



# The Influence of Apparatus Competency, The Role of Government Internal Supervisory Apparatus, and The Effectiveness of The Government's Internal Control System on The Performance of The Aceh Government's Regional Financial Management

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**ABSTRACT:** This study aims to examine the influence of apparatus competence, the role of the government's internal supervisory apparatus and the effectiveness of the government's internal control system on the performance of regional financial managers in the Government of Aceh. The population in this study were all financial management officials, namely budget officials, financial administration officials, activity technical implementation officials, and expenditure treasurers in the Aceh government's Local government work unit in accordance with Government Regulation Number 58 of 2005 concerning Regional Financial Management. The data used is primary data. Data collection techniques were carried out by distributing questionnaires consisting of 25 statement items. The analytical method used is multiple linear regression. The results showed that the competence of the apparatus, the role of the government's internal supervisory apparatus and the effectiveness of the government's internal control system had an effect on the performance of regional financial managers of the Government of Aceh.

**KEYWORDS:** Apparatus Competence, The Role of The Government's Internal Supervisory Apparatus and The Effectiveness of The Government's Internal Control System, The Performance of Regional Financial Managers.

## PRELIMINARY

The performance of regional financial managers is an aggregation of the performance of all Local government work unit in the area. Local government work unit is a regional apparatus organization that performs its duties and functions in accordance with regional head regulations that receive budget allocations to implement them (Damanik, 2017). If in carrying out the duties and responsibilities as a financial managers, they have followed the procedures according to the established provisions, it will also produce good performance. The effort to improve the performance of financial managers, government officials are faced with various challenges in realizing transparency and accountability (Umar et al., 2018).

Based On The Audit Board Of The Republic Of Indonesia Audit Report on the Financial Statements of the Aceh Government for 2017, 2018, 2019 and 2020 by the Financial Audit Agency found the main weaknesses in the Aceh Government's financial reports including the management of the implementation and administration of operational assistance income for elementary/junior high schools not fully in accordance with the provisions; Accountability for official travel is not in accordance with the provisions; Expenditure realization exceeds the budget ceiling; Excess payment for the work of consulting services is not in accordance with the provisions. Budgeting and implementation of social assistance are not in accordance with the provisions; Excess payment for construction of the Taman Sari Reservoir; honorarium payments in the form of incentives to the Aceh governor do not have a strong legal basis, and the Aceh government's business plan and budget and local public service agency expenditure have not complied with the provisions; The management of fixed assets is not yet orderly and the management of the obligations of the Aceh government is not orderly. In general, the performance of the Aceh Government's financial management is quite good. This is based on the audit opinion issued by the Supreme Audit Agency. For several years the Government of Aceh has received Unqualified Opinion six times in a row from Supreme Audit Agency. Even so, getting a received Unqualified opinion does not necessarily indicate that there are no findings that should be followed up by the local government. This becomes a special note and becomes a recommendation for improvement in the financial management of the Aceh government. Therefore it is important to study further how the performance of financial managers in Local government work unit.



The government as the formulator and implementer of State Budget policies is obliged to disclose and be responsible for all the results of development implementation. One form of this responsibility is realized by providing comprehensive financial information to the wider community, including regional financial information by utilizing the capacity of human resources or the state apparatus. Where the capacity of the apparatus can be seen from the aspect of capacity, the level of knowledge, skills and abilities possessed by a person and can be shown and used to produce professional services oriented to the public interest (M. Sari et al., 2017).

There are several factors that are thought to influence the performance of regional financial managers, the first factor is the competency of the apparatus Rafar et al. (2015); Nasri et al. (2018); Prayogi et al. (2019). The definition of competence in the elucidation of Article 3 Government Regulations Number 101 of 2000, the abilities and characteristics possessed by Civil Servants in the form of knowledge, skills, and behavioral attitudes needed in carrying out their duties. Law Number 5 of 2014 also states that the implementation of the management of the state civil apparatus has not been based on a comparison between the competencies and qualifications required by positions with the competencies and qualifications of candidates in the recruitment, appointment, placement and promotion of positions in line with good governance. good governance, therefore a competent financial management position is needed in the financial sector. Previous research conducted Seniorita et al. (2022); Rachmawati, AR (2021) proves that apparatus competence affects the performance of regional financial managers. In contrast to the results of the study Winarti et al. (2022) that competency has no effect on financial management performance.

The second factor that is suspected of influencing the performance of regional financial managers is the role of the government's internal supervisory apparatus Hanafiah et al. (2016); Dewi et al. (2017); Jatmiko (2020). Supervision is an action to compare what should have happened with what actually happened to guarantee the optimal achievement of certain goals. According to Anisatul et al. (2017). With this oversight at every stage of financial management, it is hoped that the financial management process, especially in the budget preparation process, will increase its influence on the performance of regional government financial managers (Wonar et al., 2018). Through internal control, it can be seen whether a government agency has carried out activities in accordance with its duties and functions effectively and efficiently, and in accordance with the plans, policies and provisions that have been set. This is in accordance with the results of research Wiguna et al. (2015) which proves that the role of internal supervisors affects the performance of regional financial managers.

The third factor is to influence the performance of regional financial managers is the effectiveness of the government's internal control system (Laksamana, 2016); (Aziz et al., 2018); (Seniorita et al., 2022). The effectiveness of the internal control system can also improve transparency and accountability and performance in government agencies (Soleh et al., 2019). The implementation of a good internal control system can prevent corruption or fraud as well as irregularities in funds and budgets that are not accounted for. In the Public Accounting Professional Standards (2001: 319) issued by the Indonesian Institute of Accountants (IAI) states that internal control is a process with the aim of providing reasonable assurance about the achievement of information reliability, compliance with applicable laws and regulations, as well as the effectiveness and efficiency of operations by the board of commissioners and management and other personnel. Thus, internal control is expected to be able to provide adequate assurance regardless of the limitations inherent in internal control Ardiyanti et al. (2018).

## THEORETICAL BASE

### Goal Setting Theory

The theory of goal setting or goal setting theory is expressed by Locke (1968), which shows that there is a relationship between goals and one's performance on the task. This theory explains that a person's behavior is determined by two parts of understanding, namely content (values) and intentions (goals). Managerial has set goals for its behavior in the future and these goals will affect the behavior that actually occurs. His behavior will be governed by his ideas and intentions so that it will influence the actions and consequences of his performance. Lunenburg (2011) reveal that setting goals (goal setting) is important to be done by the group as setting individual goals. Performance will be effective if the results are carried out in detail. Goal setting allows individuals to see current work results and compare them with past work results. This will lead to a separate motivation for individuals to try even better (Latham et al., 1975).



## Performance of Financial Managers

Fuada (2021) states that performance is work achievement achieved by work units in realizing activity performance targets of a program, accuracy (accuracy and suitability) of results, level of program achievement, impact of activity results on people's lives, suitability of budget realization with budget, achievement of operational efficiency, employee behavior. The performance of financial managers is measured using instruments developed by Sari et al. (2013) which consist of 5 (five) indicators, namely: 1) Quality of work; 2) Working quantity; 3) Punctuality; 4) work ability; 5) Work commitment.

## Apparatus Competency

Competence in the elucidation of Article 3 Government Regulations Number 101 of 2000, the abilities and characteristics possessed by Civil Servants in the form of knowledge, skills, and behavioral attitudes needed in carrying out their duties. Competence in public and private organizations is needed especially to answer organizational demands, where there are very rapid changes, the development of very complex and dynamic problems and future uncertainties in the order of people's lives (M. Sari et al., 2017). State civil servants who have the capacity, integrity, competence, achievement and have the attitude and soul of serving the community will definitely support the implementation of economical, effective and efficient state financial management. Competency-based human resource development is carried out in order to provide results in accordance with the goals and objectives of the organization with predetermined performance standards, so that the organization's target of providing excellent service to consumers will be achieved (Hermawan, 2019). Apparatus competence is measured using instruments developed by Atiningsih (2019) which consists of 3 (three) indicators, namely: 1) *Knowledge*; 2) skills; 3) Ability.

## The Role of the Government's Internal Supervisory Apparatus

Based on Article 24 of Government Regulations Number 79 of 2005 concerning guidelines for fostering and supervising the implementation of regional government, it states that supervision of government affairs in the regions is carried out by the Government Internal Supervisory Apparatus in accordance with their functions and authorities. It was further stated that the role of Government Internal Supervisory Apparatus is to ensure that the implementation of local government and village government runs according to plans and provisions of laws and regulations. The Government Internal Supervisory Apparatus referred to in Government Regulations Number 79 of 2005 is the Inspectorate General of the Department, the Supervision Unit for Non-Departmental Government Institutions, the Provincial Inspectorate, and the Regency/City Inspectorate. Based on Article 1 of Government Regulation Number 60 of 2008 concerning the Government's Internal Control System, it states that Government Internal Supervisory Apparatus carries out internal control, namely the entire process of auditing, reviewing, evaluating, monitoring and other supervisory activities on the implementation of organizational duties and functions in order to provide adequate assurance that activities have been carried out in accordance with the benchmarks that have been set effectively and efficiently. The role of the government's internal supervisory apparatus is measured using instruments developed by Atiningsih (2019) which consist of 3 (three) indicators, namely: 1) the entire process of audit activities; 2) monitoring review of financial reports; 3) other supervisory activities.

## Effectiveness of Government Internal Control System

According to Gibson et al (1989) states that effectiveness is the achievement of goals from joint efforts, meaning that the concept of effectiveness must be assessed for goals that can be carried out in accordance with available resources. An internal control is said to be effective when the entity's operating objectives are achieved, namely the published financial reports are prepared reliably, applicable laws and regulations are complied with (Badewin, 2018). If an organization achieves its goals, then the organization is said to have been running effectively. Based on the understanding that has been described, if it is related to the implementation of internal control, it can be said that the achievement of the goals of an organization is determined by the management through the implementation of an effective internal control system. This will be achieved if supported by human resources who have scientific insight (knowledge) and good skills and character so that they can work professionally in accordance with their duties and responsibilities. Measuring the effectiveness of the government's internal control system is seen from the instrument developed by Bastian (2006) which consists of 3 (three) indicators, namely: 1) input; 2) output; 3) outcomes.



**RESEARCH METHODS**

This type of research is a quantitative research by testing the hypothesis that has been formulated. This research was conducted with the aim of examining the Influence of Apparatus Competence, Role of Government Internal Supervisory Apparatuses, and Effectiveness of the Government's Internal Control System on the Performance of Regional Financial Managers of the Government of Aceh. This study uses a census method or population testing. The population in this study were all Financial Management Officers, namely Budget Users, Financial Administration Officers, Activity Technical Implementation Officials, and spending treasurers at Local Government Work Unit Aceh government in accordance with Government Regulation Number 58 Year 2005 concerning Regional Financial Management. The population in this study is based on the main duties, functions and responsibilities as government officials in the fields of planning, budgeting, implementation, accountability and financial reporting. Based on Aceh Qanun No. 13 of 2016 concerning the Formation and Composition of the Aceh apparatus, there are 46 local government work units in the aceh government consisting of secretariats, offices, technical institutions and special institutions, so that the population in this study totaled 184 people (46 local government work unit x 4 people).

**RESEARCH RESULTS**

**Characteristics of Research Respondents**

**Table 1.** Characteristics of Research Respondents

No	Information	Number of Respondents	Percentage %
1	<b>Gender</b>		
	Man	131	71.2%
	Woman	53	28,8
	<b>Total</b>	<b>184</b>	<b>100%</b>
2	<b>Age</b>		
	20-29 years	-	-
	30-39 years	15	8.2%
	40-49 years	82	44.6%
	50 years and over	87	47.3%
	<b>Total</b>	<b>184</b>	<b>100%</b>
3	<b>Last education</b>		
	Diploma/Academy	-	-
	Bachelor	95	51,6
	Postgraduate	84	45,7
	Doctor	5	2,7
	<b>Total</b>	<b>184</b>	<b>100%</b>
4	<b>Field of education</b>		
	Accountancy	50	27,2
	Management	35	19.0
	Economic development	8	4,3
	Other	91	49.5
	<b>Total</b>	<b>184</b>	<b>100%</b>
5	<b>Years of service</b>		
	≤ 5 Years	-	-
	6-10 Years	7	3,8
	11-15 Years	43	23,4
	over 15 years	134	72,8
	<b>Total</b>	<b>184</b>	<b>100%</b>



**Validity Test Results**

Testing the validity of the data in this study was tested statistically. The test uses the SPSS application program version 25 with a product moment correlation coefficient test with a significant value of 5% or 0.05.

**Table 2.** Validity Test Results

Variable	Statement Code	Correlation coefficient	Critical Value 5% (N=184)	Information
Financial Manager Performance (Y)	Y 1	0.743	0.144	Valid
	Y 2	0.774	0.144	Valid
	Y 3	0.815	0.144	Valid
	Y 4	0.807	0.144	Valid
	Y 5	0.737	0.144	Valid
	Y 6	0.745	0.144	Valid
Apparatus Competency (X1)	X1 1	0.722	0.144	Valid
	X1 2	0.724	0.144	Valid
	X1 3	0.674	0.144	Valid
	X1 4	0.739	0.144	Valid
	X1 5	0.679	0.144	Valid
	X1 6	0.566	0.144	Valid
Role of Government Internal Supervisory Apparatus (X2)	X2 1	0.774	0.144	Valid
	X2 2	0.611	0.144	Valid
	X2 3	0.638	0.144	Valid
	X2 4	0.740	0.144	Valid
	X2 5	0.746	0.144	Valid
	X2 6	0.846	0.144	Valid
	X2 7	0.763	0.144	Valid
	X2 8	0.747	0.144	Valid
Effectiveness of Government Internal Control System (X3)	X3 1	0.801	0.144	Valid
	X3 2	0.854	0.144	Valid
	X3 3	0.810	0.144	Valid
	X3 4	0.724	0.144	Valid
	X3 5	0.729	0.144	Valid

The results of the validity test described in the table above can be interpreted that the coefficients obtained for each questionnaire from the variables of financial management performance (Y), apparatus competence (X1), the role of the government's internal supervisory apparatus (X2), and the effectiveness of the internal control system (X3) as a whole is above the critical product moment value (Correlation Coefficient > 0.144) so that the questionnaire used can be declared valid.

**Reliability Test Results**

The reliability test was carried out on 36 statement items which were statistically tested using *Cronchbach's coefficient alpha* with the help of the SPSS application program.



**Table 3.** Reliability Test Results

No	Variable	Variable Items	Cronbach Alpha value	Cronbach Alpha	Information
1	Financial Manager Performance (Y)	6	0.862	0.60	reliable
2	Apparatus Competency (X1)	6	0.775	0.60	reliable
3	Role of Government Internal Supervisory Apparatus (X2)	8	0.877	0.60	reliable
4	Effectiveness of Government Internal Control System (X3)	5	0.843	0.60	reliable

From the data table above it can be seen that the *Cronbach's alpha value* is greater than 0.60, meaning that the instrument in this study is reliable or reliable, so it can be concluded that the questionnaire which is the measuring instrument in this study is reliable and feasible to use.

**Normality Test Results**

Normality test used to test is it deep a model regression, the variables used have a normal distribution or not. Something the regression equation is said to be normal if the significance value of the *Kolmogorov-smirnov* more big from 0.05 .

**Table 4.** Normality Test Results with the Kolmogorov Smirnov Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		184
Normal Parameters <sup>a,b</sup>	Mean	,0000000
	Std. Deviation	,24439474
Most Extreme Differences	Absolute	,038
	Positive	,036
	Negative	-,038
Test Statistic		,038
Asymp. Sig. (2-tailed)		,200 <sup>c,d</sup>
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Based on the results of the normality test in the table above with the Kolmogorov Smirnov test, it can be seen that the probability value is > 0.05, so the regression model meets the normality assumption.

**Multicollinearity Test Results**

The multicollinearity test was carried out to ensure that in the regression model there is no multicollinearity among the independent variables. Whether or not multicollinearity exists can be determined by looking at the *tolerance value* and *variance inflation factor* (VIF).



**Table 5.** Multicollinearity Test Results with the VIF Method

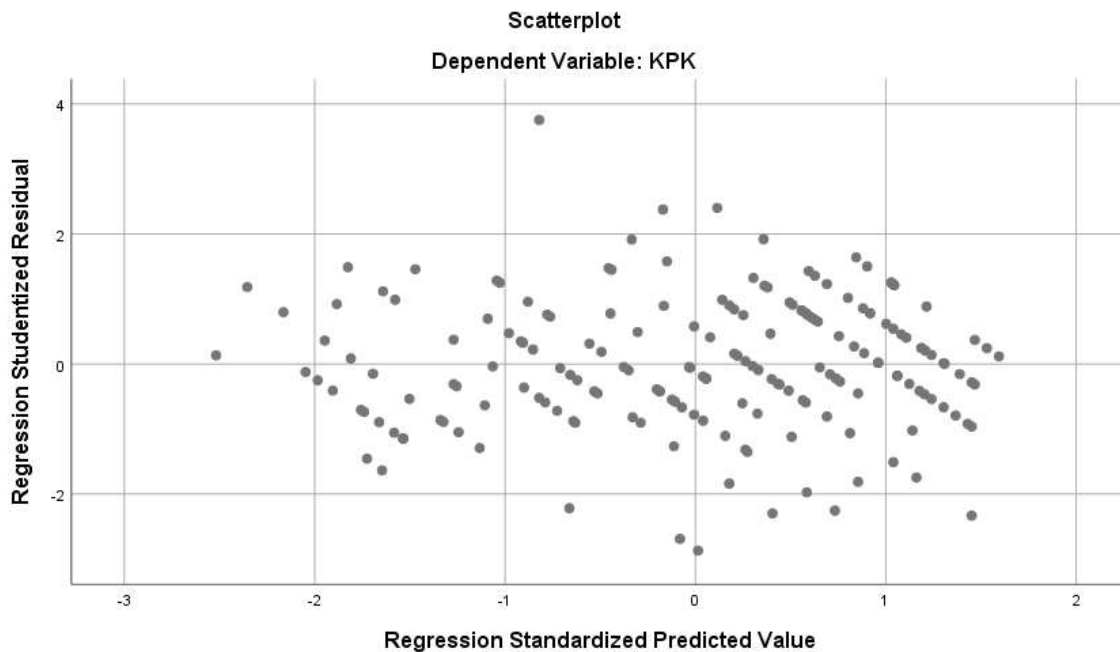
Variable	Collinearity Statistics		Information
	tolerance	VIF	
(Constant)			
Apparatus Competency (X1)	0.581	1,722	No multicollinearity
Role of Government Internal Supervisory Apparatus (X2)	0.269	3,711	No multicollinearity
Effectiveness of Government Internal Control System (X3)	0.281	3,553	No multicollinearity

Based on the results of the multicollinearity test using the VIF method, the VIF value <10 means that all independent variables do not occur multicollinearity.

**Heteroscedasticity Test Results**

The heteroscedasticity test was carried out to find out whether in a regression model there is an inequality of variance from the residuals of one observation to another.

**Table 6.** Heteroscedasticity Test Results with *Scatterplot*



Based on the results of the heteroscedasticity test using Glejser, the probability value is > 0.05. This means that the estimated model is free from heteroscedasticity.



**Regression Test Results**

**Table 7.** Multiple Linear Regression Test Results

Variable	Unstandardized Coefficients	
	B	std. Error
(Constant)	0.115	0.176
Apparatus Competency (X1)	0.185	0.051
Role of Government Internal Supervisory Apparatus (X2)	0.639	0.067
Effectiveness of Government Internal Control System (X3)	0.194	0.064
Correlation Coefficient (R)	=	0.894
Coefficient of Determination (R <sup>2</sup> )	=	0.799
Adjust R Squared	=	0.796
F Count	=	238,510
Sig. F	=	0.000

Mathematically the results of the multiple linear regression analysis of the path model can be written as follows:

$$Y = 0,115 + 0,185X_1 + 0,639X_2 + 0,194X_3 + e$$

**Simultaneous Hypothesis Testing Results**

Based on the Multiple Linear Regression  $\beta_1$  Test Table it is known that the regression coefficient of each variable shows that the independent variable  $\neq 0$  where  $\beta_1 = 0.185$ ,  $\beta_2 = 0.639$  and  $\beta_3 = 0.194$ . This shows that the competency of the apparatus, the role of the government's internal supervisory apparatus, and the effectiveness of the government's internal control system jointly influence the performance of regional financial managers.

**Partial Hypothesis Testing Results**

- (1) The results of testing the apparatus competence variable obtained a regression coefficient value  $\beta_1$  of 0.185. This shows that  $\beta_1 \neq 0$ , so it can be concluded that apparatus competence affects the performance of regional financial managers. Apparatus competence regression coefficient of 0.185.
- (2) The test results on the variable role of the government's internal supervisory apparatus obtained a regression coefficient value  $\beta_2$  of 0.639. This shows that  $\beta_2 \neq 0$ , so it can be concluded that the role of government internal supervisors affects the performance of regional financial managers.

**DISCUSSION**

**The Influence of Apparatus Competency on the Performance of Regional Financial Managers of the Aceh Government**

The results of multiple linear regression testing show that the coefficient value  $\beta_1 \neq 0$ . This indicates that the competency of the apparatus affects the performance of local government work unit financial managers. The regression coefficient is 0.185, meaning that if the competency of the apparatus increases by 1 unit, the performance of financial managers will increase by 0.185 units. This means that the better the competency of the apparatus, the better the performance of local government work unit financial managers in the Government of Aceh.

Based on the results of the questionnaires that have been collected from research respondents, it is known that the apparatus in the local government work unit in the Government of Aceh on average agree that the competence of the apparatus has played a good role in improving the performance of financial managers in the local government work unit. This is in accordance with the





indicators used in this study, namely; 1) skills, namely something that is owned by an individual to carry out the task or work assigned to him, if the financial management apparatus has good capabilities, the performance of the manager will be better. At present, apparatus at the local government work unit in the Government of Aceh have received training related to financial management performance such as the Bimtek for Regional Financial Management, the Bimtek for Regional Treasury Administration, the Bimtek for Financial Administration, the Bimtek for Compilation of Accrual-based Financial Reports, the technical guidance for budget work plan the technical guidance for Procurement Goods and Services, technical guidance on how to calculate and collect taxes and other regional financial training. 2) knowledge, which is a function of human attitudes that have a basic urge to be curious, to achieve reasoning and to organize experience. The results of the study show that apparatus at local government work unit in the government already have expertise, understanding, and knowledge in the field of financial management such as doing bookkeeping, administering financial reports, and other knowledge related to accounting; and 3) ability, namely to carry out a job. In addition, based on the results of obtaining the questionnaire, it is also known that the Aceh government provides facilities that support the work of the apparatus, so that it is very useful in completing the tasks of the apparatus. The competency of the apparatus in the local government work unit in the Government of Aceh is also very good in terms of the division of tasks according to their respective expertise, this is very important because they can complete tasks according to the fields owned by the apparatus.

The results of this study are in line with the Goal Setting Theory where when an individual has goals it will have an impact on the individual's performance. The results of this study are also in accordance with the results of research conducted by Rafar et al., (2015); (Rozanti, 2018); Mustaqim (2019); and Maulana et al. (2021) which shows that the competence of human resources affects the performance of regional financial managers. This is because every part of the government in the field of financial management is filled by the right people, namely those who have the competence in accordance with the main tasks and functions.

## **The Effect of the Role of the Government's Internal Supervisory Apparatus on the Performance of Regional Financial Managers of the Government of Aceh**

The results of multiple linear regression testing show that the coefficient value  $\beta_2 \neq 0$ . This shows that the role of the government's internal supervisory apparatus influences the performance of local government work unit financial managers. The regression coefficient is 0.639, meaning that if the role of the government's internal supervisory apparatus increases by 1 unit, the performance of financial managers will increase by 0.639 units. This means that if the government's internal supervisor plays a good role in government activities, the performance of financial managers will be better.

Based on the results of the questionnaires that have been collected from research respondents, it is known that the apparatus in the local government work unit in the government of Aceh on average agree that apip has played a role in activities at the local government work unit such as conducting inspections, supervision, evaluation related to findings in the field of financial management. This is in accordance with the indicators used in this study, namely; 1) The entire process of audit activities; 2) Monitoring review of financial reports, and; 3) Other supervisory activities, Government's Internal Supervisory Apparatus has carried out internal supervision on the implementation of the duties and functions of Government agencies including accountability for state finances and fostering the implementation of Government's Internal Supervisory Apparatus. Government's Internal Supervisory Apparatus added value and contribution is expected to make a strategic contribution to the government. An important role that can be carried out is overseeing the budget preparation process with the aim of saving budget leaks, savings in budget spending, and preventing budget overlapping. Apart from that, routine audits are carried out, Government's Internal Supervisory Apparatus provides recommendations to each government apparatus regarding the results, obstacles and deviations that occur in the activities carried out in each local government work unit of the Government of Aceh.

The results of this study are in line with the results of research put forward by Mardi (2008) that inspectorate supervision has a very strategic role, as a catalyst and dynamist in improving apparatus performance and the success of regional development. This is supported by the Goal Setting Theory, where setting important goals is carried out by groups, as setting individual goals is used to achieve performance and improve performance (Lunenburg, 2011). The function of the inspectorate is in the process of reviewing financial reports to determine whether the financial statements have been presented in accordance with applicable regulations. In addition, according to Government Regulations Number 41 of 2007, the main purpose of inspectorate supervision is not only to carry out verification actions, but is also intended to assist the parties being supervised in carrying out their duties properly in order to improve the performance of the organization being supervised.



The results of this study are in accordance with the results of research conducted by Wiguna et al. (2015); Purnama et al. (2016); Anisatul et al. (2017); andFuada (2021) which shows that the role of the government's internal supervisory apparatus influences the performance of regional financial managers. This shows that the role of the government's internal supervisory apparatus will improve the performance of Aceh Government financial managers. The results of this study are in line with the results of research conducted by Puspita (2018) and Sari (2015) which prove that inspectorate supervision has a significant positive effect on the performance of Local government work unit financial managers. This means that the relationship between inspectorate supervision is in line with the performance of Local government work unit financial managers.

### **The Influence of the Effectiveness of the Government's Internal Control System on the Performance of Regional Financial Managers of the Government of Aceh**

multiple linear regression  $\beta_3$  testing show that the coefficient value  $\neq 0$ . This shows that the effectiveness of the government's internal control system affects the performance of local government work unit financial managers. The regression coefficient is 0.194, meaning that if the government's internal control system increases by 1 unit, the performance of financial managers will increase by 0.194 units. This means that if the control system is running effectively in government activities, the performance of financial managers will be better.

Based on the results of the questionnaires that have been collected from research respondents, it is known that the apparatus in the local government work unit in the government of aceh on average agree that the effectiveness of the government's internal control system has played an effective role in improving the performance of financial managers in local government work unit. This is in accordance with the indicators used in this study, namely 1) input; 2) Program output in achieving program objectives ; 3) Result (outcome) due to and impact of the output (output). Effectiveness is closely related to the level of success of a public organization's activities, so that an activity is said to be effective when the activity in question has a great influence in achieving predetermined targets. Effectiveness relates between output and goals, where effectiveness is measured by how far the level of output, policies in organizational procedures achieves the goals set (Badewin, 2018). The results of the study show that the internal control system implemented in the local government work unit aceh Government is capable enough to support improving the performance of regional financial managers. The Aceh work unit can improve the performance of financial managers through steps such as strengthening supervision, clear transfer of duties and functions, delegation of authority, complete and valid documentation of transactions, accurate and timely recording and testing of existing control systems. This is in line with the Goal Setting Theory which shows that there is a relationship between one's goals and the task of Omer (2015). That is, the more effective the internal control system is run by individuals, the more performance and performance improvements will be achieved in each local government work unit of the Government of Aceh.

The results of this study are in accordance with the results of the study Pujiono et al. (2016); Aziz et al. (2018); and Seniorita et al. (2022) which shows that the effectiveness of the government's internal control system affects the performance of regional government financial managers.

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