

**THE INFLUENCE OF INDIVIDUAL RANK AND WORKING EXPERIENCE
ON PROFESSIONALISM OF INTERNAL AUDITOR
(Study on Internal Auditors of Public Corporation at
Manufacturing Sector Listed in The Jakarta
Stock Exchange)**

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ABSTRACT

One of the causes of economic crisis and failure experienced by a number of Indonesian companies is the corporate governance. If the internal audit can be properly implemented, it will contribute to improving the process of corporate governance, risk management, and management control. This research attempts to obtain empirical evidence and better understanding concerning: (1) the correlation between individual rank with working experience in manufacturing sector listed at the JSX; (2) the influence of individual rank and working experience on the internal auditors' professionalism of public companies in manufacturing sector listed at the JSX either partially and simultaneously. The type of research employed in this study is causal relationship by using the census method for 120 internal auditors of public companies in manufacturing sector at the JSX. The data this study consist of both primary and secondary data. Reliability and validity tests were conducted to examine the questionnaires. SEM (Structural Equation Modeling) is used to examine the correlation as well as the effect of the variable. It was found that (1) there is correlation between individual rank and internal auditors' working experience and between internal auditors' working experience ($R^2 = 0.52$); (2) individual rank and working experience partially influence the internal auditors' professionalism for with the levels of influence are 6%, and 20% respectively, whilst their simultaneous effect is 30%.

Key words: Individual Rank, Working Experience, Internal Auditor Professionalism.

INTRODUCTION

One of the criteria which can be used as the base of evaluating effectiveness of corporation internal audit function is professionalism of internal audit for it functions as a support for the commissioner, audit committee, management, and senior management in forming foundation of corporate governance. Crime scandals taking place in Indonesia, involves both private corporations and the government (Agoes 2005, p. 35) typical examples of those scandals are cases taking place in Kimia Farma, Lippo Bank, Telkom, BNI Bank (fictive case of L/C), Bapindo (fictive case of L/C), Indofarma (unfair financial report), Pertamina (kickback commission), Bulog (misuse of property fund), Religion Department, and

National Education Department which one caused by intern auditor less effective function.

Corporate crime scandals above belong to management responsibility and it indicates that management is powerless to keep and increase its internal control. One of the case emergences is that internal auditor doesn't function effectively. Research result conducted by KPMG Forensic (2004, pp. 1-31) explained that the cause of that fraud is being lack of or in the absence of internal control which tends to be higher from time to time, that is 25% in 2002 and 48% in 2004, meaning that an increase of 23% took place. On the contrary, an increase caused by the less powerful of the absence of intern control re-

Table1
Status of Independent Committee Establishment and Forming
of Listed Company Audit Committee per January 10, 2003

<i>Description</i>	<i>Total</i>	<i>Percent</i>
<i>Emitents having formed audit committee</i>	259*	78%
<i>Having met the requirement</i>	241 **	93%
<i>Not having met the requirement</i>	18*	7%
<i>Emitents not having elected independent commissioners</i>	72*	22%
<i>Having met the requirement</i>	315*	95%
<i>Having met the requirement</i>	296*	94%
<i>Not having met the requirement</i>	19**	6%
<i>Emitents not having elected independent commissioners</i>	16*	5%

Source: BEJ Co. Ltd, 2008.

*) From the total of 331 emitent

**) From the total which have formed

Table 2
Status of Independent Committee Establishment and Forming
of Listed Company Audit Committee per July 21, 2004

<i>Description</i>	<i>Total</i>	<i>Percent</i>
<i>Emitents having formed audit committee</i>	310*	93%
<i>Having met the requirement</i>	287 **	93%
<i>Not having met the requirement</i>	23*	7%
<i>Emitents not having elected independent commissioners</i>	26*	7%
<i>Having met the requirement</i>	331*	99%
<i>Having met the requirement</i>	311*	94%
<i>Not having met the requirement</i>	20**	6%
<i>Emitents not having elected independent commissioners</i>	4*	1%

Source: BEJ Co. Ltd, 2008.

*) From the total of 335 emitent

**) From the total which have formed

inforcement is 34% in 2002 and 45% in 2004, meaning that an increase of 11% took place.

The statement is supported by Agoes statement (2005, p. 3), that all those cases took place as a result of the weak internal control, the un-optimal implementation of good corporate governance, and the many business units which do not understand the importance of enterprise risk management. Quoted by the YPIA (2003, p. 2), Sawyer and Dittenhofer suggested that "Wherever management goes, internal auditor must be ready to keep up with

it. But, if management doesn't know where to go, internal auditor must be ready to direct Bapepam regulation, number 41, 2003, Article 2 State that emitent or public company is obliged to have audit committees as required in the decision enclosure at least on December 31, 2004. The regulation performed as Bapepam respond to BEJ Co Ltd which has issued announcement letter on January 10, 2003, numbered: 74/BEJ-PEM/01-2003, assigned by head of emitent watch and head of trade. Anything about status of audit commit-

tee forming and independent committee establishment from listed companies are shown in Table 1.

Table 1, explains that 259 emitent (78%) have formed audit committee and those which have met the requirements or the regulations are 241 emitents, 315 emitents (95%) have elected independent commissioners and those having met the requirement or the regulation are 296 emitents.

Table 2 explains that 310 emitent (93%) have formed audit committee (an increase amounting to 15%) (93% - 78%) takes places, and those having met the requirements on the regulations are 287 emitent. 331 emitent (99%) have appointed independent commissioners (an increase of 4% (99% - 95%)) takes place, and those having met the requirements or the regulations are 331 emitents.

List of independent commissioner and listed corporation audit committee is exposed on Table 3.

Table 3, explains that 232 emitent (70%) having formed audit committees and having appointed independent commissioners meeting the appointment. Task and responsibility of audit committees are: Audit committees are assigned to provide opinions/ideas to the commissioners' board upon report or anything informed by the management (directors) to the commissioner board, identifying information enquiring commissioners concern, area implementing other task connecting with commissioner board's task like conducting a study on inspecting implementation conducted by intern auditor.

Picket (2005, p. 8) explained that intern auditor activities must include evaluating and making perfect recommendation to increase governance process in achieving goals: (1) promoting ethics and perfect values in organization; (2) defining effective organization performance; (3) effectively communicating risk information and control to the perfect area in the organization; (4) coordinating activities effectively and communicating information among management board, extern and

intern auditors, and management.

Professionalism is an important element in the 15 criterions used as the base of evaluating internal auditor functions so that he can be considered as effective, effective enough or ineffective. Those criterions are obtained from research result conducted by the Institute of Internal Auditors-Research Foundation (Hiro Tugiman 1996, p. 41). The 15 criterions are exposed on table 4, as follows.

Professionalism explained by Christian in 1994 was an attitude and a behavior of a man performing certain profession. A professional is a man who does not only have specialty and technical skill, but also has working seriousness and precision, achieving other's satisfaction, dare to take any risk, perseverance and tough, high integrity, consistent and has a unity in thought, word, and work (Hiro Tugiman 2000, p. 76).

Parson mentioned several important characteristic of professional job (Hiro Tugiman 2000, p. 77). Professional job has characteristics of: (1) skillfulness based on theory; (2) having training and educational sites; (3) testing of candidate member's capabilities; (4) having a place in the regulations; (5) obedience to the profession organization; and (6) service provided is based more on public concern than on personal one.

Sawyer, et.al (2003, pp. 10-11) stated that internal auditing had to meet several criterions to be called a highly qualified professional profession. Professional organization must meet requirements as follows: "(1) service to the public; (2) long specialized training; (3) subscription to a code of ethics; (4) membership in association and attendance at meetings; (5) publication of journals aimed at upgrading practice; (6) examinations to test entrants' knowledge; and (7) licensure by the state or certification by a board." In addition, Robbins (2005, pp. 189-192) explained that internal auditor professional behaviors are motivated by their own expectations they wanted both for he, himself, and for the organization. Expectancy theory of Vroom 1964 explained

Table 3
List of Independent Commissioners and Listed Corporation Audit Committees

<i>Description</i>	<i>Total Emitent</i>	<i>Enclosure</i>
List of <u>emittents</u> having formed audit committees and those not having elected independent commissioners	15	1
List of <u>emittents</u> having formed audit committees and those having elected independent commissioners meeting the appointment	232	2
List of <u>emittents</u> having formed audit committees meeting the appointment and having elected independent commissioners, but the amount has not met the appointment	10	3
List of <u>emittents</u> having formed audit committees, but not having met the elected and having elected independent commissioners meeting the appointment	14	4
List of <u>emittents</u> not having formed audit committees, but having appointed independent commissioners amounting to the total number meeting the appointment	50	5
List of <u>emittents</u> having elected audit committees and independent commissioners not having met the appointment	3	6
List of <u>emittents</u> not having formed audit committees and having appointed independent commissioners, but not amounting to the total number meeting the appointment	7	7
<i>Total</i>	331	

Source: BEJ Co. Ltd, 2008.

Table 4
Criteria of Evaluating Intern Auditor Function Effectivity

<i>Nb.</i>	<i>Criterion</i>
01.	Properness and the importance of inspecting discourses, together with their recommendations
02.	Feedback and response of objects being inspected or the <u>auditee</u>
03.	Personnel professionalism of individual internal audit
04.	Obedience towards audit plan of annual audit working program
05.	Early warning
06.	Expense economization of internal audit
07.	Personal development
08.	Evaluation of external audit on a unit of internal control
09.	Feedback of operational management
10.	The number of audit work request
11.	Global presentation on audit result report
12.	Audit committee evaluation on a unit of internal control
13.	Quality of audit working paper
14.	Internal study
15.	Professional organization study

Source: The IIA Research Foundation 1996.

that power of a tendency to do something depended on the power of expectancy of output resulted. In other words, this theory helped us to explain why so many internal auditors are not motivated by their jobs, but kept on doing them minimally did them minimally to safe themselves. Based on this theory, a re-

search is needed to be conducted to discover whether variables of individual rank and job experience have an influence upon variable of internal auditor professionalism, and how big is the influence both partially and simultaneously.

The main problem of this research is

Table 5
Types of Industries (Consumer Products)

<i>Nb</i>	<i>Product Types Consumers</i>	<i>Total</i>	<i>Nb</i>	<i>Product Types Consumers</i>	<i>Total</i>
01.	Industries of foods and drinks	15	07.	Non metal mining industries	11
02.	Chemical industries and chemical goods industries	31	08.	Textile and garment industries	22
03.	Raw metal industries	1	09.	Metal goods industries except machines and their equipments	9
04.	Cabel industries and their equipments	6	10.	Tobacco Processing industries	3
05.	Engine Industries and their equipment	13	11.	Furniture and other processing industries	2
06.	Paper industries and goods from paper	5	12.	Natural gass industries	2
				Total	120

Resource: Processed Primery data

formulated as follows: (1) How far is the relationship between individual rank and job experience of the emitent internal auditor at manufacturing sector in BEJ; (2) To what extent is the influence of individual rank and job experience both partially and simultaneously upon emitent internal auditor professionalism at manufacturing sector in BEJ.

The main goals of this research are: (1) testing how far is the relationship between individual rank and job experience of emitent internal auditors at manufacture sector in BEJ; (2) testing to what extent is the influence of individual rank and job experience both partially and simultaneously upon emitent internal auditor professionalism at manufacture sector in BEJ.

RESEARCH METHOD

Observation unit of this research is emitent at manufacturing sector in BEJ. Based on JSX fact book, 2008, it was founded that therer were 331 emitents in BEJ per December 31, 2008. BEJ Co. Ltd. has classified its emitents into 19 types of industries. The 19 types of industries are: (1) Agriculture, (2) Mining, (3) Basic Industry and Chemicals, (4) Miscellaneous Industry, (5) Consumer Goods Industry, (6) Property, Real Estate and Building Construction, (7) Infrastructure, Utilities and Transportation, (8) Finance, dan (9) Trade, Service and Investment.

Emitents working at manufacturing sectors consist of basic industries and chemicals, miscellaneous industry, and consumer goods industry. While those working in non manu-

Figure 1
Demographic Data of Emitent Internal Auditor Respondent at Manufacturing Sector in BEJ in Education

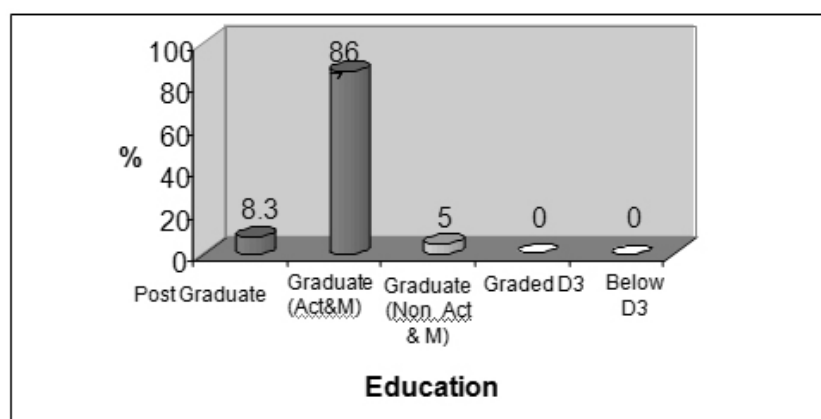


Figure 2
Demographic Data of Emitent Internal Auditor Respondents at Manufacturing Sector in BEJ in Scientific Field

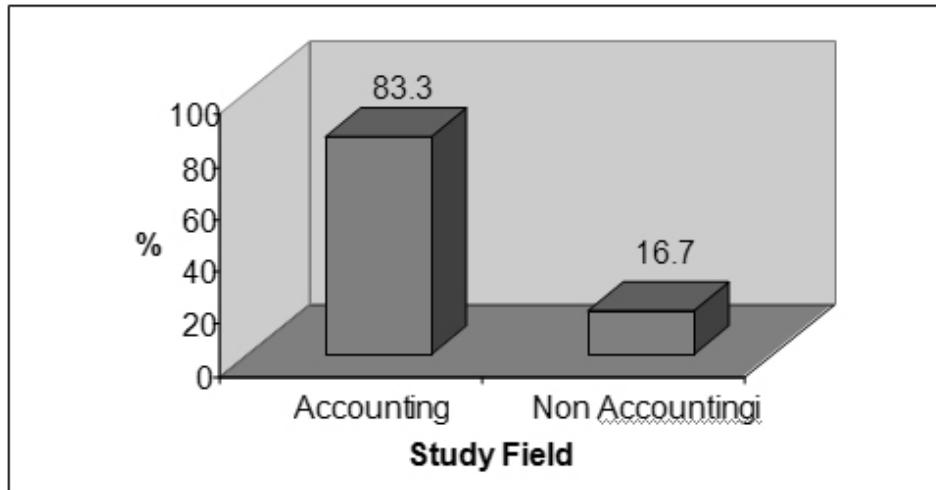
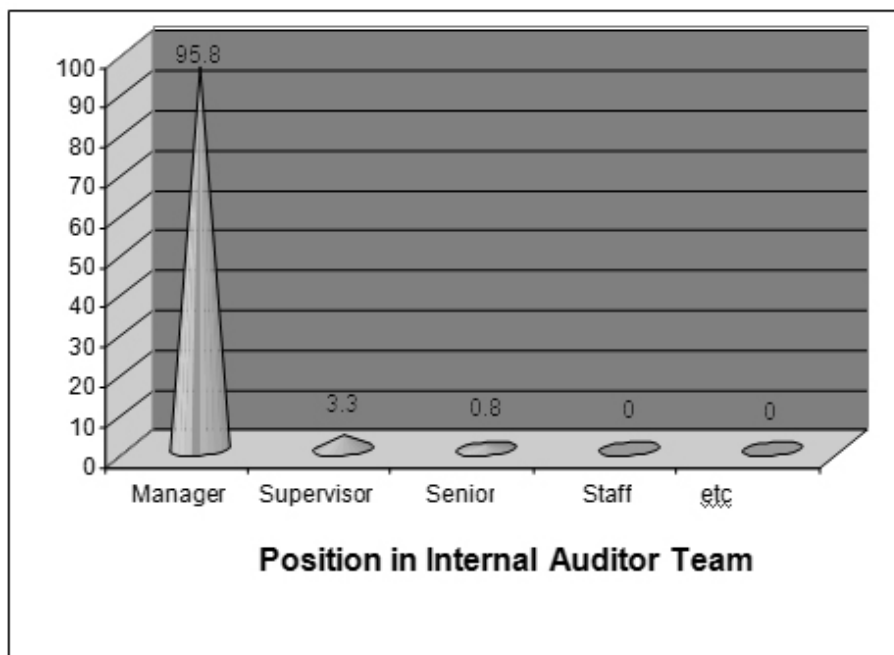


Figure 3
Demographic Data of Emitent Internal Auditor Respondents at manufacturing sector in BEJ in Respondent position in Internal Auditor Team.



facturing sectors consist of agriculture, property, real estate and building constructions, infrastructures, utilities and transportation finance and trade, service and investment. Manufacturing is proses of changing raw materials into goods to be used, applied, or consumed by human. Quantitatively, there were 331 emitents in BEJ per December 31, 2008, which were classified into 19 types of industries consisting of manufacturing sectors and

non manufacturing sectors.

This research is focused at BEJ emitents working on manufacturing sector for it is discovered that emitents working on manufacturing sector provide sufficient contribution to BEJ activities both from the number of emitents, listed stocks, and fund being capitalized, And, it is intended to test consistency of research result conducted by Yohannes, et.al (2002) and evi and Dwi (2003). Research

respondents are internal auditors and heads of companies individually of emitents working at manufacturing sectors in BEJ as analysis unit.

Sample coverage used in this research is 120 to 159 emitents at manufacturing sectors, caused by the fact that the number of emitents working in this sector is relatively small and the existing number has met the minimum sample requirement to be used in multivariat research. Research respondents are members of internal auditor team and company heads at manufacturing sector emitents in BEJ.

Method to analyse data used in this research, which is in accordance with the goal and the hypotheses proceeded before, is LISREL Program which analysis technique which is suitable is multivariate statistic analysis technique. Statistic method used is Analysis of Structural Equation Modelling (SEM).

RESULTS

Respondent Description Statistic

Respondent demographic data, taken from selected samples and can be described as follows:

Education

Demographic data of internal auditor respondents of formal education obtained is exposed in Figure 1, together with scientific field stud-

ied is exposed in Figure 2.

Figure 1 explains that most respondent taken are accounting department graduate of S1 grade or management department of the same grade which are amounting to 104 persons or 86,7%. The rest are post graduate which are amounting to 10 persons or 8,3% and university graduate coming from non accounting or management department are amounting to 6 persons or 5%. From the background of respondents' education exposed in figure 2, it is discovered that there are 100 persons or 83,3% having accounting study background, 20 persons or 16,7 % having non accounting study background (Various Scientific disciplines).

Respondent position in internal Auditor Team

Respondent demographic data of respondent positions in internal auditor team is exposed in Figure 3

Figure 3 explains that most respondent positions, 115 persons or 95,8 % ,perform as managers or leaders in the internal auditor team.

There are 4 respondents or 3,3% perform as supervisors in the internal auditor team and, only one respondents or 0,8 % performs as senior in the internal auditor team, having the number of value mean of 4,95 and deviation standard of 0,25.

Figure 4
Demographic Data of emitent Internal Auditor Respondents at Manufacturing Sector in BEJ in the number of training ever taken.

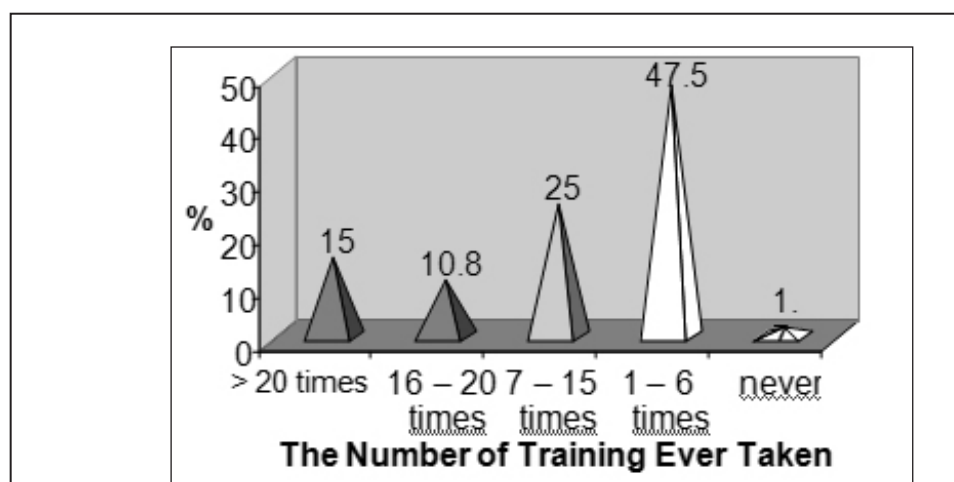
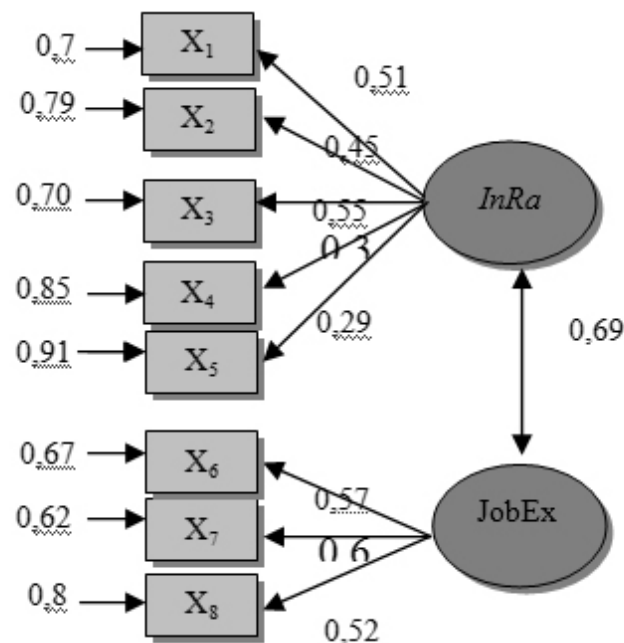


Figure 5
CALCULATION RESULT CONDUCTED USING LISREL PROGRAM IS 8,30



The Number of Training ever taken
 Demographic data internal auditor respondent
 about the total training ever taken are exposed
 in Figure 4.

Figure 4

Demographic Data of emitent Internal Auditor Respondents at Manufacturing Sector in BEJ in the number of training ever taken.

Figure 4 explains that the number of respondent training that had been taken up to more than 21 times are followed by 18 persons or 15 %. Respondent training that had been taken amounting to 16 – 20 times are followed by 13 persons or 10,8%; the number of respondent training ever taken amounting to 7-15 times are 30 persons; the number of respondent raining ever taken amounting to 1-6 times are followed by 57 persons; and the rest of them, 2 respondent or 1,7 % have never taken any internal audit training and management training. Mean value is 2, 90 and deviation standard is 12. It indicates that average respondents have taken internal audit training and management training amounting to 12 times. And the variation is relatively low because of mean value is bigger than its deviation standard. Range value

of 1-5 with a median of 3 explains that the number of respondent training ever taken is minimally once and maximally 21 times with the number of respondents ever taken training amounting to 1-15 times is 50%.

The first hypothesis is the existing correlation between individual rank and emitent internal auditor job experience at manufacturing sector in BEJ. First hypothesis testing using SEM is conducted to examine relation between Individual rank (1) and job experience (2) of emitent internal auditors at manufacturing sector in BEJ. Calculation result conducted using LISREL program is 8,30 and can be seen in Figure 5.

Figure 5 : Test result of correlations between variables of rank exsogent and variables of job experience of emitent internal auditors of manufacturing sector in BEJ correlation test result among exsogent variables is coefficient correlations between variables of individual rank (1) and variables of job experience (2) is 0,69. Correlation coefficient among exsogent variables indicates that both of them have positive relationship. The positive range at correlation coefficient indicates that the increase taking place at one exsogent

variables correlationally related with the increase at another variables. It can be stated in detail that if individual rank (ξ_1) increases, job experience of emitent internal auditor at manufacturing sector in BEJ also increases.

Based on the measurement of correlation coefficient and the criterion of the closeness of that relationship, the relationship closeness among exsogent variables can be explained that correlations between individual rank (ξ_1) and job Experience (ξ_2) of intern auditors is moderately high correlation.

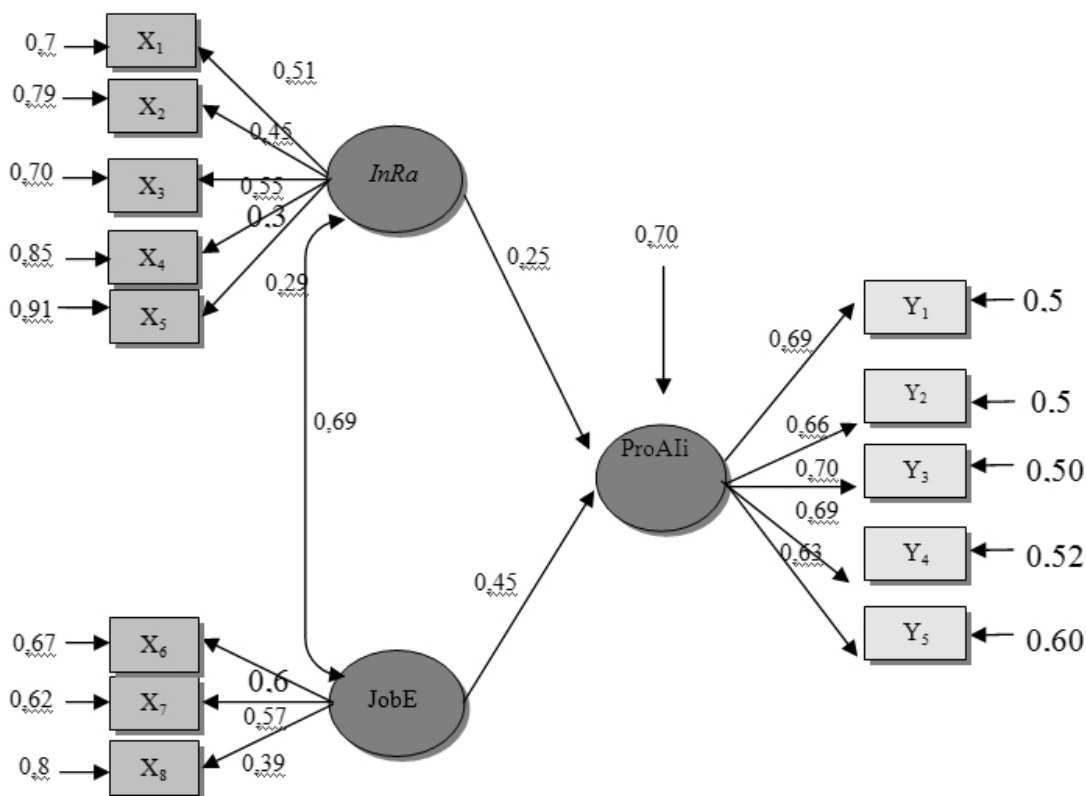
Second hypothesis of this result is individual rank and job experience both partially and simultaneously significantly influences professionalism of internal auditors. The second hypothesis test using SEM is conducted to test influence between individual rank (ξ_1) and job experience (ξ_2), both partially and simultaneously upon emitent internal auditor professionalism emitent internal auditor (ξ_1) at manufacturing sector in BEJ. Hypothesis grading testing are conducted as follows:

1. Testing the influence of individual rank upon emitent internal auditor professionalism at manufacturing sector in BEJ.
2. Testing the influence of job experience upon emitent internal auditors professionalism at manufacturing sector in BEJ; and
3. Testing the influence of individual rank and job experience simultaneously upon emitent internal auditor professionalism at manufacturing sector in BEJ.

Calculation result, aided by LISREL program can be identified in figure 6 as follows :

Figure 6 Test result of the influence exogent variable upon indogent variables. From the calculation result, obtained by means of LISREL program a discovery is obtained like the one identified in figure 6. The direct influence of individual Rank upon intern auditors professionalism is $(0,25 \times 0,25 \times 100\%) = 6\%$. This explains that the direct influence of individual rank consisting of age, education level, the number of training, position in internal

Figure 6
Test Result Of The Influence Exogent Variable Upon Indogent Variables



audit team. Indicator and indicator of personality upon internal auditor professionalism is positive (6%). But, the influences of other untested variables in this research are 94 % and it can be influenced by ability, values, attitudes, and emotion of internal auditors. Following is description of that statement:

Influence of individual rank upon emitent internal auditor professionalism at manufacturing sector in BEJ is positive, meaning that better quality of individual rank can determine successfulness in creating intern auditor professionalism in their job. This can be explained by individual rank factors consisting of age educational level, the number of training taken, and internal auditor personality.

Influence of individual rank upon professionalism of enterprise internal auditor is 6 %, meaning that factors of individual rank consisting of age, educational level, the number of training, position in internal audit team, and personality have a direct influence upon internal auditor professionalism amounting to 6 %, while the rest 94% is influenced by other factors, excluding the indicators researched; ability, values, attitudes, and emotion. This is in accordance with statement of Kreitner and Kinicki (2001) which explained that individual rank which was able to influence labor attitudes in perceptions, personal decision making, learning and motivation were biographical characteristics, ability, values, attitudes, personality, and emotions.

From the calculation result by means of LISREL program it is also obtained result indicated at figure 6. Direct influence of job experience variable upon internal auditor professionalism variable is $(0,45 \times 0,45 \times 100\%) = 20\%$. This means that the influence of job experience variable consisting of indicators of working time before in the internal auditor, working time in internal auditor, and indicators of the number of internal auditor task upon internal auditor professionalism is positive (20%). While the influence of other untested variables in this research is 80%, consisting of organizational commitment and

personality of internal auditor. Following is the description of that statement:

Influence of job experience upon internal auditor professionalism is positive. This means that, job experience consisting of working time before in internal auditor, working time in internal auditor, and the number of task taken as internal audit can push the formation and development of an internal auditor professionalism in performing his task.

Influence of job experience upon enterprise internal auditor professionalism is 20%. This means that, job experience factor consisting of working time before in internal auditor, working time in internal audit, and the number of internal audit accepted have a direct influence upon internal auditor professionalism amounting to 20%, while the rest 80% is influence by other factors excluding the variable researched. Among them are organizational commitment and personality. This means that, it is in accordance with the statement of Kreitner and Kinicki (2001) which explained that all individual behaviors and attitudes are formed by personality and experience.

DESCRIPTION

The first hypothesis stating that there is a correlation between individual rank and emitent internal auditor job experience at manufacturing sector in BEJ has been proved empirically. This research result meets the statement of the Institute of Chartered Accountants in Australia (ICAA 1994) and YPIA (1995-2003) stating that: (1) The coverage and purpose of internal audit is so wide depending on the measurement and structure, together with management request, and; (2) Internal auditor members taking training and education have individual rank, job experience are coming from various scale enterprise.

Individual rank increase can increase emitent internal auditor job experience at manufacturing factor in BEJ indicated by correlation coefficient figure of 0,69. This proves that: (1) The more aged the internal auditor is can add his job experience; (2) The

higher educational level the internal auditor has can add his job experience; (3) The more training the internal auditor takes can add his job experience; (4) the higher position the internal auditor has in the team can add his job experience; and (5) The better personality the internal auditor has can add his job experience. In other words, the length of working time in internal auditor and before in internal auditor, together with the number of task in internal auditor have a relation with the more age the internal auditor has, the higher level of education the internal auditor has, the number of training the internal audit has, the higher position the internal auditor has in the team and the good personality the internal auditor has.

Explanation of the biggest variables of individual rank and job experience is explained by indicators of the number of training taken by the internal auditor amounting to 30% and working time in internal auditor is 38%. This explains that: (1) The more training participated by the internal auditor, the more job experience in internal audit he has; (2) The more training participated by emitent internal auditor, the more task of internal audit being well completed.

Result of the second hypothesis test conducted empirically can also discover a statement that individual rank factor has been proved to be able to influence internal auditor professionalism in each of his job, though his contribution is relatively small, that is 6%. This research result supports arguments proceeded by Robbin (2005) stating that age, marital status, and the many burdens one has an influence on job satisfaction. Satisfaction tend to increase continually for the professionals as the more aged the are. Therefore, the older the internal auditor will increase the internal auditor professionalism or in other words internal auditor professionalism is influenced by his age.

Explanation about the biggest variable of the individual rank and job experience variables is explained by the many (the number)

of training taken which is amounting to 30% and the length of working time the internal auditor has, that is 38%, this explains that: (1) the more training participated by the internal auditor, the more working experience he has; (2) the more training the emitent internal auditor has, the more internal audit task being well competed.

The result of the second hypothesis test conducted empirically can also discover a statement that individual rank factor has been proved to be able to influence internal auditor professionalism in each of his job, though is contribution is relatively small, that is 6%. This research result supports arguments proceeded by Robbin (2005) stating that age, marital status, and the burdens have influence on job satisfaction. Satisfaction tends to increase continually for the professionals as the more aged they are. Therefore, the older the internal auditor the more it increases the internal auditor's professionalism. In other words, internal auditor's professionalism is influenced by his educational level. Furthermore, this research result also supports Ratliff's arguments (1996) and YPIA. Ratliff explained that professional service providing must be results of study process, training, experience and continued professional education of someone. YPIA as a professional training institute creating world leading internal auditors, the more professional they are in working or in other words internal auditor professionalism is influenced by the number of training participated.

Other research discoveries meet the arguments of YPIA (2003) and Agoes (2004). Effective IAD will provide added value to the enterprise or organization, implement its function independently and have pushing ability to create risk management, internal control and good corporate governance in enterprise area or in the organization. One thing to be considered to make a corporation have effective IAD is to have professional and capable people who can behave objectively and have high integrity and loyalty. Therefore,

the higher position internal auditor has in his internal audit team, the higher working professionalism he has or in other words, professionalism is influenced by internal auditor position in his internal audit.

This research also meets arguments of Allport (1937), Buss (1989), and Soekardi Hoesodo (2002). External characteristics representing someone's attitudes are called personal characteristics. Personality is formed from factors of descendant, environment, and situation functioning as moderating factor, internal auditor personality can be perceived from how he communicates, and effective communication is needed by internal auditor almost in all audit steps. Therefore, the better personality internal auditor has the more professionalism increase he acquires or in other words, internal auditor's professionalism is influenced by his personality.

The result of the second hypothesis test also supports previous argument and research in which job experience variable can influence internal auditor professionalism in each of his job with 20% contribution. Result of this research explains that professional auditor must have sufficient experience about his tasks and responsibilities. Internal auditor experience will be a good consideration in decision making in time of performing his job. Internal auditor experience can determine professionalism, task performance, commitment toward organization, and internal auditor quality through knowledge obtained from experience in performing audit.

Result of the research also supports statements of Colbert (1989), Ketchen and Strawser (1998), Libby and Frederik (1990), Robbin (2005), and result of the previous research; Wood et.al (1989), Kalbers and Fogarty (1995), Hiro Tugiman (2000), Yohanes et.al (2002), and Ida Suraida (2003) explaining that the more job experience internal auditor has, the more professionalism increase he acquires in performing his job or in other word internal auditor professionalism is influenced by his job experience.

CONCLUSION

Individual rank and job experience have mutual relationship with positive correlation coefficient. The individual rank and internal auditor job experience has positive relationship and moderately high correlation. Individual rank and job experience influence both partially and simultaneously upon emitent internal auditor professionalism at manufacturing sector in BEJ amounting to 6%, while influence of other untested variable is 94%. Those variables are variables of ability, values, attitudes, and internal auditor emotions. Partially, job experience has a positive influence on emitent internal auditor professionalism at manufacturing sector in BEJ amounting to 20%. While influence of other untested variables is 80%. Those variables are variables of organizational commitment and internal auditor personality. Simultaneously, influence of individual rank and job experience on emitent internal auditor professionalism at manufacturing sector in BEJ is positive and it is amounting to 30%. While other untested variables are amounting to 70%, of which it is the organizational commitment variable. This means that simultaneously, if individual rank and job experience increase, internal auditor professionalism also increases.

All of the five indicators used to explain/ to measure individual rank variables have positive coefficient. In fact, the biggest coefficient is the indicator of the number of training, while the smallest one is indicator of personality. Three indicators used to explain/ to measure job experience variables have positive coefficient. And, the biggest coefficient is indicator of working time in internal auditor, while the smallest one is indicator of the number of internal audit task. Further, for indicator of internal auditor professionalism, indicator of continued profession education performs the biggest positive coefficient, while the smallest one is indicator of professional social obedience.

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