



## SIMPOSIUM ILMIAH AKUNTANSI 5

### THE ROLE OF INTERNAL AUDIT IN PLANNING AND SALES CONTROL

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#### ABSTRACT

The running of a company is of course inseparable from planning and control. Both of these are done so that the business processes that run do not go beyond the goals that have been set. In planning and controlling, internal audit can assist management in making more effective and efficient planning and control. This is also done by PT. Trimitra Trans Persada as a company engaged in distribution. To find out how the role of internal audit at PT. Trimitra Trans Persada, then this research was conducted using qualitative descriptive research methods where data is presented in the form of words, sentences, and images. From the data obtained, internal audit activities carried out by PT. Trimitra Trans Persada has been running effectively. Internal audit is also very influential in the smooth and successful running of the company. This can be seen from the purpose of internal audit objectives, internal audit authority and responsibility, internal audit program, internal audit implementation, as well as internal audit reports and follow-up that assist the company in improving planning and control

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#### INTRODUCTION

The Covid 19 pandemic has had a very significant impact on all aspects. One of them is the economy which has experienced quite a large impact. During the Covid 19 period, many companies 'wobbled' and even went bankrupt due to experiencing quite large losses. However, after the pandemic problem was resolved, the Indonesian economy slowly began to improve, although it could not recover quickly. Times like this can be an opportunity for companies to recover from existing loss problems.

Companies that are still established today try to maintain their company's operational activities in various ways. This includes providing goods and services according to people's tastes. To meet the needs of society, companies utilize the market as a means to sell the products they produce, so that the company can make a profit, which is the company's goal in general. To achieve this goal, companies must compete fiercely to win consumers from other similar companies. Company management is obliged to manage all company operational activities, coordinate and allocate limited resources economically, effectively and efficiently.

In doing this, internal audit can help management, especially in planning and controlling. Planning and control play a very important role in the success of a company in achieving its goals. Planning must be carried out so that carrying out company operations is directed so that goals are easily achieved, while control is also important to carry out in order to obtain certainty that company operations are carried out in accordance with the plans that have been set. In industrial and trading companies, various kinds of company operational activities must be planned and controlled so that the company can survive in competition, especially regarding planning and control of sales because it is related to increasing company income and company survival. Planning in sales can be said to be an activity to create a sales budget, what sales methods will be used to increase public demand, what conditions need to be set in making sales and company policy in setting prices that compete with similar products.

Then control in sales can be interpreted as a study and analysis of sales activities, then comparing plans with their realization and what policies the company takes as a follow-up to obtain the desired sales volume, at a reasonable cost, in order to generate profits. In general, sales planning and control in a company is carried out by the controller. Where the controller determines plans based on information obtained from last year's sales activities.

### **THEORY AND HYPOTHESIS DEVELOPMENT**

Every company or business entity always carries out sales activities which is one of the characteristics of the company's activities. There is not a single business entity that is separated from sales activities. Sales is a very basic and fundamental activity in achieving business or company goals. This is in accordance with Mulyadi's opinion (in Sondy Damanik, 2014) that sales are activities carried out by sellers, in selling goods or services with the hope of making a profit from these transactions.

Another thing was expressed by Basu Swasta (2010) regarding the meaning of sales. Basu Swasta (2010) said that sales is a science and art that influences someone who carries out sales to invite other people to be willing to buy the goods or services offered. In its implementation, sales must have a target, namely the sales value that will be achieved within a certain time period for a product and sales activities are based on orders received from consumers. Therefore, companies must be able to influence consumers to buy the products they offer.

In practice, sales must be planned in order to achieve the desired targets. Here the role of management is very large in its activities in coordinating all the parts involved in the sales process. In planning, managers design several steps to be taken in an effort to move the organization towards its goals. Planning is a continuous process for determining the events and activities necessary to achieve the goals that have been set. Or in other words, namely establishing and maintaining an integrated operational plan in line with the company's goals and objectives, both short and long term, analyzing, revising, communicating to all levels of management and using appropriate systems and procedures.

So that the sales plan that has been prepared and established can be known to what extent its achievements have been realized, it is necessary to control sales so that deviations that occur can be immediately corrected. With control, company activities are more focused on achieving predetermined goals or targets.

Sales control includes the required analysis, review, and research into policies, procedures, methods, and actual implementation to achieve the desired sales volume, at reasonable costs, that produces the gross profit necessary to achieve the expected return on investment.

The above statement can be interpreted that sales control involves analysis, review and study of procedural policies, methods and actual activities to achieve the desired sales volume at a reasonable cost, and generate the profits necessary to obtain the expected return on capital investment. As previously stated, control needs to be carried out by the company so that its plans and policies and implementation do not deviate. Apart from that, control concerns the implementation or execution of policies, evaluating the implementation of subordinates and taking corrective action on implementation that is below standards or norms.

### **Role of Internal Audit**

As a management tool to assess the efficiency and effectiveness of the implementation of the company's internal control structure, then provide results in the form of suggestions or recommendations and provide added value for management which will be used as a basis for making decisions or subsequent actions. The overall purpose of an internal audit is to assist all members of management in carrying out their responsibilities effectively, by providing them with objective analysis, assessment, suggestions and comments regarding the activities or matters being examined. According to Hery (2010:39) to achieve this overall goal, internal audit must carry out the following activities:

- a) Examining and assessing the good and bad of controls over financial accounting and other operations,

- b) Checking the extent to which implementers relate to the policies, plans and procedures that have been established,
- c) Check to what extent the company's assets are accounted for and protected from various forms of loss,
- d) Checking the accuracy of bookkeeping and other data produced by the company.
- e) Assessing the work performance of officials/executors in completing assigned responsibilities.

Internal audits can assist managers in developing general and specific objectives through the systems implemented, whether the information used is relevant and accurate, and whether existing controls are appropriate and integrated into the programs or operations. So with the wide span of control faced by management due to the large number of employees or the spread of activity locations and not to mention the fear of embezzlement or manipulation which requires continuous inspection, the internal audit section is absolutely necessary to assist company leaders in carrying out their business activities in an efficient manner, effective.

Kumaat (2011:12) explains the ideal role of internal audit as follows:

1. Risk-based data analyst/reviewer role. Of these roles, internal audit contributes:
  - a) Conduct socialization on the principles of Risk Management and detect various Critical Risk Points.
  - b) Carrying out Risk-Based Data Analysis and disseminating the results regularly.
2. The role of accelerator/encouragement for the realization of inherent supervision.
3. The role of aligning/gluing business strategy, through the provision of strong independence, internal audit must be able to become a senior management tool as aligning and gluing the organization.

The purpose of internal audit, according to the Consortium of Internal Audit Professional Organizations (2004), is to help organizations achieve their goals, through a systematic and regular approach to evaluating and improving the effectiveness of risk management, control and governance processes. The purpose of internal audit is to help organizational members carry out their responsibilities effectively. In this case, the auditor will provide various analyses, assessments, recommendations, instructions and information regarding the activities being examined. According to Andayani (2008), the purpose of internal audit is to ensure whether the organization has complied with established laws, policies, procedures and regulations. Audits are also carried out to determine whether organizational activities or programs have been implemented economically, efficiently and effectively.

## RESEARCH METHODS

In this research, the analytical method used is descriptive qualitative, namely data expressed in the form of words, sentences, images and cannot be measured on a numerical scale, for example information obtained from interviews with respondents and information obtained from other parties related to the problem, which is discussed.

The research procedures used in this research are as follows:

### 1. Data reduction

Data reduction is one of the qualitative data analysis methods. Data reduction is a form of analysis that sharpens, categorizes, directs, removes unnecessary data and organizes it in such a way that final conclusions can be drawn. Reduction does not need to be interpreted as data quantification.

### 2. Data Presentation

Data presentation is one of the qualitative data analysis methods. Data presentation is an activity when a collection of information is compiled, so as to provide the possibility of drawing conclusions. The form of presenting qualitative data is in the form of narrative text (in the form of field notes).

### 3. Drawing Conclusions

Drawing conclusions is one of the qualitative data analysis methods. Drawing conclusions is the result of analysis that can be used to take action.

## RESEARCH RESULTS AND DISCUSSION

With the economic problems currently occurring in Indonesia, companies must be able to take steps and develop strategies so that their companies can compete with other companies and their presence can be taken into account in Indonesia and the targets that have been set can be achieved. Therefore, PT. Trimitra Trans Persada carries out planning and control of sales as follows:

### a) Sales Budget Planning

At this time of uncertain economic situation, budget planning is increasingly important. Because with planning, a company may take the right method to avoid losses or maintain its survival. PT. Trimitra Trans Persada in preparing the sales budget plan is carried out by the Marketing & Sales Division by also taking into account the sales plans made by other parts of the company, such as the Administration & Finance Division, branches and the sales force itself, to determine profitable sales targets for company.

In preparing this plan, the Marketing & Sales Division must pay attention to several factors that can influence the company's sales activities, including: Macroeconomic factors, market factors, sector growth factors, inventory factors/stock owned by the company.

After the plan is prepared, the Board of Directors will assess the plan before it is implemented. If approved, it is then determined by the Board of Directors so that it can be implemented and has benefits for the company in directing future sales implementation.

### b) Inventory Methods Applied by the Company

In carrying out the inventory management process and managing company financial issues related to inventory in the operation of their business procedures, Stock Point PT. Trimitra Trans Persada uses an inventory assessment method that is adapted to operational standards set by PT. Trimitra Trans, namely the FIFO (First – In, First – Out) method, this method assumes that the first unit of goods issued and sold from inventory is the first unit of goods entered from the principal.

### c) Databases

The database used by PT. Trimitra Trans Persada to support the running of business procedures in their information system is a database in PT's MARS (Market Based Advanced ERP System) application program. Trimitra Trans Persada.

### d) Related Functions

Parts/functions that are directly related in their operation to information system procedures in the sales and inventory business process at Stock Point PT. Trimitra Trans Persada is part of the SPC (Stock Point Clerk), part of the SPO (Stock Point Officer) and Salesman

### e) Related Documents

Documents used in the process of operationalizing business procedures that run at each PT stock point. Trimitra Trans Persada includes the following:

- CDS
- CWO
- SPB
- BPB (Proof of Goods Receipt)
- Edit List
- Sales invoice
- SLND (Stock Loading and Delivery)
- RKAB (Delivery and Pick Up Plan)
- RKAB Return (Plan to Send and Take Goods Back)
- Invoice Register/DAFAK (Invoice Register After Delivery)
- RRP (Billing Realization Plan)

### f) Running Business Processes

Business processes at Stock Point PT. Trimitra Trans Persada Makassar branch started when they needed 1 week's supply needs, starting with the process of SPC (Stock Point Clerk) staff checking the ending stock inventory via computer, after that they made a request for 1 week's needs to the branch office by sending CDS. After the branch receives the CDS, the branch then orders and purchases goods by making and sending the CWO to the factory (principal). then after the factory receives the CWO and approves the order, the factory makes 3 copies of the SPB to send 1 copy to the branch office and sends the other 2 copies along with the ordered

goods back to the stock point. The stock point then receives the goods and 2 copies of the SPB from the factory, 1 copy of the SPB is handed over to the SPC staff and 1 copy to the warehouse, after receiving the SPB the SPC staff issues an edit list to check the SPB again manually, whether it is in accordance with the order or not, after checking, they then enter data on the goods that come into the computer according to the SPB and issue a BPB in 3 copies, 1 for the SPC, 1 sent to the bag. Warehouse, and 1 sent to the branch office. Once the stock is available and the SPC has been updated to the computer, the Salesman then connects the SPC computer to their SGT (Samsung Galaxy Tab) to enter the required data into the MARSdroid SGT application, after the data is received then they immediately go to the shops to get the order data by scanning the barcodes at each shop using their SGT.

After getting the shop order, the salesman returns to the stock point and reconnects their SGT to the SPC computer to submit the order data they got, then the SPC staff publishes an edit list and submits it to the salesman for them to manually correct whether the order is correct, after completion the salesman give the edit list back to the SPC, then the SPC staff issues a sales invoice in 2 copies (1 (original) sent to the delivery-man and 1 to the SPC) and SLND in 3 copies, 1 given to the bag. Warehouse, 1 for delivery-man (van), and 1 for SPC. After receiving the sales invoice and SLND, bag. The warehouse prepares the goods into the van (delivery-man) along with the SLND to then be sent to the shop that ordered.

After the fixed goods enter the van and leave, SPC staff issues 2 RAKBs, 1 for SPC and 1 for the warehouse. Then, after the van sends the goods and receives payment (credit or cash), the van returns to the stock point and gives the sales invoice to the bag. Warehouse, then bags. The warehouse re-matches the RAKB and invoice manually and after completion gives both back to the SPC staff, after that the SPC staff issues the return RAKB which is then matched with the RAKB received, after everything matches then the SPC staff updates the sales on the computer and issues an invoice register/ DAFAK.

If payment for shop goods is made on credit, it will proceed to the AR section, after the goods are due for 2 weeks, AR staff will print the due invoice along with the collection invoice and hand it over to the salesman to take to the shop, after that the salesman returns from the shop bringing the invoice bill. (money and documents) and give it to the AR staff, then the AR staff updates the data to the computer for all payments made (paid off, credit, current account, etc.) and prints the salesman cash and edits the list, after everything has been completed. AR then creates a daily transaction list document (manual).

### **Sales Control**

The control system implemented by PT. Trimitra Trans Persada at each of their Stock Points throughout Indonesia including PT Stock Points. Trimitra Trans Persada is a routine inspection, which is carried out at undetermined time intervals (sudden inspections) 2 times a month by internal auditors who are sent directly from the center to each existing Stock Point to evaluate and audit the results of performance and performance. business procedures, both manual procedures and information system procedures that are running, whether all matters related to the process are running properly and in accordance with applicable statutory standards effectively and efficiently.

### **The Role of Internal Audit**

From an oral interview that the author conducted with one of the SPOs (Stock Point Officer) at PT. Trimitra Trans Persada, the author obtained information regarding the role of internal audit in sales planning and control at PT. Trimitra Trans Persada. Usually the company will send 1 or 2 auditors to the stock point to carry out an inspection process on employee performance or the sales process carried out, whether the sales process or activities carried out are in accordance with what has been determined/planned or not. From this inspection, internal audit will provide suggestions or input for improvements for the company's success. Internal audit and management will also provide sanctions to SPOs or other employees who commit fraud or violations in carrying out sales activities. If the violation is minor then the sanction will be given in the form of a warning letter, however if the violation is fatal then they will be immediately dismissed/ issued. Having an internal audit is very helpful and makes it easier for company management to plan and control sales.

Internal audit has responsibility and authority in carrying out its duties. Regarding the authority and responsibility of internal audit, the Consortium of Internal Audit Professional Organizations (2004:15) states that:

"The objectives, authority and responsibilities of the internal audit function must be formally stated in the Internal Audit Charter, consistent with the Internal Audit Professional Standards (SPAI), and obtained approval from the Organization's Leadership and Supervisory Board."

This statement is intended so that the objectives, authority and responsibilities of internal audit must be stated in a formal written document. In general, the responsibilities of an internal auditor in carrying out their duties are as follows:

1. Providing information and suggestions to management or weaknesses they find.
2. Coordinating activities within the company to achieve audit objectives and organizational or company goals.
- 3.

### **Internal Audit Work Program**

The internal audit work program is a systematic series of audit procedures to achieve audit objectives. To be able to carry out the inspection process with good results, a complete, detailed and targeted inspection program is required. Thus, the inspection program is a plan of work steps that must be carried out during the inspection which is based on the goals and objectives set as well as existing information about the object being inspected.

The internal audit work program at PT. Trimitra Trans Persada namely:

- a. Evaluate the division's organizational structure and its completeness.
- b. Evaluate division work plans.
- c. Evaluate the effectiveness of activities within the company.
- d. Evaluate the effectiveness of procurement of goods.
- e. Evaluate the effectiveness of management activities and support for production and sales activities.
- f. Evaluate the effectiveness of operational activities.
- g.

### **Implementation of Internal Audit**

In general, the implementation of Internal Audit at PT. Trimitra Trans Persada, there are 4 stages, namely:

1. Audit Preparation Stage,
2. Audit Implementation Stage,
3. Stage of Preparing Audit Result Reports,
4. Follow-up Monitoring Stage.

### **CONCLUSION**

Internal audit carried out at PT. Trimitra Trans Persada has been effective and has a very important role in planning and controlling sales at PT. Trimitra Trans Persada. Where internal audit helps in correcting any errors encountered during the inspection process on the object being inspected, internal audit also provides suggestions or recommendations as to what needs to be corrected and carried out.

The existence of internal audit greatly influences the smoothness and success of the company in carrying out its sales so that the targets set can be achieved. This can be seen from the objectives of internal audit, authority and responsibility of internal audit, internal audit program, implementation of internal audit, as well as internal audit reports and follow-up which assist the company in perfecting the determination of plans for sales and control of activities or activities within carry out sales so that they run according to the initial plan set by the company. So the role of internal audit in sales planning and control at PT. Trimitra Trans Persada is reflected in the production of inspection reports which contain audit findings which are followed up in accordance with the recommendations made.

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