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Influence of organizational culture and organizational commitment to the effectiveness of control systems internal government and it's impact on the quality of financial statements

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ABSTRACT

This research aims to discover, test and analyze the influence of organizational culture and organizational commitment of the effectiveness of efectiviveness goverment internal control and its impact on the quality of financial statement either partially or simultaneous. The research method used is the analysis of quantitative data. The object of this research is local government in the province of North Sumatra. Sampling method is purposive sampling. The technique of data collection was done through the distribution of questionnaires. While the techniques of data analysis is path analysis and the data is processed using SPSS statistics software. The results showed that in organizational culture influences the effectiveness of government internal control systems, organizational commitment influences the effectiveness of government internal control systems, organizational culture and organizational commitment simultaneously influences the effectiveness of government internal control systems, organizational culture influences the quality of financial statements, organizational commitment does not affect the quality of reports finance, effectiveness of government internal control systems affect the quality of financial statements, organizational culture, organizational commitment and effectiveness of government internal control systems affect the quality of financial statements, and organizational culture and organizational commitment through the effectiveness of government internal control systems affect the quality of financial statements.

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INTRODUCTION

In the field of government there are many problems and affairs that must be resolved related to the development of development carried out by the central government and local government. National development has a goal to create a just and prosperous Indonesian society through improving people's living standards (Sari *et al.*, 2020).

Decentralization is the delegation of authority from the central government to local governments in managing their own regions autonomously. With these regulations, local governments manage local finances and produce financial reports that are transparent and have accountability.

The preparation of financial statements is the responsibility of its financial activities to the public/community so that the content of information in government financial statements must be correct and qualified. Quality financial statements must comply with accounting standards, and be accompanied by an external auditor's report on comments on compliance in the preparation of financial statements.

The quality of Local Government financial statements (LKPD) is also reflected in the results of the BPK examination. The examination of the financial statements is carried out in order to provide an opinion/opinion on the fairness of the financial information presented in the financial statements (Ratifah and Ridwan, 2012). Local governments deliver regional financial information data in a defined format into the Regional Financial Information System (Silitonga *et al.*, 2022).

Weaknesses of internal control structure. SPIP is vital in improving the financial management system of local governments, in order to obtain a more qualified Information System (Rusvianto, Mulyani and Yuliafitri, 2018).

Factors that are considered to affect the quality of local government financial statements and the government's internal control system is the organizational culture. Organizational culture is the personality of the organization that influences the way individuals act in the organization. Organizational culture as a system of shared values and beliefs that interact with people (Denison and Mishra, 2000). Low discipline from the State Civil apparatus, as well as the still thick practice of corruption, collusion, and nepotism (KKN), as well as poor personality this is often the subject of reports on the poor public servants.

In addition to the above that can affect it is the commitment of the organization. Organizational commitment is used as a benchmark to determine the extent to which local government officials sided with a particular organization and to maintain membership in an organization (Ratifah and Ridwan, 2012). If an organization has a strong organizational commitment, it will influence local government officials to work hard to achieve predetermined goals.

The formulation of the problem in this study is how organizational culture and organizational commitment affect the quality of financial statements through the effectiveness of government internal control system. Based on the formulation of the problem, the purpose of this study is to determine the influence of organizational culture and organizational commitment to the quality of financial statements through the effectiveness of government internal control system.

Government financial statements are reports that present a reasonable report on the state of the entity and year-end activities and provide useful information for users of financial statements (Horner, 2010). Quality financial statements in government organizations are financial statements that are able to present relevant and reliable financial information (Mardiasmo, 2009), (Nuryanto and Afiah, 2013).

Qualitative characteristics of financial statements are normative measures that need to be realized in accounting information so that it can meet its objectives, these characteristics are relevant, reliable, comparable, and understandable (Government Regulation No. 71, 2010). The audited annual financial statements contain useful information and relate to the entity's compliance with accounting standards (M. Sari, 2015).

The internal control system in this government regulation is based on the idea that the Internal Control System is inherent throughout the activity, influenced by human resources, and only provides adequate confidence, not absolute confidence (Sari, 2019), (Afiah and Azwari, 2015).

The accounting system is closely related to the organization's internal control system. A good accounting system is an accounting system that contains an adequate control system (Mahmudi, 2010), (Yurniwati and Rizaldi, 2015). Components of the government's internal control system include the control environment, risk assessment, control activities, information and communication, and monitoring of internal control (Peraturan Pemerintah Nomor 60, 2008).

Organizational culture is the norms and values of the organization will behave in accordance with the prevailing culture in order to be accepted by its environment (Luthans, 2006), (Kibtiyah, Wirakusuma and Sari, 2017). Organizational culture can be viewed as a system. This shared system, when observed more closely constitutes a set of key characteristics valued by that organization (SARI *et al.*, 2018).

There are four integrative principles concerning the interrelationship between organizational culture and organizational work effectiveness. These four principles are named the four main traits concerning involvement, consistency, adaptability, and mission (Denison and Mishra, 2000).

Attitudes that reflect the extent to which an individual knows and is attached to his organization (Jufrizen *et al.*, 2019). organizational commitment is a situation in which an employee takes sides in a particular organization and its goals and intends to maintain membership in that organization which is reflected in its high involvement to achieve organizational goals (Uman, 2010), (Astuty, 2014).

The characteristics of employees who have a commitment include being responsible, consistent and proactive (Mondy and M, 2008), (Shanker *et al.*, 2017). If employees feel involved in making decisions and if they feel their ideas are heard and feel they have contributed to the results achieved, then they will tend to accept the decisions or changes they have, this is because they feel involved and not because they are forced (Dyne and Graham, 2005). Indicators measuring commitment include affective commitment, continuous commitment, and normative commitment (Allen and Mayer, 1997), (Komariah & Triatna, 2005)

RESEARCH METHOD

This study is an associative research using quantitative descriptive method. Place of research conducted at the Provincial Government of North Sumatra. The population in this study contained in the North Sumatra provincial government totaling 52 regional organizations. The sample in this study amounted to 2 people in one regional device organization. The rate of Return of questionnaires based on the number of respondents is as many as 71 questionnaires with a percentage rate of Return of questionnaires by respondents is about 68.27%.

The results of the validity test obtained organizational culture variables, organizational commitment, effectiveness of government internal control systems, and the quality of financial statements, known value $r_{count} > r_{table}$ (0.300) (Simarmata *et al.*, 2021), that all indicators of the table in this study are valid. The results of the reliability test of organizational culture variables, organizational commitment, effectiveness of government internal control systems, and the quality of financial statements show that all variables have Cronbach's Alpha > 0.70 (Purba *et al.*, 2021), that all variables in this study are reliable. Data collection is done using the technique of observation, interviews, and documentation. Data analysis techniques with descriptive statistics, and path analysis.

RESULTS AND DISCUSSIONS

Normality test aims to determine whether the distribution of a data follows or approaches the normal distribution. Here is a normal graphic image using kolmogorov-smirnov.

Table 1. Normality test results

		Organizational Culture	Organization Committee	SPIP Effectiveness	Quality of Financial Statements
N		71	71	71	71
Normal Parameters[a,b]	Mean	24,0563	24,5634	121,5070	28,2958
	Std. Deviation	3,29453	2,27867	17,24767	3,93662
Most Extreme Differences	Absolute	,113	,128	,079	,121
	Positive	,073	,128	,079	,121
	Negative	-,113	-,107	-,070	-,069
Kolmogorov-Smirnov Z		,951	1,081	,666	1,024
Asymp. Sig. (2-tailed)		,326	,193	,767	,245

a. Test distribution is Normal.
b. Calculated from data.
Source: SPSS Output (Processed Data, 2023)

The table above looks like Sig. Organizational culture is 0.326, organizational commitment is 0.193, effectiveness of the government's internal control system is 0.767, and the quality of financial statements is 0.245 and the overall t of the overall variable is > 0.05. From the table above, it can be seen that all variables > 0.05, it can be concluded that all variables are declared to be normally distributed.

Correlation Analysis Between Variables

The results of the correlation between variables as follows:

Table 2. Correlation analysis between variables

Correlations				
		Organizational Culture	Organization Committee	SPIP Effectiveness
Pearson Correlation	Organizational Culture	1,000	,269	,356
	Organization Committee	,269	1,000	,400
	SPIP Effectiveness	,356	,400	1,000
Sig. (1-tailed)	Organizational Culture	.	,012	,001
	Organization Committee	,012	.	,000
	SPIP Effectiveness	,001	,000	.
N	Organizational Culture	71	71	71
	Organization Committee	71	71	71
	SPIP Effectiveness	71	71	71

Source: SPSS Output (Processed Data, 2023)

The correlation between variables can be interpreted as follows: (a). Correlation x_1 and x_2 = 0.269 with the direction of a positive relationship means that organizational culture and organizational commitment have a low relationship, changes between one variable will result in changes to other variables; (b). Correlation x_1 and y_1 = 0.356 with the direction of a positive relationship means that organizational culture and the effectiveness of government internal control systems have a low relationship, changes between one variable will result in changes to other variables; (c). Correlation x_2 and y_1 = 0.400 with a positive relationship direction means that the variable organizational commitment and effectiveness of the internal control system of local government has a close relationship, and changes between one variable will result in changes to other variables.

Path Analysis

Path analysis is used to examine the effect of mediation of a research model through intermediary variables where in this study is the variable effectiveness of the application of regional financial information systems. In this study, path analysis was conducted on 2 forms of sub-structure. The results of the path analysis performed on sub-structure 1 are shown in the following table:

Table 3. Results of the analysis of the path R square regression sub-structure 1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,476[a]	,226	,204	15,438
a. Predictors: (Constant), Organizational Culture, Organization Committee				

Source: SPSS Output (Processed Data, 2023)

Table 4. Results of path analysis regression coefficients sub-structure 1
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	25,541	21,715		1,176	,244
	Organizational Culture	1,419	,588	,267	2,414	,018
	Organization Committee	2,490	,841	,328	2,962	,004

a. Dependent Variable: SPIP Effectiveness
Source: SPSS Output (Processed Data, 2023)

The value of the residual path coefficient is: $\rho_{y_1\varepsilon_1} = \sqrt{1-R^2} = \sqrt{(1-0.204)} = 0.871$. Based on the above table is inserted into the path analysis sub-structure 1 as follows:

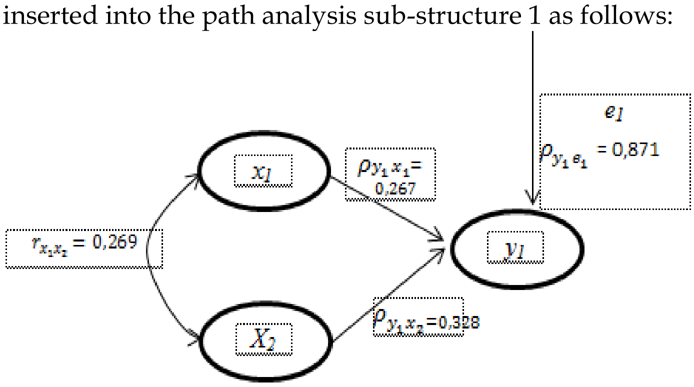

Figure 2. Sub-Structure 1. Influence Of Organizational Culture, Organizational Commitment To The Effectiveness Of Government Internal Control System

From the picture above, it can be seen the magnitude of the relationship between variables. The model of the equation is: $y_1 = 0.267x_1 + 0.328x_2 + 0.871$. For the relationship of direct influence, indirect influence, as follows:

Table 5. Formulation of direct influence, indirect influence, and influence of organizational culture, organizational commitment to the effectiveness SPIP

Variable Influence	Influence			Totally
		indirect		
	immediately	through x_1	through x_2	
x_1 to y_1	0.071		0.023	0,094
x_2 to y_1	0.107	0.023		0,130
	Simultaneous influence			0,224
	Influence of outside variables			0,776

Source: SPSS Output (Processed Data, 2023)

The results of the path analysis performed on sub-structure 2 are shown in the following table:

Table 6. Results of the analysis of the path r square regression sub-structure 2

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,614[a]	,377	,349	3,194

a. Predictors: (Constant), SPIP Effectiveness, Organizational Culture, Organization Committee

Source: SPSS Output (Processed Data, 2023)

Table 7. Results of path analysis of regression coefficients sub-structure 2

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9,663	4,537		2,130	,037
	Organizational Culture	,277	,127	,228	2,183	,033
	Organization Committee	-,089	,185	-,051	-,480	,633
	SPIP Effectiveness	,118	,025	,516	4,704	,000

a. Dependent Variable: Quality of Financial Statements

Source: SPSS Output (Processed Data, 2023)

This value can be used to determine the value of the residual path coefficients, namely: $\rho_{y_2\varepsilon_2} = \sqrt{1-R^2} = \sqrt{(1-0{,}349)} = 0.517$. Based on the above table, the analysis of substructure 2 Path is obtained as follows:

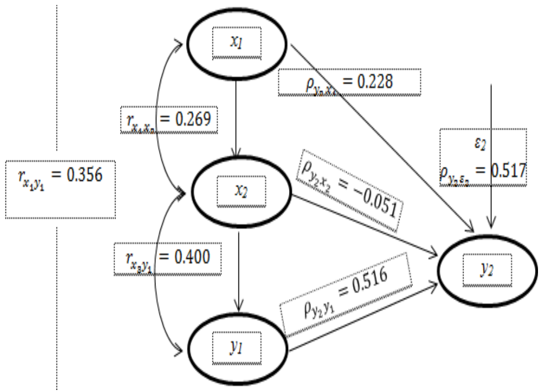

Figure 3. Test results of sub-structure 2: sub-structure 2. Influence of organizational culture, organizational commitment, effectiveness of government internal control system on the quality of financial statements

From the picture above, it can be seen the magnitude of the relationship between variables. The model of the equation is: $y_2 = 0.267x_1 - 0.051x_2 + 0.516y_1 + 0.517$. For the relationship of direct influence, indirect influence, as follows:

Table 8. Formulation of direct influence, indirect influence, and influence of organizational culture, organizational commitment, effectiveness of government internal control systems, and the quality of financial statements

Variable Influence	Influence		Totally
	immediately	indirect	

		through x_1	through x_2	through y_1	
x_1 to y_2	0,051		-0.003	0.041	0.089
x_2 to y_2	0.002	-0.003		-0.010	-0.011
y_1 to y_2	0.266	0.041	-0.010		0.297
	Simultaneous influence				0,375
	Influence of outside variables				0,625

Source: SPSS Output (Processed Data, 2023)

Statistical Test t

From the results of data processing performed, the results obtained from the statistical Test t substructure model 1 are as follows:

Table 9. Results of t-test regression sub-structure 1

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	25,541	21,715		1,176	,244
	Organizational Culture	1,419	,588	,267	**2,414**	**,018**
	Organization Committee	2,490	,841	,328	**2,962**	**,004**

a. Dependent Variable: SPIP Effectiveness

Source: SPSS Output (Processed Data, 2023)

Based on the above test results obtained, that there is an influence of organizational culture variables on the effectiveness of government internal control system, and there is an influence of organizational commitment to the effectiveness of government internal control system. The results of statistical tests t of substructure model 2 can be seen in the following table:

Table 10. T-test results regression sub-structure 2

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	9,663	4,537		2,130	,037
	Organizational Culture	,277	,127	,228	2,183	,033
	Organization Committee	-,089	,185	-,051	-,480	,633
	SPIP Effectiveness	,118	,025	,516	4,704	,000

a. Dependent Variable: Quality of Financial Statements

Source: SPSS Output (Processed Data, 2023)

Based on the above test results, it is obtained that there is an influence of organizational culture variables on the quality of financial statements, there is no influence of organizational commitment variables on the quality of financial statements, and there is an influence of the effectiveness of government internal control systems on the quality of financial statements. Based on the calculation of sobel test above obtained $t_{count} < t_{table}$ this means that the organization's commitment indirectly affect the quality of financial statements through the effectiveness of government internal control.

Model Feasibility Test (F Test)

From the results of data processing performed, the F test results obtained from the substructure model 1 are as follows:

Table 11. Results of F-test regression sub-structure 1

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	4740,769	2	2370,385	9,945	,000b
1	Residual	16207,597	68	238,347		
	Total	20948,366	70			

a. Dependent Variable: SPIP Effectiveness
b. Predictors: (Constant), Organizational Culture, Organization Committee
Source: SPSS Output (Processed Data, 2023)

To examine the simultaneous relationship between variables x_1 (organizational culture) and x_2 (organizational commitment) to y_1 (Government internal control system), it was obtained that simultaneously exogenous variables (organizational culture and organizational commitment) affect the endogenous variables (effectiveness of government internal control system) or receive H_1.
While the results of the F test of substructure model 2 can be seen in the following table:

Table 12. Results of F-test regression sub-structure 2
ANOVAa

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	413,116	3	137,705	13,501	,000b
1	Residual	683,363	67	10,199		
	Total	1096,479	70			

a. Dependent Variable: Quality of Financial Statements
b. Predictors: (Constant), SPIP Effectiveness, Organization Committee, Organizational Culture
Source: SPSS Output (Processed Data, 2023)

Based on the table above obtained F_{hitung} value of 13.501 > F_{table} of 3.134 and significance 0.0003 < 0.05. This shows that simultaneously exogenous variables (organizational culture, organizational commitment, and effectiveness of government internal control systems) affect the endogenous variables (quality of financial statements) or receive H_1.

Influence Of Organizational Culture On The Effectiveness Of Government Internal Control System

The results obtained from the results of hypothesis testing on the influence of organizational culture on the effectiveness of the government's internal control system showed 2.414 > t_{table} of 1.994 with a significance level of 0.018 is smaller than 0.05 so reject H_0 and accept H_1. This means that there is an influence of organizational culture variables on the effectiveness of the government's internal control system.

Organizational culture directly affects the effectiveness of the government's internal control system by 0.071 (7.1%). And indirectly through organizational culture variables give effect of 0.023 (2.3%) so that the total influence of organizational culture on the effectiveness of the government's internal control system is 0.094 (9.4%). From the results of the above research shows that the organizational culture that has been built affects the effectiveness of the government's internal control system in the North Sumatra government OPD.

The results of the study are in line with research conducted by (Muhimatul Kibtiyah, et all, 2017, Sari, 2015) which states that organizational culture affects the effectiveness of the government's internal control system. Therefore, based on the above research, it can be concluded that the cultivation of work culture in government organizations is important as an effort by the government to implement the mandate of the people in providing protection and services.

The Effect Of Organizational Commitment On The Effectiveness Of The Government's Internal Control System

The results obtained from the results of hypothesis testing on the effect of organizational commitment on the effectiveness of government internal control system showed that the calculated

t_{value} of organizational commitment of 2.962 > t_{table} of 1.994 with a significance level of 0.004 is smaller than 0.05 so reject H_0 and accept H_1. This means that there is no influence of organizational commitment on the effectiveness of the government's internal control system.

Organizational commitment directly affects the effectiveness of the government's internal control system by 0.107 (10.7%). And indirectly through the variables of the government's internal control system gives the effect of 0.023 (2.3%) so that the total influence of organizational commitment to the effectiveness of the government's internal control system is 0.130 (13%). From the results of the above research shows that organizational commitment has an effect on the effectiveness of the government's internal control system in the North Sumatra regional government OPD.

Strong organizational commitment will encourage individuals to strive harder to achieve organizational goals. So that high commitment makes individuals more concerned with the organization than personal interests and strive to make the organization better. This study is in line with research conducted by (Kouzes and Berry, 2010; Sari, 2015), shows that high credibility is able to produce a commitment, and only with high commitment, a government agency is able to produce good performance.

Influence Of Organizational Culture And Organizational Commitment To The Effectiveness Of The Government's Internal Control System

The results of testing the simultaneous relationship between variables x1 (organizational culture) and x2 (organizational commitment) to y1 (government Internal Control System) using the regression equation linearity test as shown in Table IV-21. upstairs. Based on Table IV-21, the value of F_{count} is 9.945 > F_{table} is 3.13 and significance is 0.000 < 0.05. This shows that simultaneously exogenous variables (organizational culture and organizational commitment) affect the endogenous variables (effectiveness of government internal control system) or receive H_1.

With the value of the coefficient of determination R2 in Table IV-12 which is 0.226, it shows that all independent variables include organizational culture and organizational commitment can explain the variation of the rise and fall of the effectiveness of the government's internal control system by 22.6% while the remaining 77.4% is explained by other factors that are not contained in this study. Next, the value of the adjusted coefficient of determination (Adjusted R2) of 0.204 shows that after considering the degree of freedom (degree of freedom) all independent variables used are only able to explain the variations that occur in the application of regional financial information systems by 20.4%.

Several factors are suspected to be other factors that affect the effectiveness of the government's internal control system. According to the study (E. N. Sari, 2015), other factors that affect the success of the effectiveness of government internal control systems include budget gaps, budget participation, and competence.

The Influence Of Organizational Culture On The Quality Of Financial Statements

The results obtained from the results of hypothesis testing on the influence of organizational culture on the quality of financial statements showed that the value of the organizational culture count has a value of t_{count} of 2.183 > t_{table} of 1.994 with a significance level of 0.033 smaller than 0.05 so reject H_0 and accept H_1. This means that there is an influence of organizational culture variables on the quality of financial statements

Directly organizational culture affects the quality of financial statements by 0.071 (7.1%). And indirectly through organizational commitment variables give effect of -0.03 (-0.3%) and the effectiveness of government internal control system variables of 0.049 (4.9%) so that the total influence of organizational culture on the quality of financial statements is 0.117 (11.7%).

The results of this study support research conducted by (Sari, 2015; Muhimatul, et all, 2017, Soeharjono, 2013) which states that bureaucratic culture is proven to endanger the existence of good governance because it raises the risk of irregularities and abuse of authority by bureaucrats to commit corruption as a result of ineffective risk assessment and monitoring activities.

The Effect Of Organizational Commitment To The Quality Of Financial Statements

The results obtained from the results of testing the hypothesis of organizational commitment to the quality of financial statements showed that the value of t calculate the organizational commitment has a value of t_{count} of -0.480 < t_{table} of -1.994 with a significance level of 0.633 greater than 0.05 so accept H_0 and reject H_1. This means that there is no variable influence of organizational commitment on the quality of financial statements.

Directly organizational commitment affects the quality of financial statements by 0.002 (0.2%). And indirectly through organizational culture variables give effect of -0.003 (-0.3%) and the effectiveness of government internal control system variables of -0.010 (1.0%) so that the total effect of organizational commitment to the quality of financial statements is -0.011 (-1.1%). This means that there is no variable influence of organizational commitment on the quality of financial statements.

Thus, it can be concluded that overall indicators of organizational commitment are of high concern to the heads/leaders of the North Sumatra provincial government OPD. Therefore, some things must be done by the North Sumatra provincial government OPD by increasing the emotional connection between members to the organization.

The Effect Of The Effectiveness Of Local Government Internal Control System On The Quality Of Financial Statements

The results obtained from the results of hypothesis testing on the effectiveness of the government's internal control system on the quality of financial statements showed that the value of t_{count} the effectiveness of the government's internal control system has a value of t count of 4.704 > t_{table} of 1.994 with a significance level of 0.000 smaller than 0.05 so reject H_0 and accept H_1. This means that there is a variable influence of the effectiveness of the government's internal control system on the quality of financial statements. Directly the effectiveness of the implementation of regional financial information systems affect the quality of financial statements by 0.266 (26.6%).

The results of this study support research conducted by (Herawati, 2014; E. N. Sari, 2015; Sudirman, 2016; Kurniawan, 2017) which states that the internal control system affects the quality of financial statements. Therefore, based on the above research, it can be concluded that to create quality financial statements, local governments must improve and ensure that all elements/dimensions that exist in the government's internal control system run properly and correctly in accordance with the provisions.

Influence Of Organizational Culture, Organizational Commitment, Effectiveness Of Government Internal Control System On The Quality Of Financial Statements

The results of simultaneous testing of the relationship between exogenous variables between variables x_1 (organizational culture), x_2 (organizational commitment) and y_1 (effectiveness of government internal control system) to y_2 (quality of financial statements) obtained the calculated F_{value} of 13.501 > F_{table} of 3.134 and significance 0.0003 < 0.05. This shows that simultaneously exogenous variables (organizational culture, organizational commitment, and effectiveness of government internal control systems) affect the endogenous variables (quality of financial statements) or receive H_1.

Simultaneously the variables of organizational culture, organizational commitment and effectiveness of government internal control systems affect the quality of financial statements by 0.377 (37.7%). And by 62.3 influenced by other variables that are not discussed in this study.

Several factors are suspected to be other factors that affect the quality of financial statements. The results of the study (Widyarini, 2015) stated that the review procedures, educational background, time pressure, and budget funds review a positive effect on the quality of the review of the financial statements of local governments. Therefore, it is necessary to control from the top level to the bottom level, in order to achieve the goals and objectives of the organization that have been set and can be accounted for to the public or the community (Nurhayati, 2013).

Influence Of Organizational Culture And Organizational Commitment To The Quality Of Financial Statements Through The Effectiveness Of The Government's Internal Control System

From this study, the direct effect of the effectiveness of government internal control system on the quality of financial statements is 0.266 (26.6%), the influence of organizational culture variables on the quality of financial statements through the effectiveness of government internal control system is 0.049 (4.9%), and the influence of organizational commitment to the quality of financial statements through the effectiveness of government internal control system is equal to -0.010 (-1.0%).

o that the total influence of organizational culture variables and organizational commitment through the effectiveness of government internal control system is 0.305 (30.5%). So it can be concluded that the effectiveness of the government's internal control system is an intermediate variable that affects the quality of financial statements in the North Sumatra regional government OPD.

Based on the results of the sobel test calculation, it means that organizational culture indirectly affects the quality of financial statements through the effectiveness of government internal control, and organizational commitment indirectly affects the quality of financial statements through the effectiveness of government internal control.

Some of the things that must be improved in order to improve the quality of financial statements are the commitment of the leadership, analysis of risks that may occur in the application of financial information systems, integration into financial information systems, better management of information in order to produce quality financial statements.

CONCLUSION

Organizational culture affects the effectiveness of the government's internal control system, the cultivation of work culture in government organizations is important as an effort by the government to carry out the people's mandate in providing protection and services. Organizational commitment affects the effectiveness of the government's internal control system, with strong organizational commitment encouraging individuals to try harder to achieve organizational goals. Organizational culture affects the quality of financial statements, with a good organizational culture, it can affect the quality of the financial statements produced. The commitment of the organization does not affect the quality of financial statements, there is no strong emotional connection between members to the organization due to mutations that often occur by members of the organization. The effectiveness of the government's internal control system affects the quality of financial statements, the government's internal control system serves as an effective tool used to produce quality financial statements. This study analyzes the influence of organizational culture and organizational commitment on the effectiveness of intergovernmental control systems and their impact on the quality of financial statements. So it is expected that this research can be developed by adding other variables that affect the effectiveness of the government's internal control system and the quality of financial statements, such as leadership style, budget gaps, regional financial information systems, the use of information technology and others.

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