

The Effect of Independence and Professionalism on the Performance of Supervisory Board with Culture of Tri Hita Karana as a Moderating Variable

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Abstract: This research purposes to determine the effect of independence and professionalism on the performance of the supervisory board with tri hita karana culture as a moderating variable in the LPD in Kediri District, Tabanan Regency. The performance of the supervisory board can be said to be good, if it has an attitude of independence and professionalism to support the performance of the supervisory board in carrying out its duties. This research method was a quantitative method that was associative in the form of data collection using a questionnaire. The population and sample was amounted to 80 respondents with saturated sampling method. The data analysis techniques used were multiple regression analysis and Moderated Regression Analysis (MRA). The result showed that independence and professionalism had a positive and significant effect on the performance of LPD supervisory board. It showed if independence and professionalism were higher, the performance of the board of supervisory increased. The result also showed that the culture of tri hita karana was able to moderate the positive effect of independence on the performance of the supervisory board, but the culture of tri hita karana was not able to moderate the effect of professionalism on the performance of the supervisory board.

Keywords: independence, professionalism, tri hita karana culture, LPD supervisory board performance.

I. INTRODUCTION

Indonesia is a developing country in where the current economic development in Indonesia is mostly centered on urban areas. It can cause inequality in economic development in rural areas. One of the financial institutions which was developed is Lembaga Perkreditan Desa (LPD) or Village Credit Institution in the Province of Bali and it was first established in 1985 in which it had facilitated the society to obtain venture capital and other activities. Based on Regional Regulation (Perda) of the Province of Bali No. 3 of 2017 concerning LPD, it states that LPD is a Financial Institution owned by Pekraman Village and located in these village. The purpose of establishing LPD is to create a ranking for villagers, increase the purchasing power of the society, encourage the development of rural communities through targeted savings and effective capital distribution, and streamline the process of transaction and money circulation in the village.

The success of an LPD supervisory body in implementing an effective LPD internal control system, it is necessary to have a good and quality supervisory body's performance (Putra and Jati, 2019). Through observations executed, it is known that the supervisory activities carried out by the LPD supervisory board in Tabanan Regency are already good. It can be seen from the clear tasks, where the functions of the internal supervisory board are separated and independent from the activities that are examined. However, in Tabanan Regency, some LPDs are still experiencing difficulties. Based on news reported from BaliExpress, it is one of the most interesting in LPD of Pekraman Cepaka Village, Kediri District. Where this problem occurs because a lot of savings are not renewed in the books on LPD computers whose nominal reaches more than 1 billion rupiahs (Suyatra, 2018). One of the factors causing this case and causing the perpetrators of crime to

have a gap to commit irregularities can occur due to lack of supervision conducted by the LPD supervisory board. (Ali, 2018). Therefore, the responsibility of this LPD supervisory board is very high, because it will affect the internal control system of LPD and in the end it will also affect the performance of the supervisory board.

In carrying out supervisory activities, the supervisory board must have an independent attitude. Independence is a mental attitude that is free from influence, not controlled by other parties, and does not depend on other parties (Dewi dkk., 2015). For a LPD supervisory board, an attitude of independence is needed in carrying out internal control tasks, especially in assessing the effectiveness of the implementation of the internal control system (Putra et al., 2015). Several studies have been carried out regarding the relationship between independence and the performance of LPD supervisory board. According to Putra and Jati (2019), Pratiwi et al. (2016), Murtini and Juliarsa (2017), and Widyantara et al. (2017), the attitude of independence has a positive and significant effect on the performance of the LPD supervisory board.

In addition to independence, LPD supervisory board must also have professionalism. According to Oraka and Okegbe (2015), auditor professionalism refers to professional abilities and behavior. Putra and Wisadha (2012) explain that professionalism includes mastery skills both technically and theoretically in the field of scientific skills related to his duties as an examiner. According to Usman et al. (2014), professionalism acts as an inspector which covers the ability of mastering, both theoretically and technically in the field of skills and knowledge related to their respective duties. Based on the results of research conducted by Putra and Jati (2019), Nugraha and Ramantha (2015), Prabayanthi and Widhiyani (2018), and Murtini and Juliarsa (2017), they proved that the attitude of professionalism had a significant positive effect on the performance of the LPD supervisory board.

According to Kahn et al. who introduced role theory in the organizational behavior literature states that an organizational environment can influence the expectations of each individual regarding their behavior (Putra and Jati, 2019). Where the organizational environment, one of which includes the culture of tri hita karana which has become the spirit of Hindu society and basic values in the culture of several organizations and companies in Bali (Winata, 2019). The combination of Balinese cultural law namely tri hita karana and modern management style assumes a different organizational culture between the LPD and other financial institutions, namely the local culture of tri hita karana. This is what makes researchers want to use the tri hita karana cultural variable as a moderating variable of independence and professionalism on the performance of the supervisory board at LPD in Kediri District, Tabanan Regency. The relationship between tri hita karana culture and employee performance had been made by Riana et al. (2011) and Surya et al. (2014). Adiputra (2014) had conducted a research on the use of tri hita karana culture as a moderating variable which stated that the culture of tri hita karana moderated the effect of task complexity on the auditor's internal performance at the Bali Provincial Inspectorate Office.

II. CONCEPTUAL MODEL AND HYPOTHESES

Theory of attitude and behavior which is developed by Triandis (1980), states that a person's behavior is determined by attitudes related to what people want to do and consists of beliefs about the consequences of doing behavior, social rules related to what they think, and habits related to what is usually done (Swari dan Ramantha, 2013). If related to the variables in this research, they are independence and professionalism, attitude and behavior theory is able to influence the LPD supervisory board to manage its personal factors, so it is able to have high independence and impartial to one party, has integrity, has professional expertise and accuracy, and afford to overcome the problem even in a depressed situation.

The Effect Of Independence on The Performance Of The LPD Supervisory Board

This theory of attitude and behavior can explain an auditor's independent attitude in his appearance. An internal auditor will independently behave in his appearance, where an auditor in carrying out his duties is not justified in favor of any interests. In the process of supervision, a supervisory board is required to have an objective attitude and high integrity which is reflected in the attitude of independence (Putra and Wisadha, 2012). Putra and Jati (2019) and Widyantara et al. (2017) in his research showed that independence had a positive and significant effect on the performance of LPD supervisory board (Panureksa). Research conducted by Arumsari et al. (2014), Yadnya and Ariyanto (2017), Pratiwi et al. (2016), as well as Zamzami et al. (2017) also stated that independence had a positive and significant effect on the performance of internal auditors. In contrast to the research of Winarsih and Suardana (2018), they proved that independence had a positive but not significant effect on the performance of the LPD supervisory board. Based on the description above, then the hypothesis can be formulated as following:

H₁ : Independence has a positive effect on the performance of LPD supervisory board in Kediri District, Tabanan Regency.

The Effect Of Professionalism on The Performance Of The LPD Supervisory Board

The relationship between professionalism and performance of LPD supervisory board is based on one's belief in the profession of the supervisory board who will reflect an attitude of professionalism at work that can provide motivation to improve its performance. This belief is in accordance with the theory of attitude and behavior which states that attitude is an evaluative statement of the condition being experienced and will later give a tendency to react or behave both positively and negatively. Professional attitudes and behavior are the main requirements for a person to become a supervisory board in addition to have a disciplined attitude, experience, and expertise in carrying out his profession as a supervisory board. In the research of Putra dan Jati (2019) and Murtini dan Juliarsa (2017) proved that professionalism had a positive and significant effect on the performance of the supervisory board as an internal auditor. So as the results of research conducted by Nugraha and Ramantha (2015), Prabayanthi and Widhiyani (2018), Cohen and Single (2001), and Pratiwi et al. (2016), they obtained the result that the attitude of professionalism had a positive effect on the performance of internal auditors. Based on the description above, then the hypothesis can be formulated as following:

H₂ : Professionalism has a positive effect on the performance of LPD supervisory board In Kediri District, Tabanan Regency.

Tri Hita Karana Culture Moderates The Positive Effect Of Independence on The Performance Of The LPD Supervisory Board

According to role theory in the literature of organizational behavior states that an organizational environment can influence the expectations of each individual regarding their role behavior. The tri hita karana culture which has long been a culture of Balinese people is also considered to be able to influence the attitudes of the LPD supervisory board. The tri hita karana culture certainly also has the opportunity to influence the standards and ethics of the performance of LPD supervisory board. Therefore, this tri hita karana philosophy can provide guidance on how humans should behave in three ways, namely, parahyangan, pawongan, and palemahan (Surya et al., 2014). The tri hita karana culture is one of the factors that support the successful implementation of the attitude of the regulatory body in an organization that will have an impact on increasing the effectiveness of internal control and the performance of the supervisory board. Research from Mercury and Putri (2015) showed that organizational culture has an influence on the behavior, work methods, and motivation of managers and subordinates to achieve organizational performance. The results of research conducted by Sudiartini and Mimba (2018) show that the culture of tri hita karana has a positive effect on the performance of the LPD supervisory board. According to Mercury & Putri's research (2015), the results showed that the tri hita karana culture is able to strengthen the relationship of time pressure to the auditor's performance at the Bali Province Public Accounting Firm. Based on the description above, the hypotheses that can be formulated are as following.

H₃ : Tri hita karana culture reinforces the positive effect of independence on the performance of the LPD supervisory board in Kediri District, Tabanan Regency

Tri Hita Karana Culture Moderates The Positive Effect Of Professionalism on The Performance Of The LPD Supervisory Board

Culture can reflect a combination of personality and human nature (Hofstede, 1991). According to Widyaningrum's research (2009) showed that organizational culture influences the way humans in an organization. This is also in line with the role theory which states that the role is very important because it can influence attitudes and also regulate one's behavior. Where the role here can include norms that are connected with the culture prevailing in the social community. The professionalism possessed by the LPD supervisory body and followed by the implementation of the tri hita karana culture is very influential on the performance of the LPD supervisory body because behavior determines how a person uses his expertise and work tools. The existence of tri hita karana culture in an LPD will support the achievement of harmony in every activity that is in it. It was also proven by Nazir and Zamir (2015) who stated that organizational culture had a positive effect on employee performance. According to research from Mulyawan et al. (2017), it showed that tri hita karana culture reinforced the effect of good corporate governance on LPD performance. In addition, Adiputra, et.al. (2014) proved that tri hita karana culture was able to moderate the locus of control on the performance of internal auditors. Based on the description above, the hypotheses that can be formulated are as following.

H₄ : Tri hita karana culture reinforces the positive effect of professionalism on the performance of the LPD supervisory board in Kediri District, Tabanan Regency

The conceptual framework in this research is presented in Figure 2.1 below.

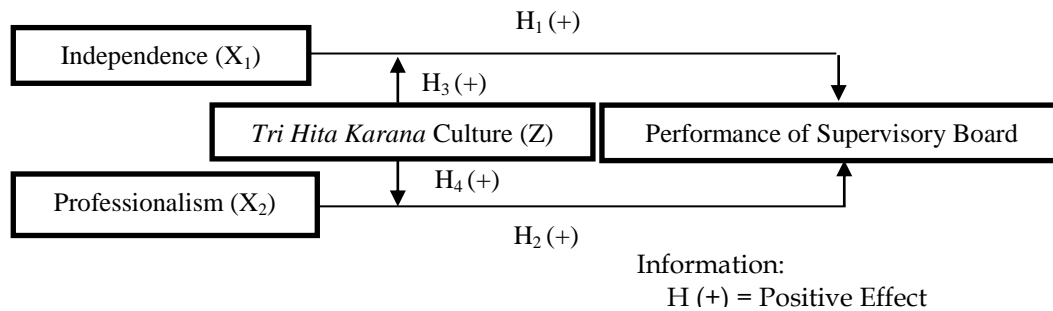


Figure 1. The conceptual framework

Figure 1. describes the effect of independent variables which are independence (X1) and professionalism (X2) on the performance of LPD supervisory board (Y) as the dependent variable and the culture of tri hita karana (Z) as a moderating variable.

III. RESEARCH METHODOLOGY

The approach used in this research is a quantitative approach that is associative. The location or scope of this research area was carried out at Lembaga Perkreditan Desa (LPD) located in Kediri Sub-District, Tabanan Regency which was registered with Lembaga Pemberdayaan Lembaga Perkreditan Desa (LPLPD) or Village Credit Institution Empowerment Institute of Tabanan Regency and was active. The object used in the research is the performance of LPD supervisory board which is influenced by independence and professionalism and tri hita karana culture as a moderating variable. Data was obtained from distributing questionnaires distributed to Lembaga Perkreditan Desa (LPD) in Kediri District, Tabanan Regency which was registered with LPLPD. The dependent variable in this study is the performance of the LPD supervisory board (Y). The independent variables in this research are independence (X1) and professionalism (X2). While the moderating variable in this research is the culture of *tri hita karana* (Z).

The population in this research is LPD in Kediri Sub-district registered with Village Lembaga Pemberdayaan Lembaga Perkreditan Desa (LPLPD) of Tabanan Regency which has active status, and does not experiencing legal problems. So that the population in this research was 21 LPDs. The sampling technique used in this research is non probability sampling technique which includes saturation sampling, where the number of respondents obtained is 80 people from 21 LPD, because of the entire population meeting the criteria of the sample. The data collection method used in this research is a questionnaire. The analysis technique used in this research is multiple linear regression analysis. This analysis technique is used to determine the effect of independence and professionalism of the supervisory board on the effectiveness of LPD internal control. The multiple linear regression model can be stated with the following equation:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \epsilon \dots\dots\dots(1)$$

Information:

- Y : Effectiveness of the Implementation of Internal Control
- α : Constanta
- β_1 : Independence variable regression coefficient (X₁)
- β_2 : Regression coefficient of variable Professionalism (X₂)
- X₁ : Independence
- X₂ : Professionalism
- ϵ : Standard error

This research used Moderated Regression Analysis (MRA) because it could explain the effect of moderating variables in strengthening or weakening the relationship between independent and dependent variables. The regression equation generated from the moderation regression model in this study is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 Z + \beta_4 X_1 Z + \beta_5 X_2 Z + \epsilon \dots\dots\dots (2)$$

Information:

- Y = Effectiveness of the Implementation of Internal Control
- α = Constanta
- X₁ = Independence
- X₂ = Professionalism
- Z = Organizational Culture based on *Tri Hita Karana*
- $\beta_1 - \beta_5$ = Regression coefficient
- ϵ = Standard error

IV. RESULT AND DISCUSSION

The results of the validity test showed that all research instruments used to measure the variables of independence, professionalism, tri hita karana culture, and the performance of the LPD supervisory board had correlation coefficient values with a total score of all statement items greater than 0.30. It showed that the points of the statement in the research instrument were valid and fit to be used as research instruments. The reliability test results obtained indicated that all research instruments had a Cronbach's Alpha of more than 0.60. It could be said that all instruments met the requirements of reliability or reliability so that they could be used to conduct research.

Table 1. Multiple Linear Analysis Result

Variable	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	18,059	7,076			2,552	0,13
Independence (X1)	0,425	0,134	0,312		3,167	0,002 Accepted
Professionalism (X2)	0,595	0,158	0,371		3,768	0,000 Accepted
R _{square}	:	0,516				
F _{count}	:	13,965				
Sig. Fcount	:	0,000				

Source: Data processed, 2019

Based on Table 1. above, a regression equation can be obtained as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \epsilon \dots\dots\dots (3)$$

$$Y = 18,059 + 0,425X_1 + 0,595X_2 + \epsilon \dots\dots\dots (4)$$

The regression coefficient value of each independent variable is positive with a significance value of t test less than 0.05. This shows that all independent variables have a significant positive effect on the dependent variable. Based on the regression model, it can be interpreted as follows.

- 1) A constant value (α) of 18,059 states that if the variables of independence and professionalism variables are constant at zero, then the LPD supervisory board's performance value will increase by 18,059.
- 2) The coefficient (β_1) on the independence variable is 0.425 meaning that that if the value of the independence variable increases 1 unit, the performance of the LPD supervisory board will increase by 0.425 unit which assumes that the value of the other independent variables is constant (unchanged).

3) The coefficient (β_2) on the professionalism variable is 0.595 which means that if the value of the professionalism variable increases in 1 unit, the performance of LPD supervisory board will increase by 0.595 unit which assumes the value of the other independent variables is constant (unchanged).

The magnitude of the influence of independent variables on the dependent variable shown by the total determination value (R Square) of 0.266 means that 26,6 percent change in the performance of LPD supervisory board can be explained by the variables of independence and professionalism while the remaining 73,4 percent is explained by other factors not included in the model.

Moderated Regression Analysis (MRA) was used to find out how the relationship between independent variables which were the effect of independence and professionalism on the performance of the LPD supervisory board with tri hita karana culture as a moderating variable.

Table 2. Moderation Regression Analysis Result

Variable	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	220,587	114,766			1,922	0,058
Independence (X1)	-7,317	2,229	-5,377		-3,283	0,002
Professionalism (X2)	4,684	2,252	2,921		2,080	0,041
Tri Hita Karana Culture (Z)	-3,616	2,047	-3,276		-1,766	0,081
Interaction of X1 and Z (X1.Z)	0,138	0,040	7,828		3,482	0,001 H ₃ Accepted
Interaction of X2 and Z (X2.Z)	-0,073	0,040	-3,680		-1,799	0,076 H ₄ rejected
R _{square}	:	0,397				
F _{count}	:	9,764				
Sig. Fcount	:	0,000				

Source: Data processed, 2019

Based on Table 2. above, a regression equation can be obtained as follows.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 Z + \beta_4 X_1 Z + \beta_5 X_2 Z + \epsilon \dots\dots\dots (5)$$

$$Y = 220,587 - 7,317X_1 + 4,684X_2 - 3,616Z + 0,138X_1Z - 0,073X_2Z + \epsilon \dots (6)$$

Based on the regression model, it can be interpreted as follows.

- 1) The constant value (α) of 220,587 states that that if the variables of independence, professionalism, and tri hita karana culture are stated to be equal to constant at zero, LPD supervisory board performance value will increase by 220,587.
- 2) The coefficient (β_1) on the independence variable has a negative value coefficient that is equal to 7.317. This coefficient value explains that that if the value of the independence variable increases by 1 unit, the performance of the LPD supervisory board will decrease by 7.317 units by assuming the value of the other independent variable which is constant (unchanged).
- 3) The coefficient (β_2) on the professionalism variable has a positive value coefficient that is equal to 4.684. This coefficient value explains that that if the value of the professionalism variable increases 1 unit, the performance of the LPD supervisory board will increase 4.684 units by assuming the value of the other independent variable which is constant (unchanged).
- 4) The coefficient (β_3) on the tri hita karana cultural variable has a negative coefficient value of -3.616. This coefficient value explains that if the value of tri hita karana culture variable increases by 1 unit, the performance of LPD supervisory board will decrease by 3,616 units by assuming the value of the other independent variable which is constant (unchanged).
- 5) The coefficient (β_4) on the interaction of independence variable and tri hita karana culture variable has a positive effect on the performance of the LPD supervisory board. This indicates that the moderation effect provided is positive. It means that the higher the moderation of tri hita karana culture, the more increase the effect of independence on the performance of LPD supervisory board will be.

6) The coefficient (β_5) on the interaction of professionalism and tri hita karana culture variable has a negative effect on the performance of LPD supervisory board. This indicates that the moderating effect is negative, it means that the higher the moderation of the tri hita karana culture is, the more decrease the effect of professionalism on the performance of the LPD supervisory body will be.

The magnitude of the influence of independent variables on the dependent variable shown by the total determination value (R Square) of 0.357 means that 35,7 percent change in the performance of LPD supervisory board can be explained by the variables of independence and professionalism while the remaining 64,3 percent is explained by other factors not included in the model.

The Effect Of Independence on The Performance Of The LPD Supervisory Board

Based on the test results in Table 1, it is known that $\beta_1 = 0.425$ with a significance level of 0.002 is smaller than $\alpha = 0.05$. The results of the hypothesis test stated that the independence variable had positive and significant effect on the performance of the LPD supervisory board. Statistical test results show that the first hypothesis (H_1) is accepted, it means that the independence variable has positive and significant effect on the performance of the LPD supervisory board. This research is in accordance with the theory of attitude and behavior in which LPD supervisory board can manage attitudes or personal factors, so that it is able to honestly act, not in favor of a particular interest, and rationally thinks in making a decision. So LPD supervisory board can run its performance to the maximum and in accordance with what is planned. The result of this research is matching line with research conducted by Putra and Jati (2019), Murtini and Juliarsa (2017) and Widyantara et al. (2017) shows that independence has positive and significant effect on the performance of LPD supervisory board.

The Effect Of Professionalism on The Performance Of The LPD Supervisory Board

Based on the test result in Table 1, it is known that $\beta_2 = 0.595$ with a significance level of 0,000 is smaller than $\alpha = 0.05$. The result of the hypothesis testing stated that the variable of professionalism had positive and significant effect on the performance of LPD supervisory board. Statistical test result shows that the second hypothesis (H_2) is accepted, it means that the professionalism variable has positive and significant effect on the performance of LPD supervisory board. The result of this research is matching with the theory of attitude and behavior, where each LPD supervisory board must have an attitude of professional expertise and accuracy and be able to overcome problems even in stressful conditions which will affect how the performance of the supervisory board. The result of this research is matching with the result of research conducted by Murtini and Juliarsa (2017) who proved that professionalism had positive and significant effect on the performance of the supervisory board as an internal auditor function in the internal control system. Likewise, research conducted by Putra and Jati (2019) proved that professionalism had positive and significant effect on the performance of the LPD supervisory board.

Tri Hita Karana Culture Moderates The Positive Effect Of Independence on The Performance Of The LPD Supervisory Board

Based on the MRA test result in table 2, it is known that the β_4 value is 0.138 with a significance level of 0.001 which is smaller than the level of $\alpha = 0.05$. The result of the hypothesis testing stated that the tri hita karana cultural variable was able to moderate the effect of independence on the performance of LPD supervisory board and the third hypothesis (H_3) was accepted. The positive result of the moderate coefficients indicated that the tri hita karana cultural variable was able to positively moderate or significantly strengthen the effect of independence on the performance of LPD supervisory board. This result supports the result of the research of Sudiartini and Mimba (2018) who stated that the tri hita karana culture had a positive effect on the performance of LPD supervisory board. It shows that the stronger and higher the tri hita karana-based organizational culture that is applied is, the better the performance of LPD supervisory board. The result of this test indicated that the moderating role of the tri hita karana cultural variable on the independence variable was reinforcing, it means that a better attitude of independence followed by the adoption of tri hita karana culture will be able to improve the performance of the LPD supervisory board together. According to Adiputra, *et.al.* (2014) a strong grip on the values contained in the tri hita karana culture for each LPD supervisory board turns out to be able to provide support for the mindset of each LPD supervisory board to always honestly act, to be not in favor of any interest and have high integrity. So in reality the tri hita karana culture can increase the attitude of independence and produce a better and improved performance of LPD supervisory board.

Tri Hita Karana Culture Moderates The Positive Effect Of Professionalism on The Performance Of The LPD Supervisory Board

Based on the MRA test result in table 2, it can be seen that the β_5 value of -0.073 with a significance level of 0.076 is greater than the level of $\alpha = 0.05$. The result of the hypothesis testing stated that variables of tri hita karana culture was unable to moderate professionalism towards the performance of LPD supervisory board. Fourth Hypothesis (H_4) in this research was rejected, it meant that tri hita karana cultural variable was not able to moderate the effect of professionalism on the performance of LPD supervisory board. The result of this research supports the research conducted by Winarsih and Suardana (2018) who stated that organizational culture negatively affected the performance of LPD supervisors. It shows that the higher the organizational culture is the more decrease performance of supervisors is. According to Bhuwaneswari and Damayanthi (2018), professionalism or professional expertise is gained from training and experience, so that the environment or culture of the surrounding organization cannot affected the level of professionalism of LPD supervisory board. The training that is followed by LPD supervisory board will have an impact on increasing the professionalism that they have and will ultimately affect the performance of LPD supervisory board itself.

V. CONCLUSION

Based on the results of the analysis and discussion in the previous chapter, it can be concluded as follows:

- 1) Independence has positive and significant effect on the performance of the LPD supervisory board in Kediri District, Tabanan Regency. This result explains that the more independent a LPD supervisory board is, the more the performance of LPD supervisory board will improve the supervisory.
- 2) Professionalism has positive and significant effect on the performance of LPD supervisory board in Kediri District, Tabanan Regency. This result means that the more professional LPD supervisory board will be, the better the performance of the LPD supervisory board in carrying out supervision is.
- 3) Tri hita karana culture is able to moderate and strengthen the positive effect of independence on the performance of the LPD supervisory board in Kediri District, Tabanan Regency. This result explains that the increasingly independent attitude followed by the adoption of a tri hita karana culture will be able to improve the performance of LPD supervisory board.
- 4) Tri hita karana culture is not able to moderate the positive effect of professionalism on the performance of the LPD supervisory board in Kediri District, Tabanan Regency. This result means that the attitude of professionalism that is followed by the implementation of the tri hita karana culture and it does not have an effect in improving the performance of the LPD supervisory board.

Suggestion that can be given based on the results of the study are as follows:

- 1) For LPDs to be able to choose supervisory board members who have professional expertise and experience in the field of supervision and auditing.
- 2) For each member of the LPD supervisory board to be more active and routine in carrying out supervision and following all the provisions contained in the SOP of the supervisory board.
- 3) For the Provincial Government of Bali to be able to organize trainings for the LPD supervisory board on accounting and auditing.
- 4) For future researchers to be able to use different research methods such as direct interviews with LPD supervisory board to obtain more accurate data about each variable in the study.

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