

THE EFFECT OF INTERNAL CONTROL ON PERFORMANCE (Case Study on MSMEs assisted by the West Java Chamber of Commerce and Industry in Bandung City)

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ABSTRACT

This study aims to determine the effect of internal control on the performance of Micro, Small and Medium Enterprises (MSMEs) assisted by the West Java Chamber of Commerce in Bandung. The research method applied is in the form of a descriptive analytical survey method, while the sample used is 32 respondents. The variables studied from each respondent are internal control, and performance. The type of data collected is primary data. The results of the study identified that internal

control had no effect on performance. The object of this research is the sample of respondents used which is still limited to MSMEs fostered by the West Java Chamber of Commerce in the city of Bandung, therefore it is necessary to do further research based on more varied sampling with a longer duration, so that generalizable results are obtained.

Keywords: *internal control; performance; company*

Pendahuluan

that the company can control the value of sales, production and stock in the warehouse, so that it is expected to maintain the governance and performance of MSMEs themselves. The COVID-19 pandemic has also forced many MSMEs in West Java to have to adjust to government regulations, especially with new policies such as those related to employee health (requests for wearing masks and checking body temperature), social distancing and physical distancing. The challenges that must be faced, especially with the large number of auditees who work from home (wfh, so that it can hinder the auditor's time in fulfilling the request for the required audit information, so inevitably and there is no other choice, unless an MSME company, especially an industrial scale, must be more stringent in carrying out the audit process). its internal control system, so that MSMEs can maintain business stability, in order to avoid a decline or distortion of their management functions.

COSO (Committee of Sponsoring of the Treadway Commission) explained that the board of commissioners, board of directors, management, and employees have a strong influence on the implementation of the company's internal control, thus providing assurance that the organization can achieve its goals. Furthermore, OJK (Financial Services Authority) explained the details of the implementation of internal control itself, which is a system designed by the company to improve efficiency, secure assets, maintain accuracy of accounting data, enforce discipline, and increase employee compliance with company policies. So it can be said that the internal control system is a mechanism that is strongly influenced by the board of commissioners, directors, management, and others, which are preventive, detective and corrective, so that financial reports and other reports have reliable data accuracy, so that they can maintain assets. owned, enforce discipline, compliance and accuracy with existing rules, as well as maintain the effectiveness and efficiency of the company's operations.

The COVID-19 pandemic has penetrated into the global health crisis, and has affected the global economy exponentially, whether it has an impact on short-term or long-term business. respond and ensure that the best practice steps have been executed, it is important that the MSME leaders consider the following decisions, for example ensuring that the MSME internal control function has been running effectively, consider: the established policies and procedures are adequate, including telecommuting distance deep in work from home, whether home-based working, mobile working, or satellite office, then workplace comfort, food safety, etc. MSMEs must pay attention to issues in sensitive information technology that may damage the company's good name, meaning not to ignore cyber issues, kepa God's respect for internal control should be maintained and maintained properly, MSMEs need to think of alternative actions which are options for continuing an effective work plan, including recommendations for the consequences of not implementing internal controls, and how to take corrective actions. The number of KUMKM in Bandung City itself is 2,410,417 units (2016-2021), based on data from the West Java Cooperatives and Small Business Office, as shown in the following table:

Table 1

Development of MSMEs in Bandung City 2016-2021

Tahun	Jumlah MSME	Perubahan	Perubahan (%)
2016	1.000.000	-	-
2017	1.100.000	100.000	10%
2018	1.200.000	100.000	9%
2019	1.300.000	100.000	8%
2020	1.400.000	100.000	7%
2021	1.500.000	100.000	7%

Source: Cooperatives and Small Business Office 2021

And in graphic form as shown below:

Figure 1

Development of MSMEs in Bandung City 2016-2021



Source: Cooperatives and Small Business Office 2021

Many MSMEs in facing this condition will pay attention to risk management, risk assessment and risk mitigation and their long-term impact. MSMEs must be able to test that internal controls can be effective for the current pandemic conditions. In the current pandemic conditions, internal audit has an important role as a guard of defense both inside and outside the company. The Covid 19 pandemic is not only felt in Indonesia but also throughout the world, is a new experience, and never expected to happen, so all MSMEs must be able to adapt to new habits that are likely to be long term. The Covid-19 pandemic has changed MSME business processes, many companies are running using new ways so that MSMEs exist more today, working in a COVID situation does not mean sacrificing internal audit principles. MSMEs are still required to be able to maintain independence, maintain accountability and reporting, maintain an objective mindset remains the main thing in the company, all restrictions have indeed reduced the movement of the holders of management functions in the company, so that the effectiveness of internal control becomes difficult to implement, so that the internal control agenda within the company has also become distorted, the control plan may have changed a lot, as a result of the holders of management functions in the company being very limited in their movements, so that not a few results in a decrease in physical and mental readiness, so that internal controllers must think hard to change the way of controlling in the company. company, because the company began to prohibit its employees to travel to the area. The work from home call and large-scale social restrictions (PSBB) even caused employees not to be willing to be audited, because they were not physically and mentally prepared.

Employees are currently making appropriate response efforts due to the pressures of the Covid-19 pandemic, for example how to identify processes

and activities that are most affected, re-mediate, and mainly continue to carry out important processes so that they can still exist even though they are not perfect. So that internal control activities have to be reviewed. reset or even

degraded. Likewise, the current way of looking at risk is very different from the risk in normal conditions. Many risks increase in severity, when related to income, liquidity, human resources (both health and work readiness), supply chain, cybersecurity, including data security risks and work from home infrastructure. The most important thing is that the implementation of internal audit can no longer impose an audit that is no longer relevant to the current management priorities and which may no longer be in accordance with the risk profile faced by the company. The MSME map in mapping internal audits should follow new regional developments, as shown in the following figure:

Figure 3
MSME Regional Map of Bandung City 2016-2021



Source: Cooperatives and Small Business Office 2021

What remains now is how the implementation of internal audits makes the company's business processes sluggish, or the Covid-19 pandemic becomes a golden opportunity to show the relevance and contribution of internal auditors in decision making and problem solving that is important to the company. Internal control maneuvers must revise old plans that may become useless for stakeholders, on the contrary, internal control must be a means of protecting the value and performance of MSMEs.

MSMEs must move quickly to receive input from their stakeholders, so that inter control finds its identity by planning the level of control that is in accordance with current conditions, so that plans that are no longer relevant at this time must be changed, replaced or even discarded, for example internal controllers become partners who help field operations, being a consultant providing assistance and facilities that bridge employees with the leadership, so that remote auditing will be the right response to this pandemic situation, after enjoying the experience and feeling the benefits of remote working, which will be used in new habits and reluctant to return to the old ways. manually. With the right internal control atmosphere and proper implementation, it is hoped that it will encourage and boost the sluggish performance of MSMEs.

Based on the description and description in the introduction in the form of the background of the problem above, the authors are interested in conducting research with the title "**The Effect of Internal Control on Performance (Case Study on MSMEs fostered by the West Java Chamber of Commerce in Bandung)**".

Restricting the problem

Based on the description of the background of the problem that has been presented previously, the detected problems can be presented as follows:

1. In this COVID-19 pandemic condition, with limited capabilities, MSMEs are trying hard to update the implementation of their internal control, adapted to current conditions, which are trying to maintain the existence of their business, so they are still looking for ways to be able to maintain the expected performance.

2. Performance is expected to increase in this pandemic era, forcing a reorientation of conditions, in order to be able to implement internal control effectively, including changing the internal control model from supervision to consultant, which of course has not been widely understood by MSME actors in the field, so that understanding of control internal needs to continue to be socialized and educated for MSMEs.

3. The slump in the performance of MSMEs must be a material for introspection in order to find a model of internal control that is at peace with new habits, this still takes time to obtain an effective internal control model that can improve the performance of MSMEs in the future

4. The survey carried out is still limited to the MSMEs assisted by the West Java Chamber of Commerce in Bandung, which uses primary data and distributes questionnaires to MSMEs assisted by the West Java Chamber of Commerce in Bandung, so that it can be obtained how the respondents respond to internal control and performance...

Formulation of the problem

On the basis of the identification of the problem in the description above, the formulation of the problem can be described as follows:

1. How do respondents respond to internal control on SMEs assisted by the West Java Chamber of Commerce in the city of Bandung.

2. How do respondents respond to the performance of MSMEs assisted by the West Java Chamber of Commerce in the city of Bandung.

3. How is the influence of internal control on the performance of SMEs assisted by the West Java Chamber of Commerce in the city of Bandung.

LITERATURE REVIEW

Basic theory

The American Institute of Certified Public Accountants [1], that internal control is in the form of planning within an organization and all sizes and coordinated methods are implemented in a business unit, in order to safeguard assets, ensure the trustworthiness of data. accounting, maintaining the level of efficiency, and maintaining the level of compliance with management policies. Furthermore, [2], explains that internal control according to COSO (The Committee of Sponsoring Organizations), is: "Internal control as the process implemented by the board of directors, management, and those under their direction to provide reasonable assurance that control objectives are achieved with regard to effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations", according to [3], Internal control is a process and procedure that is implemented to ensure that control objectives have been achieved, Internal control itself according to [4]. Consists of an organizational structure, methods and measures that are coordinated to safeguard company assets, maintain accuracy and reliability of accounting data, improve efficiency and ensure compliance with management policies. So it can be concluded that internal control is an activity to avoid risks so that losses can be reduced to a minimum, due to organizational activities, so that actions aimed at improving the quality of the company can be achieved according to the original purpose.

The objectives of internal control according to [5], are: 1. Protecting company assets 2. Reliability of accounting data can be obtained 3. Maintaining efficiency 4. Maintaining compliance with management policies According to [6], the objectives of internal control include: 1. Maintaining wealth 2. Maintaining the trustworthiness of

company report data in a precise and fair manner 3. Ensuring reliable and accurate information 4. Submitting financial reports in accordance with generally accepted accounting principles 5. Encouraging and improving operational efficiency 6. Encouraging compliance with policies According to [6], there are four objectives of internal control, namely: 1. Protecting company property 2. Increasing the accuracy of information on the information system that applies in the company 3. Maintaining efficiency of the company's performance, so as to save various expenses 4. Menin improve compliance with management policies

The Components of Internal Control according to [7], namely: 1. Control environment in the form of company infrastructure so that the internal control system is carried out properly. Without a good internal control environment, the internal control system cannot be implemented properly. The components that affect the internal control environment are: a. commitment to ethical values and integrity, where the company instills ethics and ethical values. b. Operational style by management and philosophy adopted by management. Convincing all employees by management, that all company activities run according to the provisions. c. Organizational structure is used by the company in order to implement a good internal control system in accordance with the wishes of management. In its application, each section is not allowed to have the most powerful employee in handling a transaction and these sections must be supervised. d. the audit committee of the board of directors. d. Supervision by the audit committee of the highest ranks in the company. e. methods of assigning responsibility and authority).

Segregation of duties between employees who carry out recording, storage and authorization. f. Policies and practices concerning human resources (human resources policies and practices). Companies must choose people who are competent in their fields. g. External influences are influences that arise from the environment outside the company, for example arising from banks or insurance companies. 2. Supervision activities or control activities Supervision activities are various processes and efforts to enforce supervision or control of company operations. According to COSO, there are several control activities implemented by the company, namely: a. Authorization of transactions and activities (proper authorization of transactions and activities) b. Division of duties and responsibilities (segregation of duties) c. design and use of adequate documents and records d. Sufficient protection of company assets and records (adequate safeguards on assets and records e. independent checks on performance) 3. Understanding of risk or risk assessment Company management must be able to identify various risks faced by the company, so that preventive actions can be taken to reduce losses. losses that may arise. The risk groups faced by the company are: a. Strategic risk is doing an activity in the wrong way, causing the company to not be able to achieve its goals properly. b. Financial risk, namely the risk of facing financial losses such as wastage and theft of money c. Information risk is producing irrelevant information, wrong information, or even the information system cannot be trusted. 4. information and communication Companies must know the duties of each employee, for example, employees who record sales transactions, send invoices to buyers and who receive payment. This is done so that companies can track employees who tend to commit fraud. 5. Monitoring is when an activity is not running as expected, immediate action can be taken. The form of monitoring in the company can be carried out by one (or all) of the following procedures: a. Effective supervision (effective supervision), namely, provide guidance to employees. b. Responsibility accounting, namely, implementing an accounting system that can be used to assess the performance of each manager, department and process run by the company. This is done so that employees can work well. c. Internal auditing (internal auditing), namely, auditing carried out by auditors within the company to assess the system run by the company and provide reports to management regarding proposed improvements so that management can immediately request to improve the system.

The Internal Control function has functions, according to [8] consisting of: a. Preventive controls are internal controls that are installed before the activity starts. for example, prepared a set of rules and regulations for company activities. b. detective control, namely, internal control is carried out by tracking ongoing problems, for example, periodic audits. c. corrective control, namely, internal control to identify and correct problems and resolve these errors. For example, repairing a broken system.

Elements of Internal Control according to [9] are: a. An organizational structure that clearly separates functional responsibilities b. Authority system and recording procedures that provide adequate protection against assets, debts, income and expenses c. Healthy practice in carrying out the duties and functions of each organizational unit d. Employees whose quality is in accordance with their responsibilities

Performance according to the Big Indonesian Dictionary (KBBI) is something to be obtained, displayed achievements, or performance. So that performance is needed by the organization to achieve the intended target through competent human resources. Performance is a quality and amount of work achievement obtained by an employee in order to carry out his obligations based on the responsibilities delegated to him [10]. In essence, performance management is a procedure that is carried out in an integrated manner between managers, individuals, and groups for an activity in the company. This process refers to the principles of management by objective rather than management by command. The origin of the term performance is from the word performance which means the result of work or work performance. According to the behavioral approach in management, [11]. Performance is a work achievement obtained by a person when carrying out various tasks based on competence, effort and opportunity [11]. Performance is the performance achieved by individuals when carrying out their duties on competencies, efforts and opportunities. Performance is a consolidation of three important factors, namely the ability and desire of an employee, competence and interest in the explanation of work delegation, as well as the function and level of enthusiasm of an employee. The bigger the three elements, the more the employee's performance. [12] explains that performance is a process by which companies evaluate employee performance. On the basis of the description, it can be concluded that the so-called employee performance is the work achievement in quality and quantity obtained by employees on the basis of certain assessment standards formulated by the organization. Employee performance in an organization needs to be understood because the organization will get clarity on how far the quality and amount of work output obtained by employees. Along with these factors, every organization has an interest in evaluating employee performance.

In the elements that have implications for the performance of the company, the performance of an employee with other employees is not the same depending on the skills and abilities possessed and the elements that imply it. The satisfaction that employees get when they are on duty will make them work optimally and show the best achievements. The opinion of [13], that the elements that imply performance are: a) Personal factors, shown by the level of expertise, expertise they have, enthusiasm for personal promises. b) leadership factors, determined by the quality of encouragement, guidance, and support carried out by the team leader c) Team factors, shown by the quality of support provided by colleagues d) System factors, indicated by the existence of a work system and facilities contributed by the organization e) Contextual/situational factors, indicated by the level of pressure and organization of the internal and external environment.

The indicators of employee performance, according to [14], are employee performance appraisals, work standards should be easily quantified and known, through: 1. The number of jobs achieved by individuals or groups as requirements to

become job standards. 2. The quality of work of each employee in the organization needs to meet certain requirements in order to achieve work according to the quality expected of a particular activity. 3. The existence of time accuracy, certain activities should be completed at the right time, because of the level of dependence on other jobs. Thus, if the task of a certain section is not completed in time, there will be obstacles to the tasks of other work units, so that it can have implications for the quantity and quality of task performance. 4. In attendance, there is a type of task that requires the presence of employees during daily working hours for a week. 5. In terms of the ability to cooperate on certain activities, it seems that it must be completed through more than one employee, thus cooperation between employees is very much needed. Based on the opinions of the experts above, evaluating employee performance can be used with quality, quantity, and time accuracy. Then the question is whether the standards that have been standardized have met the company's demands in order to obtain performance standards that match the needs of the organization.

Viewed from human resources, employee performance is a person's work in total during a certain period of time in the form of work implementation, in the form of work performance standards, targets or targets based on pre-determined and mutually agreed conditions [15], viewed from the financial side. , performance according to Prastowo from [16], explains that the company's financial performance factors are factors that are directly related to the measurement of company performance submitted in the income statement, and net income is often used to measure performance or part of the basis for other scales, so that the financial statements are a barometer to measure how much corporate tax should be reported and deposited to the state. According to Wibowo Subekti in his writing <http://www.wibowopajak.com/2012/01/pengertia-laba-fiskal.html> that: Profit according to tax accounting (fiscal profit) is profit for one period which is calculated based on tax regulations and becomes the basis of calculation income tax.

According to the research results of [17], with the title "the influence of internal control and leadership style on the performance of employees of gas stations in Yogyakarta (a case study on gas stations in a subsidiary company rb.group)", e-issn 2502-5430, p-issn 2303- 2065, in the Journal of the Nominal Barometer of Accounting and Management research, Vol 1 No. 1 (2012), with the results of research that internal control turned out to have a positive and significant influence on employee performance, where t_{count} is greater than t_{table} $3.506 > 1.6698$ with a coefficient of determination 0.165. According to the results of a study by [18], with a study entitled "the influence of internal control and leadership style on employee performance at hotel Boulevard Manado", in the EMBA Journal, Journal of Economic Research, Management, Business and Accounting, Vol 5, No. 2 (2017), Binilang, on the basis of this writing, that internal control and leadership style have a significant influence on employee performance, according to research conducted by [19], with the title "the influence of internal control and work discipline on employee performance in the company. drinking water area of Padang Panjang", in JIP Journal Journal of Innovation and Research, Vol. 1 No. 12, May 2021, e-ISSN No. 2722-9467, p-ISSN 2722-9475, that Internal Control has a significant influence on the performance of employees at the Regional Drinking Water Company in Padang Panjang, according to the writing of [20], entitled "The Influence of Internal Control Systems on Employee Performance Efforts of SMAN 1 Belitang Oku Timur", Vol 3 No. 2 (2018), JMKSP Journal (Journal of Management, Leadership, and Education Supervision), e-ISSN 2614-8021, p-ISSN 2548-7094, where internal control has a significant positive effect on Administrative Staff, .

Framework

On the basis of background and literature, the following framework of thought can be drawn up:

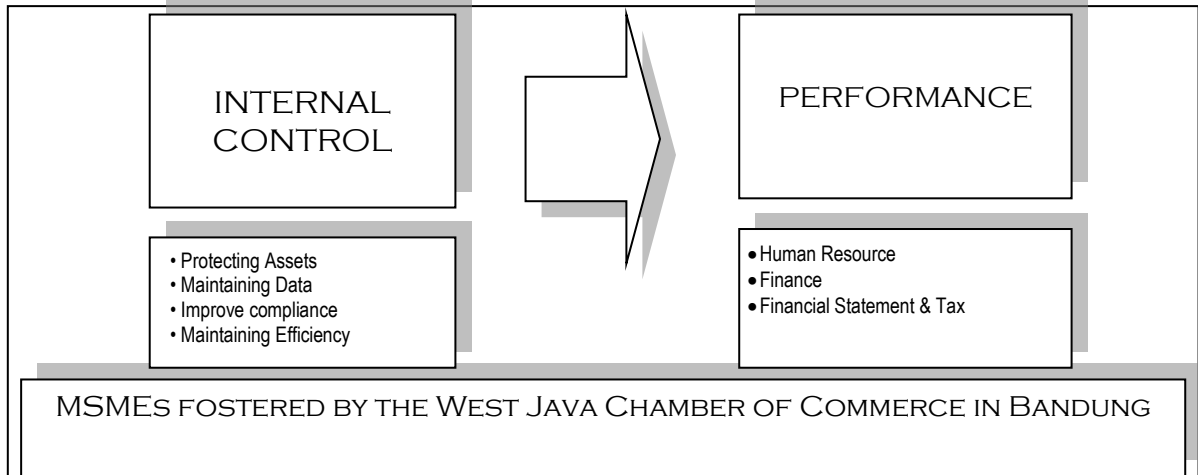


Figure 1.
Framework
Hypothesis

Based on the framework of thinking, the following hypotheses were designed:
H1: 0 Internal control has a significant effect on performance

Implementation Method

Object of research

Sampling of 32 samples from MSMEs assisted by the West Java Chamber of Commerce in the City of Bandung with the sampling method used in this study using purposive sampling technique.

Data analysis technique

Descriptive Analysis Test

This writing uses a quantitative approach with a survey method, while the survey questionnaire used is in the form of primary data according to the Lickert scale, with responses from respondents in tabulation. The description used uses exogenous internal control variables, while the endogenous variables are performance,

Based on Sekaran and Bougie (2017: 79), that exogenous variables will implement endogenous variables, either positive or negative. This means that every independent variable that exists, it can be determined that the dependent variable still exists, for each addition or subtraction of the exogenous variable. And also according to Sekaran and Bougie (2017: 77) the dependent variable is a variable that is under the influence of other variables, so in other words the main variable is suitable for research material.

Then the existing variables will be contributed using operational research variables, there are in the form of main variables, limits or theories, dimensions, indicators and measurement scales. While the operational details of the variables are described below:

Table 1

Operationalization of Variables

Variable	Concept	Dimension	Indicator	Scale
Internal Control (X)	[6, 17, 20]	Planning	Coordinated method	Ordinal
		Assurance	Effectiveness and efficiency	Ordinal
		Control Environment	Internal control environment	Ordinal
	[9]	Control activities	Supervision and control	Ordinal
		Risk assessment information and communication	Risk identification Assignment	Ordinal
		Monitoring	Procedure	Ordinal
		Internal control function	Preventive control	Ordinal
Performance (Y)	[4, 11]	Integrated procedures	Management by goals	Ordinal
		Performance evaluation	Achievement of quality and quantityship work personal factors	Ordinal
	[20]	Performance implications	Leadership factor	Ordinal
			Team factor	Ordinal
		System & situational factors	Ordinal	
	Standard quantification	Quantity of work	Ordinal	
		Quality of work	Ordinal	
		Time accuracy	Ordinal	
		Task type	Ordinal	
		Cooperation ability	Ordinal	

Data Collection and Processing Techniques

Data were collected as well as field research, and library research, while the data processing test was used on the basis of the Lickert scale at the level of responses strongly agree (5), agree (4), undecided (3), disagree (2), strongly disagree (5)

Data Testing Method

Validity test

Validity test with ordinal measurement scale using Spearman rank correlation

Reliability test

Reliability test is used to find out so that the measurement results remain consistent, and at the time of re-measurement with variables that are not different. This test uses the Spearman Brown technique of split-half, in order to determine the reliability coefficient and also uses the Spearman Brown formula.

Descriptive Analysis Test

This test is carried out to obtain responses through surveys, by distributing questionnaires so that responses are obtained from the MSMEs assisted by the

West Java Chamber of Commerce by using internal control and performance variables.

Data analysis technique

There are two types of analysis used, namely: (1) descriptive analysis via qualitative variables and (2) quantitative analysis with path coefficients, while the determination to scale is how much influence exogenous variables have on endogenous variables. The verification method is also using path analysis. As a result of using a combination of analytical techniques, of course, it is hoped that an integrated generalization will be obtained between internal control and performance. Researchers distributed questionnaires to accommodate respondents' responses to this study, namely 10 statement items for internal control variables and 11 choice items for performance variables, each response was given 5 response options that must be taken.

Hypothesis Test (t Test)

In order to obtain a description, how much influence the independent variable has on the dependent individually (partial).

Coefficient of Determination Test

This coefficient is a number that describes the partial influence of exogenous variables on endogenous variables. With a value between 0 to 1 (0% - 100%), the numbers that appear in the area closer to one means that the influence of exogenous variables is getting clearer.

THE RESULTS ACHIEVED

Object of research

This research conducted a survey on the respondents of MSMEs assisted by the West Java Chamber of Commerce in the city of Bandung, where the number of samples taken was 32 respondents.

Descriptive Analysis Test

The locus study was carried out in the city of Bandung with the respondents of MSMEs assisted by the West Java Chamber of Commerce in Bandung, by asking for responses by surveying by distributing questionnaires so that the perceptions of respondents of MSMEs assisted by the West Java Chamber of Commerce and Industry in Bandung City, while the variables taken were internal control and performance.

Data analysis technique

On the basis of research that has been done through a questionnaire instrument distributed to each respondent. From the results of data collection on the percentage score for each statement that becomes a measuring tool in the internal control and performance variables based on the indicators obtained as:

a. Respondents' responses to internal control variables at the level of strongly agree on the indicator

1.Coordinated method 43.47%, 2. Effectiveness and efficiency,30.43%, 3. Internal control environment, 17.00%, 4. Supervision and control 30.43%, 5. Risk identification 26, 09%, 6. Assignment 15.63%, 7. Procedure 18.75%, 8. Preventive control 18.75%, 9. Detective control 18.75%, 10. Corrective control 25.00%, so that the average 24.43% less than optimal category, while the highest score is in the coordinated method 43.47% means that management is expected to apply various methods that are expected to be effective in controlling the company's internal

b. Respondents' responses regarding entrepreneurial performance variables at the level of strongly agree on the indicators: 1. Management based on targets 31.25%, 2. Quality and quantity work achievement 37.50%, 3. Personal factor 37.50%, 4 Leadership factor 9.75 %, 5. Team factor 28.13%, 6. System & situational factor 40.63%, 7. Quantity of work 31.25%, 8. Quality of work 40.63%, 9. Time accuracy.37.50%, 10. Type of assignment 28.13%, 11. , Ability to cooperate 35.38% .. so that the average category is 32.53% less than optimal, while the highest score is only 40.63%, situational factors and job performance mean the importance of performance focuses on the quality of work that is adapted to real conditions.

Hypothesis test

The t-test used in this study explains how big the level of significance of the influence of the independent variable on the dependent variable is. While the hypotheses used in this research are:

H1: 0 Internal control has a significant effect on performance

Test criteria:

Reject H0 if, tcount > ttable or reject H0 if, p-value < . = 0.05

Table 2

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.553	.425		6.005	.000
	X	.360	.124	.467	2.895	.007

a. Dependent Variable: Y

Based on the output above, interpret it as follows:

a. T test for variable X

Based on the results of the analysis of the t-test table shows that the variable X has a significance value of (0.007 < 0.05), which means that X has a significant and significant effect on Y, besides that, it is also seen that the t count is greater than the t table, namely (2.895 > 2.042). It means that x to y has a significant effect.

Table 3

Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.467a	.218	.192	.328

a. Predictors: (Constant), X

Based on the table above, it can be seen that the value of R Square is 0.218. This shows that 21.8% of the variation in the dependent variable, namely Y, can be explained by variations of X. While the remaining 78.2% is explained by other factors outside the research capital.

CONCLUSION

Thus, conclusions can be drawn from research on the effect of internal control on performance as follows:

1. The internal control variable is at a good level, because the MSMEs fostered by the West Java Chamber of Commerce in Bandung have determined that internal control plays an important role in the company's management...

2. The performance variable is also included at a good level, because this illustrates that the MSMEs assisted by the West Java Chamber of Commerce and Industry in Bandung City, are aware that the right performance process will result in MSMEs being able to establish and successfully maintain their performance even during the COVID-19 pandemic.

3. Internal control has a significant effect on performance. This illustrates that internal control is well recognized as having contributed to the performance, both human resources, finance, as well as financial reporting and taxation, at the MSMEs fostered by the West Java Chamber of Commerce in Bandung City.

Based on the table above, it can be seen that the value of R Square is 0.218. This shows that 21.8% of the variation in the dependent variable, namely Y, can be explained by variations of X. While the remaining 78.2% is explained by other factors outside the research capital.

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