

ABSTRACT

The Effect of Management Capability and Internal Auditor Service Quality to Effective Internal Control and Accounting Information Quality at Star Hotels in Bali

This research is aimed to test and explain about the effect of management capability to the effective internal control at star hotels in Bali, the effect internal auditor service quality to effective internal control at star hotels in Bali, the effect of effective internal control to accounting information quality at star hotels in Bali, effect of management capability to accounting information quality at star hotels in Bali, effect of internal auditor service quality to accounting information quality at star hotels in Bali.

The type of this research is an explanatory research explaining about the causality relationship of various variables observed. The design of this research includes in hypothetic test classification. The data collection is done by using questionnaire media to collect primary data. The analysis units of this research are star hotels in Bali. The respondents of this research are company managers, accounting department head and internal auditors of the star hotels in Bali. Total samples are 108 star hotels in Bali.

Structural Equation Modeling (SEM) is used to test the hypothesis, namely to test the effect of management capability in line to the effective of internal control, the effect internal auditor service quality to effective internal control, the effect of effective internal control to accounting information quality, the effect of management capability to accounting information quality and the effect of internal auditor service quality to the accounting information quality.

The result of analysis by applying Structural Equation Modeling (SEM) has proved that the variable of management capability has positive and significant effect to the effective internal control. Internal auditor service quality has positive and significant effect to the effective internal control. Effective internal control has positive and significant effect to the accounting information quality. The management ability has positive and significant effect to the accounting information quality. The internal auditor service quality has positive and significant effect to the accounting information quality. Indirect effect of management capability to accounting information quality through effective internal control. Indirect effect of internal auditor service quality to accounting information quality through effective internal control.

Key word : management capability, internal auditor service quality, effective internal control, and accounting information quality