set by a profession to realize better performance goals [12]. In connection with attribution theory regarding professionalism, it can be a factor that can influence auditor behavior by having appropriate efforts so that auditor behavior can provide a good function in the organization. The existence of a link between professionalism and the implementation of GCG has an influence on the high level of professionalism so that it can make it easier to maintain good management functions in an organization [9]. According to the research [15] said professionalism has an influence on the implementation of GCG.

**H<sub>1</sub>** : Professionalism influence the implementation of Good Corporate Governance

### **The Influence of Internal Audit on the Implementation of Good Corporate Governance**

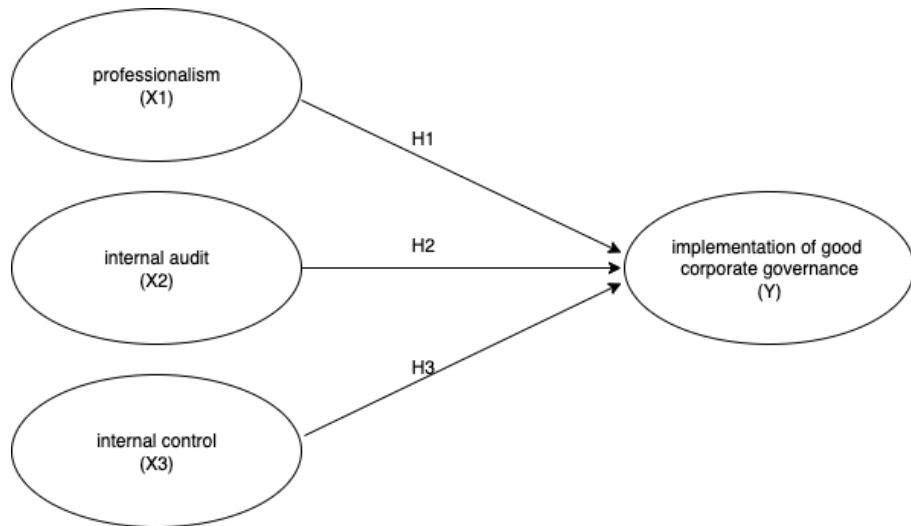
Internal audit is an evaluation function developed independently within a company to examine and evaluate activities as a form of service to the company's organization [23]. In connection with the agency theory of internal audit can help companies to achieve corporate goals such as evaluating and improving the effectiveness of risk control by prioritizing management and shareholders (stakeholders) [21]. Internal audit is essential to address agency problems, such as those caused by the global financial crisis, and prioritize audit committee and internal audit communication to enhance good corporate governance [5]. According to research conducted by [17] and [18] that internal audit influence the implementation of GCG.

**H<sub>2</sub>** : Internal Audit influence the implementation of Good Corporate Governance The Influence of

### **Internal Control on the Implementation of Good Corporate Governance**

Internal control is a system that includes organizational structure, methods and means to protect assets in an organization. Internal control is a corrective action if there is a deviation from the rules that have been set [21]. Internal control is very important to assist management in managing the company [24]. In connection with agency theory, there is a relationship between internal control and GCG implementation. This relates to the relationship that occurs between company management as agents and company owners, namely corporate governance has the task of reducing problems that exist in the company [24]. According to research [7] and [3] that internal control affects the implementation of GCG.

**H<sub>3</sub>** : Internal control influences the implementation of Good Corporate Governance



**Figure 1.** Conceptual Framework

### 3. Research Method

#### Type and Object of Research

The type of research conducted in this study is quantitative. This research is done by obtaining data, managing data, analyzing it into numbers. According to [25] Quantitative method is a positivist method because it is based on the philosophy of positivism. This method uses research data in numerical form and is analyzed using statistics. The object used in this research is PT Bernofarm Pharmaceutical Company.

#### Population and Sample

Population is an object / subject that has specific characteristics that have been determined by the researcher so that it can be concluded [26]. The population of this study were staff divisions related to the implementation of GCG at PT Bernofarm Pharmaceutical Company, namely the ACC Finance Accounting Division, Information Technology Division, and Quality Control Division total 50 people.

This research uses sampling with Nonprobability sampling technique. *According to* [25] Saturated sampling is a sampling technique when all members of the population are used as samples. And the sample in this study was the entire population taken as many as 50 people.

## Variable Identification and Variable Indicators

**Table 1.** Operational Definitions and Variable Indicators

Variable	Definition	Indicators
Professionalism (X <sub>1</sub> )	Professionalism is a person's ability, expertise, and skills to do a job according to their field of expertise and level [27].	1. Knowledge possessed 2. Behavioral attitudes possessed 3. Skills possessed 4. Belief in the profession 5. Relationship with fellow professionals
Internal Audit (X <sub>2</sub> )	Internal audit is an important element in carrying out the control function to improve internal control and help management achieve its objectives through the implementation of good corporate governance [5].	Sources : [8] 1. Competence 2. Independence 3. Implementation of Internal Audit 4. Internal Audit Report 5. Internal Audit Program
Internal Control (X <sub>3</sub> )	Internal control is a form of control obtained through a coordinated structure to help managers prevent fraud in the organization [12].	Sources : [26] 1. Monitoring 2. Risk Assessment 3. Information and communication 4. Control environment 5. Control Activities
Implementation <i>Good Corporate Governance</i> (Y)	GCG is a transparent method for determining within the company the achievement and assessment of performance [27].	Sources : [7] 1. Transparency 2. Accountability 3. Accountability 4. Independence 5. Fairness Sources : [21]

## **Data Collection Technique**

The data collection method uses primary data using a questionnaire method. The questionnaire is a number of questions or statements that are written and will be given to respondents to answer, which relate to several indicators on the independent variable (X) and the dependent variable (Y) [18]. Data sources were obtained from distributing questionnaires to staff at PT Bernofarm Pharmaceutical Company.

This research uses Likert scale measurements. The Likert scale aims to measure the opinions, attitudes, perceptions of a person or group of people about social phenomena [25]. Each respondent's answer statement in this study is given a score value of 1 to 5, with the following interpretation: Strongly Disagree (STS), Disagree (TS), Neutral (N), Agree (S) and Strongly Agree (SS).

The data analysis method uses SPSS (statistical product and service solutions) to test the validity test, reliability test and multiple linear regression, t test and coefficient of determination ( $R^2$ ) test to test the hypothesis. The results of the questionnaire were tabulated and processed with multiple linear regression analysis to see the magnitude of the influence of the independent variable on the dependent variable.

## **Multiple Linear Regression**

Aims to build an equation and measure the strength of the relationship between two or more variables and show the relationship of influence between the independent variable and the dependent variable. The multiple linear regression equation is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

Note :

Y : Dependent Variable (GCG implementation)

a : Constant Value

b : Direction number or regression coefficient

X : Independent Variable

e : Standard error

## **Instrument Test**

Instrument test divided into 2 test, (1) validity test and (2) reliability test. The validity test is a data analysis technique used to measure whether a questionnaire is valid or not. Validity can show what can be measured in a research questionnaire when it is said to be valid or valid [28].

The reliability test is used to test how consistent the measurement results are when the same instrument is used to measure the same thing many times [28].

### **Hypothesis Test**

The t test is one of the research hypothesis tests which aims to determine whether the independent variable (X) partially affects the dependent variable (Y). To carry out the test, a significance level of 5% (0.05) can be carried out, where the significance value of  $t < 0.05$  means that there is an independent variable partially on the dependent variable. While the significance value of  $t > 0.05$ , meaning that there is no influence from the independent variable partially on the dependent variable [1].

The coefficient of determination is used to find out how much or significant the influence of the independent variable and the dependent variable is. The coefficient of determination is between zero and one. If the  $R^2$  value decreases, it means that the ability of the independent variable to explain the dependent variable is very limited. Meanwhile, if the value approaches one, it means that the independent variable is said to be able to explain almost all the information to detect the dependent variable [1].

## **4. Result and Discussion**

### **Characteristics Respondent**

Researchers distributed questionnaires in this study through google forms. The number of questionnaires distributed was 50 questionnaires. The data returned was 40 questionnaires, and 10 questionnaires were not returned because not all respondents were willing to fill out the questionnaire. Respondents who filled out this questionnaire were from the Acc Finance Accounting Division, Information Technology Division, Quality Control Division. So that the total questionnaires that can be processed are 40 questionnaires. Researchers conducted tests using IBM SPSS version 23. So that there are characteristics of respondents that can be processed in this study.

Table 2 shows that the respondents who participated in this study were mostly female, 60.0%. Respondents aged between 20-30 years have a percentage of 62.5%. The length of work of most respondents is those who work for 1-5 years with a percentage of 60.0%. Respondents who have an undergraduate education have a percentage of 52.5%. Then the position of the most respondents is the ACC Finance Accounting Division with a percentage of 50%.

**Table 2.** Respondent Characteristics

Characteristics	Frequency	Percentage (%)
<b>Gender</b>		
Man	16	40,0%
Woman	24	60,0%
<b>Age</b>		
20-30 years	25	62,5%
31-40 years	10	25,0%
41-50 years	5	12,5%
<b>Length of Work</b>		
< 1 years	3	7,5%
1-5 years	24	60,0%
6-10 years	10	25,0%
>10 years	3	7,5%
<b>Education</b>		
SMA	12	30,0%
D3	5	12,5%
S1	21	52,5%
S2	2	5,0%
<b>Position</b>		
Division ACC Finance	20	50,0%
Accounting		
Division Information Technology	9	22,5%
Division Quality Control	11	27,5%

Source: Processed Questionnaire, 2024

### Research Instrument Test

**Table 3.** Validity Test Results

Variable	Items	r-count	r-table	Remark
Professionalism (X <sub>1</sub> )	X1	0,737	0,312	Valid
	X2	0,733	0,312	Valid
	X3	0,700	0,312	Valid
	X4	0,751	0,312	Valid
	X5	0,808	0,312	Valid
	X6	0,762	0,312	Valid

Variable	Items	r-count	r-table	Remark
	X7	0,449	0,312	Valid
	X8	0,788	0,312	Valid
	X9	0,816	0,312	Valid
	X10	0,764	0,312	Valid
	X11	0,776	0,312	Valid
	X12	0,751	0,312	Valid
	X13	0,727	0,312	Valid
	X14	0,663	0,312	Valid
	X1	0,475	0,312	Valid
	X2	0,744	0,312	Valid
	X3	0,701	0,312	Valid
	X4	0,670	0,312	Valid
	X5	0,686	0,312	Valid
	X6	0,729	0,312	Valid
	X7	0,858	0,312	Valid
Internal Audit (X <sub>2</sub> )	X8	0,694	0,312	Valid
	X9	0,562	0,312	Valid
	X10	0,849	0,312	Valid
	X11	0,648	0,312	Valid
	X12	0,603	0,312	Valid
	X13	0,788	0,312	Valid
	X14	0,727	0,312	Valid
	X15	0,733	0,312	Valid
	X1	0,680	0,312	Valid
	X2	0,735	0,312	Valid
	X3	0,747	0,312	Valid
	X4	0,844	0,312	Valid
	X5	0,788	0,312	Valid
Internal Control(X <sub>3</sub> )	X6	0,779	0,312	Valid
	X7	0,734	0,312	Valid
	X8	0,791	0,312	Valid
	X9	0,771	0,312	Valid
	X10	0,765	0,312	Valid
	X11	0,797	0,312	Valid
	X12	0,903	0,312	Valid
	Y1	0,697	0,312	Valid

Variable	Items	r-count	r-table	Remark
Implementation of <i>Good Corporate Governance</i> (Y)	Y2	0,860	0,312	Valid
	Y3	0,740	0,312	Valid
	Y4	0,914	0,312	Valid
	Y5	0,815	0,312	Valid
	Y6	0,885	0,312	Valid
	Y7	0,886	0,312	Valid
	Y8	0,925	0,312	Valid
	Y9	0,884	0,312	Valid
	Y10	0,889	0,312	Valid
	Y11	0,871	0,312	Valid
	Y12	0,856	0,312	Valid
	Y13	0,831	0,312	Valid

Source: Processed Questionnaire, 2024

Based on the results of the validity test in table 3, it can be seen that the question items of each independent variable (Professionalism ( $X_1$ ), Internal Audit ( $X_2$ ), and Internal Control ( $X_3$ ) and the dependent variable (GCG Implementation (Y) can be said to be valid or valid because the r-count value  $>$  r-table (0.312) is at a significant level of 0.05 (5%). So that all statements from each variable are considered to be able to reveal something that will be measured in the research questionnaire.

### Reliability Test

**Table 4.** Reliability Test Results

Variable	Cronbach's Alpha	Remark
Professionalism ( $X_1$ )	0,931	Reliable
Internal Audit ( $X_2$ )	0,919	Reliable
Internal Control( $X_3$ )	0,939	Reliable
Implementation of <i>Good Corporate Governance</i> (Y)	0,968	Reliable

Source: Processed Questionnaire, 2024

In the table above, it can be seen that the value of Cronbach's Alpha is above 0.60. So the results of the table above show that the value of Cronbach's Alpha for the professionalism variable is  $0.931 > 0.60$ , the value for internal audit is  $0.919 > 0.60$ , for the internal control value is  $0.939 > 0.60$ , while the value of the implementation of good corporate governance is  $0.968 > 0.60$ . The reliability test condition can use the Alpha formula, namely if the r-count  $>$  r-table. It can be interpreted that the research variables have high reliability. This shows that the research instruments used are reliable or reliable.

## Hypothesis Testing

**Table 5.** Multiple Linear Regression Test Results

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	-5,388	5,847	
Professionalism	-0,162	0,173	-0,130
Internal Audit	0,554	0,192	0,504
Internal Control	0,689	0,215	0,527

Source : SPSS Data Processing Version 23

Based on the multiple linear regression test table, the multiple regression equation is obtained as follows:

$$\begin{aligned}
 Y &= \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon \\
 &= -5,388 - 0,162 + 0,554 + 0,689 + \epsilon
 \end{aligned}$$

It can be concluded that:

1. The value of the constant ( $\alpha$ ) is negative, which is -5.388, which means that if professionalism, internal audit, and internal control are equal to zero (0), then the implementation of GCG has decreased.
2. The value of the Professionalism regression coefficient ( $X_1$ ) is negative -0.162. This value states the negative influence between the professionalism variable and the implementation of GCG. This shows that if the professionalism variable increases by 1%, then on the contrary, the GCG implementation variable will decrease by 0.162. It can be assumed that the other variables remain constant
3. The value of the internal audit regression coefficient ( $X_2$ ) was positive 0.554. This means that if the internal audit increases by 1%, then the implementation of GCG will also increase by 0.554 with the provision that other independent variables are considered constant.
4. The value of the regression coefficient of Internal Control ( $X_3$ ) is positive 0.689 which means that internal control will increase by 1%, then the implementation of GCG will also increase by 0.689 assuming that other independent variables are considered constant.

**Table 6.** Test Results t (Partial)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-5,388	5,847		-0,921	0,363
Professionalism	-0,162	0,173	-0,130	-0,938	0,355
Internal Audit	0,554	0,192	0,504	2,878	0,007
Internal Control	0,689	0,215	0,527	3,212	0,003

Source: SPSS Data Processing Version 23

It can be seen from the table above that the Professionalism variable (X1) is significant of 0.355 which means it is greater than 0.05 ( $0.355 > 0.05$ ) and has a t-count smaller than the t-table, which is -0.938 for t-calculus, and for t-table of 2.028 ( $-0.938 < 2.028$ ). Therefore, it can be concluded that Professionalism has no effect on the Implementation of Good Corporate Governance.

In the Internal Audit variable (X2), the nominal value is 0.007 which means it is smaller than 0.05 ( $0.007 < 0.05$ ) and has a t-count greater than the t-table, which is 2.878 for t-calculus, and for t-table of 2.028 ( $2.878 > 2.028$ ). Therefore, it can be concluded that Internal Audit has an effect on the Implementation of Good Corporate Governance.

In the Internal Control variable (X3), the significance value is 0.003 which means it is smaller than 0.05 ( $0.003 < 0.05$ ) and has a t-count greater than the t-table, which is 3.212 for t-count, and for t-table of 2.028 ( $3.212 > 2.028$ ). So it can be concluded that Internal Control has an effect on the Implementation of Good Corporate Governance.

**Table 7** Determination Coefficient Test Results

Model	R	R-Square	Adjusted R Square	Std. Error of the Estimate
1	0,894 <sup>a</sup>	0,799	0,782	4,36042

Source: SPSS Data Processing Version 23

Based on the table above, it can be seen that the coefficient of determination (Adjusted R Square) is 0.799 or 79.9%, meaning that the implementation of GCG (Y) is influenced by the variables of professionalism (X1), internal audit (X2) and internal control (X3) while the remaining 20.1% is influenced by other variables not examined in this study.

## Discussion

### **The Influence of Professionalism on the Implementation of *Good Corporate Governance***

Based on the results of the statistical testing above, it explains that the professionalism variable has no effect on the implementation of GCG. This can be proven based on the results of hypothesis testing that the significance value is 0.355 where the value is greater than 0.05 ( $0.355 > 0.05$ ) and has a t-count smaller than the t-table, namely  $-0.938 < 2.028$ , which means that this research **H<sub>1</sub> is rejected**. These results can be explained that there are respondents who disagree with the attitude of professionalism, so some respondents still do not apply the attitude of professionalism so that it can be assumed that it has no effect on the implementation of GCG. The results of this study are in line with the attribution theory expressed by Fritz and Heider in [9] which explains the causes of the behavior of others or themselves which are determined by internal factors such as nature, character, attitudes and others as well as external factors such as the pressure of certain situations or circumstances that will have an influence on individual behavior. The results of this study are not in line with the results of research [14] and [15]. However, in contrast to the results of this study which state that professionalism has no effect on GCG implementation, which will be a novelty in this study.

### **The Influence of Internal Audit on the Implementation of *Good Corporate Governance***

Based on the results of the statistical testing above, it explains that the internal audit variable has an effect on the implementation of GCG. This can be proven based on the results of hypothesis testing that the significance value is 0.007 where the value is smaller than 0.05 ( $0.007 < 0.05$ ) and has a t-count greater than the t-table, namely  $2.878 > 2.028$ , which means that this research **H<sub>2</sub> is accepted**. This happens by implementing internal audit, it will increase the implementation of GCG, because internal audit is one of the most important elements in improving internal supervision, optimizing the checks and balances mechanism, and performing a control function in helping management achieve its goals through the realization of GCG [7] [29]. The results of this study are in line with agency theory because the company will be influenced by internal audit factors that focus on analyzing and finding solutions to problems that occur in agency relationships, so that corporate governance must be monitored and controlled to ensure that governance is carried out in compliance with applicable rules and regulations [5]. The results of this study are in line with research [19] that internal audit has an influence on the implementation of. However, different results with research [20] which reveals that internal audit has no influence on the implementation of GCG.

### **The Influence of Internal Control on the Implementation of *Good Corporate Governance***

Based on the results of the statistical testing above, it explains that internal control affects the implementation of GCG. This can be shown based on the results of hypothesis testing that the significance value is 0.003 where the value is smaller than 0.05 ( $0.003 < 0.05$ ) and has a t-count

greater than the t-table, namely  $3.212 > 2.028$  which means H3 is accepted. This shows that the stronger the internal control is built, the more the implementation of GCG will increase [29]. To achieve the goals and objectives of any company or organization, it must be able to design a good internal control system, so that it can emphasize the control aspects of the controls that have previously been made which will have an impact on the implementation of GCG [5]. The results of this study are in line with agency theory because internal control and GCG implementation have a very close relationship where internal control is an important factor that can help minimize conflicts of interest between principals and agents [7]. The results of this study are in line with research [3] that internal control has an influence on the implementation of GCG. The results of this study are different from the results of research [22] which reveals that internal control has no influence on the implementation of GCG.

## 5. Conclusion

Based on the results of the research and discussion described in the previous chapter, it can be concluded that:

1. Professionalism variable has no influence on the implementation of GCG. This explains that the results of the study show that there are respondents who disagree with the attitude of professionalism, so some respondents still do not apply the attitude of professionalism so that it can be assumed that this has no effect on the implementation of GCG.
2. Internal Audit variables influence the implementation of GCG. Therefore, this happens by implementing internal audit, it will increase the implementation of GCG, because internal audit is one of the most important elements in improving internal supervision, optimizing the checks and balances mechanism, and performing a control function in helping management achieve its goals through the realization of GCG.
3. Internal Control variables influence the implementation of GCG. It can be concluded that the stronger the internal control that is built, the more the implementation of GCG will increase. To achieve the goals and objectives of any company or organization, it must be able to design a good internal control system, so that it can emphasize the control aspects of the controls that have previously been made which will have an impact on the implementation of GCG.

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