International Journal of Economics, Management and Accounting
Volume. 1 No. 4 December 2024
e-ISSN: 3046-9376; p-ISSN: 3048-0396, Hal 357-376
DOI: https://doi.org/10.61132/ijema.v1i4.284
Available online at: https://international.areai.or.id/index.php/IJEMA

Analysis of the Board of Commissioners, Board of Directors, and Internal Audit on Competitiveness

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Abstract. This study aims to examine the influence of the board of commissioners, board of directors, and internal audit on the company's competitiveness. Where, the company's competitiveness in question is ROA, CAR and BOPO. This study used purposive sampling with a sample size of 15 banking companies listed on the Indonesian Stock Exchange in 2021-2023. The results of this study indicate that the Board of Commissioners does not affect the company's competitiveness with ROA, BOPO and CAR indicators. The board of directors does not affect the company's competitiveness with ROA, BOPO, and CAR indicators. Internal Audit does not affect the company's competitiveness with ROA, BOPO, and CAR indicators. However, the Board of Commissioners, Board of Directors, and Internal Audit affect the company's competitiveness together with the BOPO indicator. This indicates that the Board of Commissioners, Board of Directors, and Internal Audit can increase the company's competitiveness together by streamlining its operational costs and operating income.

Keywords: Board of Commissioners, Board of Directors, Internal Audit, Company Competitiveness.

1. INTRODUCTION

Through the provision of financial services and support for business and community needs, the banking industry plays an important role in driving the economy.(Ceysa et al., 2024). Banks must maintain and improve their performance to remain competitive amidst global economic regulations and changes.(Simatupang, 2019). Management capability is an important component to maintain competitiveness, especially internal audit, board of directors, and board of commissioners in managing resources, capital, and operational costs effectively.(Febrina & Sri, 2022). Profitability can be measured using the ROA indicator which measures the bank's ability to gain profits from the total assets owned (Marlina, 2022). Financial performance indicators such as Return on Assets (ROA), Operating Costs to Operating Income (BOPO), and Capital Adequacy Ratio (CAR) are often used to measure banking competitiveness.(Intercession, 2021). These indicators show efficiency, profitability, and capital strength. Susanto and Widjaja (2023) stated that banks that are able to maintain these financial performance ratios well tend to be more competitive in the Indonesian banking market.

The board of commissioners is the representative of the company owner who is responsible for supervising and handling the management and administration of the company.A larger number of board of commissioners will increase the management monitoring mechanism because the size of the board of commissioners determines how well and how optimally they

Received September 08, 2024; Revised September 22, 2024; Accepted Oktober 17, 2024; Online Available Oktober 21, 2024

monitor the company's performance.(Mutianingsih et al., 2024). Research conducted by(Lumbanharja, 2021)shows that the board of commissioners has an influence on the financial performance of ROA. Meanwhile, research conducted by(Intia & Azizah, 2021), shows that the board of commissioners does not influence financial performance as proxied by ROA. Research conducted by(Kurniawan & Mahardika, 2021)shows that the board of commissioners does not affect efficiency (BOPO) because the Board of Commissioners only plays a role in supervising the performance of the Board of Directors, while banking management is fully carried out by the Board of Directors, so that the existence of the Board of Commissioners does not have a significant effect on banking efficiency.

The board of directors has a significant influence on bank profitability and efficiency, which are the main indicators in measuring bank competitiveness in the banking sector Fajar (2021). Pratama and Yudhistira (2021) revealed that the diversity of educational backgrounds and experiences of board of directors members can have a positive effect on the company's innovation and competitiveness. In the context of banking in Indonesia, Rachman (2023) showed that a more active board of directors in operational supervision can increase the company's efficiency and profitability, which directly impacts competitiveness. In addition, Sari and Utami (2022) found that the active role of the board of directors in financial risk management can strengthen the bank's ability to face market challenges. Bank competitiveness in the banking sector is often measured through financial performance indicators, namely Return on Assets (ROA), Operating Costs to Operating Income (BOPO), and Capital Adequacy Ratio (CAR), which reflect efficiency, profitability, and capital strength (Hery, 2021). ROA shows the effectiveness of a bank in utilizing assets to generate profits, with higher values indicating better capabilities and stronger competitiveness (Wulandari and Lestari, 2021). BOPO measures the efficiency of operational cost management; the lower this ratio, the more competitive the bank is because it is able to manage costs better than the income generated (Fauzi and Zain, 2022). Meanwhile, CAR measures the strength of a bank's capital in facing financial risks, where a high value indicates the bank's ability to bear risks and increase competitiveness in the market (Saputra and Hidayat, 2022). Susanto and Widjaja (2023) stated that banks that are able to maintain these financial performance ratios well tend to be more competitive in the Indonesian banking market.

The quality and quantity of internal audits owned by a bank can affect a good internal control structure, so that it can increase operational efficiency and reduce operational risk (Irawan et al., 2019). To maintain competitiveness, banks need to increase their profitability, including by implementing a good internal control structure through effective internal audit

activities (Putri & Widjaja, 2022) (Irawan et al., 2019) (Marlina, 2022). Several previous studies have shown that independence, competence, integrity, and audit structure have a significant positive effect on audit quality (Gita & Dwirandra, 2018). On the other hand, the BOPO, NPL, NIM, and LDR ratios affect bank profitability (Rohmiati et al., 2019) (Putri & Widjaja, 2022) (Irawan et al., 2019). Thus, it can be concluded that improving the quality and quantity of internal audits can increase bank profitability which will ultimately increase the competitiveness of banking companies (Putri & Widjaja, 2022) (Kuncoro et al., 2022) (Irawan et al., 2019).

2. LITERATURE REVIEW

Agency Theory

Agency theory describes the relationship between owners (principals) and managers (agents) that can potentially create conflicts of interest. In the banking sector, the board of directors acts as an agent responsible for managing bank resources to maximize shareholder value. This conflict can arise because the goals of managers are not always in line with the interests of the owners, which can affect decisions related to operational efficiency and strategy.

Resource-Based View (RBV) Theory

This theory emphasizes the importance of unique internal resources and organizational capabilities in achieving sustainable competitive advantage. In the banking context, resources such as capital strength (expressed in CAR) and cost efficiency (measured through BOPO) contribute greatly to bank competitiveness.

In a study by Hassan et al. (2020), it was found that banks with good managerial capabilities tend to have higher financial performance. This shows that the board of directors, board of commissioners and internal audit play an important role in utilizing bank resources to improve performance and competitiveness.

Company Competitiveness

Competition is the key to business success or failure. It determines how appropriate a company's actions are that can improve its performance, such as innovation or good execution. Companies compete to gain position and influence in markets that require core competencies. According to(Mashuri & Nurjannah, 2020) A company must meet three criteria to be considered to have core competencies: (a) Customer perceived value, which is the ability that

enables a company to provide key benefits to customers; (b) Competitive differentiation, which is the ability that distinguishes a company from its competitors. (c) Extendability because core competencies are the gateway to future markets.

Board of Commissioners

The board of commissioners is a part that supervises and provides guidance and direction to the management or company administrators. Research conducted by(Puspita & Sukarmanto, 2024), shows that the higher the size of the board of commissioners, the higher the company's financial performance. The board of commissioners is one of the things that influences company performance because it can supervise and provide input to the board of directors so that fraud can be minimized.(Indarti et al., 2023)in his research also found that the board of commissioners influences financial performance. So, based on this, the following hypothesis is formulated.

H1: The Board of Commissioners has an influence on ROA

H2: The Board of Commissioners has an influence on BOPO

H3: The Board of Commissioners has an influence on CAR

Board of Directors

The board of directors plays a key role in corporate governance. They are responsible for making strategic decisions that affect the company's performance and sustainability.Research conducted by (Khan et al. (2019) shows that the quality of the board of directors has a positive impact on bank performance, including ROA, because a competent board can reduce agency costs and increase efficiency. Pratama and Yudhistira (2021) state that increasing the number of board members can strengthen supervision of asset use, so that the company's financial performance can improve. Research by Handayani and Prasetyo (2021) shows that banks with a larger number of board directors tend to have a lower BOPO ratio, which reflects more efficient management of operational costs.

The presence of an experienced board of directors can strengthen CAR by making better investment and capital management decisions. Research by McKinsey & Company (2020) shows that companies with good governance tend to have better performance, while Cormier et al. (2021) noted that decisions taken by the board have a significant impact on the company's profitability and liquidity. According to research by Saputra and Hidayat (2022), a larger board of directors can support better financial risk management, which in turn increases capital stability in banking companies.

H4: Board of Directors has an effect on ROA

H5: The Board of Directors has an influence on BOPO

H6: The Board of Directors has an influence on CAR

Internal Audit

Return on Assets (ROA) is a performance indicator used to measure a company's profitability relative to its assets. Previous research by (Cohen and Sayag, 2010) shows that effective internal audit can improve the efficiency of a company's asset use, which ultimately increases profitability. In this context, internal audit plays an important role in ensuring that management utilizes the company's assets in the most productive way and that there is no misuse of assets. Research (Al-Twaijry et al. 2003) found that companies with a strong internal audit system tend to have better financial performance, as indicated by increased ROA. They stated that internal audit helps management identify inefficiencies in asset use and reduce unnecessary operating costs. Thus, effective internal audit can encourage companies to use their assets more efficiently, which has implications for increasing ROA.

Another study by (Asare, 2016) also confirmed that internal audit has a positive impact on company profitability. According to them, effective internal audit provides close oversight of the use of company resources and assets, thereby minimizing the risk of financial loss due to fraud or mismanagement. This strengthens the argument that internal audit plays a role in improving company competitiveness through increased profitability. With better oversight from internal audit, companies can identify areas where operational efficiency can be improved. A comprehensive internal audit process also helps in detecting potential issues that could affect financial performance, allowing management to take proactive corrective actions. Research by (Goodwin-Stewart & Kent, 2006) supports this, showing that effective internal audit is positively correlated with improved financial performance, including ROA.

Operating Cost to Operating Income (BOPO) reflects the company's operational efficiency in managing costs relative to the revenue generated. Research by (Mihret & Yismaw, 2007) shows that internal audit plays an important role in helping companies reduce unnecessary operating costs through detection of inefficiencies and better control of expenses.They found that strong internal audit can significantly reduce the BOPO ratio. Research by Arena & Azzone, 2009) also supports this. They stated that effective internal audit focuses not only on compliance but also on improving operational efficiency. By identifying areas where operational costs can be reduced, internal audit helps companies reduce the BOPO

ratio. This creates a positive impact on the company's competitiveness, as higher cost efficiency will allow the company to increase profit margins.

Research (Alzeban and Sawan, 2013) found that companies with good internal audit systems tend to be better able to control operational costs. They argue that effective internal audits enable companies to be more disciplined in budget management and resource allocation, thereby reducing unproductive operational costs. Thus, internal audits contribute directly to reducing the BOPO ratio and increasing the company's overall efficiency. Efficiency theory, companies that are able to reduce the BOPO ratio will be more competitive in their industry. Strong internal audits help companies achieve this goal by ensuring that every expense incurred is in line with the company's operational objectives and business strategies. Research (Cohen & Sayag, 2010) also shows that internal audits can provide useful recommendations to improve operational efficiency and, thus, reduce the BOPO ratio.

. Capital Adequacy Ratio (CAR) measures the adequacy of a company's capital to cover the financial risks faced, especially in the banking industry. Research by (Zulkifli, 2020) states that effective internal audit plays an important role in helping companies, especially in the financial sector, to maintain CAR at an adequate level. Research by (Al-Twaijry, 2003) supports that internal audit plays a role in overseeing a company's compliance with capital regulations. A study by (Asare, 2016) shows that companies with good internal audit are better able to manage their financial risks, which has a positive impact on CAR. In addition, research by (Arena and Azzone, 2009) states that effective internal audit also helps companies evaluate capital strategies and ensure that they can meet capital obligations according to the risk profile they face.

H7: Internal Audit has an effect on ROA

H8: Internal Audit has an effect on BOPO

H9: Internal Audit has an effect on CAR

H10: The Board of Commissioners, Board of Directors and Internal Audit have an effect on ROA

H11: The Board of Commissioners, Board of Directors and Internal Audit have an influence on BOPO

H12: The Board of Commissioners, Board of Directors and Internal Audit have an influence on CAR

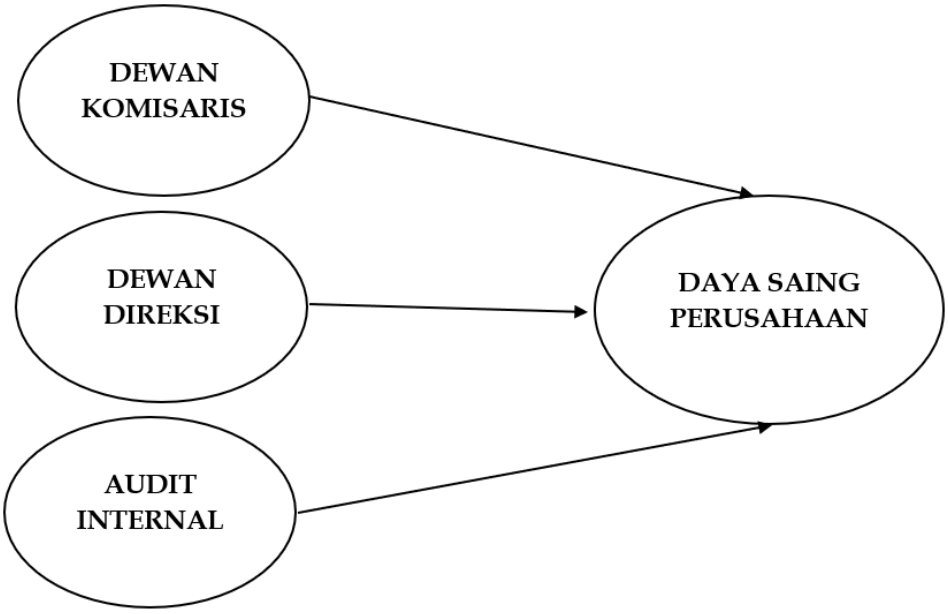

Figure 1. Conceptual Framework

3. METHODS

The type of research used is associative research in the form of a causal relationship. Associative research is a study that is intended to ask about the causal relationship between two or more variables. This study shows and statistically describes the influence between the board of commissioners, board of directors, and internal audit on the competitiveness of banking companies which in this case is seen using ROA, BOPO and CAR. The object of this research is banking sector companies listed on the Indonesia Stock Exchange. The population in this study is all banking companies listed on the Indonesia Stock Exchange (IDX) from 2021 to 2023, a total of 104 companies. The sampling technique for this study was carried out using the purposive sampling technique, namely through specific sampling based on the following criteria.

1) Banking Companies Listed on the IDX and Active during the Research Period
2) Companies That Consistently Publish Annual Financial Reports.
3) Companies with Total Assets of at Least IDR 35 Trillion

Based on the above criteria, the researcher used 15 banking companies. The data collection procedure in this study is to use documentation procedures in the form of financial reports, annual reports of companies listed on the IDX during the 2021-2023 period. The data source in this study is secondary data. Data sources are obtained from each company's website. The data in this study will be processed using Microsoft Excel and E-Views.

4. RESULTS

Chow Test

Table 1. Chow Test Results

Effects Test	Statistics	df	Prob.
Cross-section F	3.490520	(14.24)	0.0035
Cross-section Chi-square	48.865775	14	0.0000

The pro value is 0.000 < 0.05, then the selected model is the FEM (fixed effect) model.

Hausman Test

Table 2. Hausmen Test Results

Test Summary	Chi-Sq. Statistic	Chi-Sq. df	Prob.
Random cross section	42.070209	5	0.0000

The probability value is 0.000 < 0.05, so the selected model is the FEM (fixed effect) model.

Legrange Multiplier Test

Table 3. Results of the Multiplier Legrange Test

Null (no rand. effect)	Cross section	Period	Both
Alternative	One sided	One sided	
Breusch Pagan	4.071557	0.160917	4.232474
	(0.0436)	(0.6883)	(0.0397)
Honda	2.017810	-0.401144	1.143155
	(0.0218)	(0.6558)	(0.1265)
King Wu	2.017810	-0.401144	0.338167
	(0.0218)	(0.6558)	(0.3676)
GHM	--	--	4.071557
	--	--	(0.0545)

Prob value 0.436 < 0.05, then the selected model is REM (random effect)

Based on the Chow test, Hausman test and LR test, the one selected is FEM (fixed effect)

Classical Assumption Test

Based on the selected model, which is FEM, the classical assumption tests carried out are multicollinearity and heteroscedasticity (Basuki & Yuliadi, 2014).

Multicollinearity Test

Table 4. Multicollinearity Test Results

	X1	X2	X3
X1	1,000,000	0.854773	0.369434
X2	0.854773	1,000,000	0.563984
X3	0.369434	0.563984	1,000,000

The correlation coefficient of X1 and X2 is 0.854773 > 0.85, the correlation coefficient of X1 and X3 is 0.369434 < 0.85 and the correlation coefficient of X2 and X3 is 0.563984 < 0.85. then it can be concluded that it is free from multicollinearity or passes the multicollinearity test.

Heteroscedasticity Test

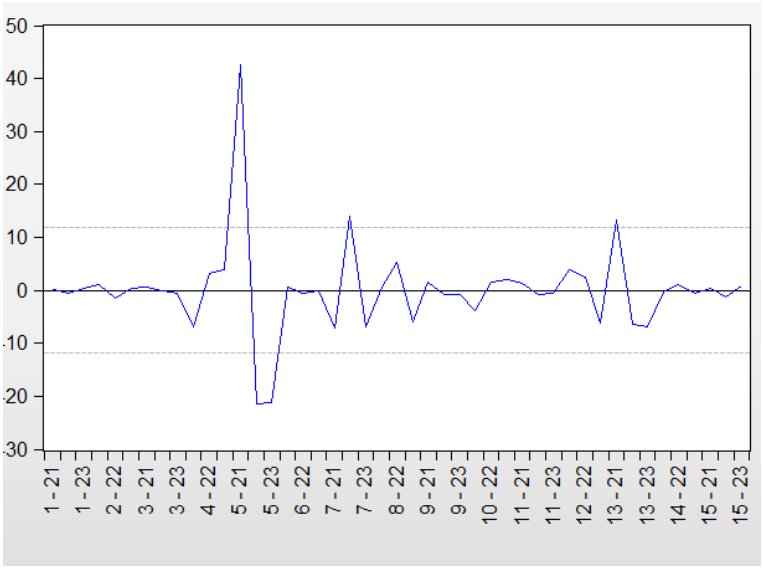

Figure 2. Results of Heteroscedasticity Test

Based on the residual graph (blue color), it can be seen that it does not cross the limits (500 and -500), meaning that the residual variance is the same.Therefore, there are no symptoms of heteroscedasticity or it passes the heteroscedasticity test.

Panel Data Regression Equation

Y1 = -0.221904037028*Y2 - 0.104742693252*Y3 + 24.0366158905 + 1.16691570449*X1 - 0.196577954439*X2 - 0.0713642885635*X3 + [CX=F]

Hypothesis Testing

- **Statistical t-test**

Y1 t-test (ROA)

Table 5. Results of the Y1 t-test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.491504	24.69959	0.019899	0.9843
X3	-0.109969	0.584961	-0.187994	0.8523
X2	0.635574	3.859358	0.164684	0.8704
X1	0.449074	5.530581	0.081198	0.9359

The results of the t-test on the Board of Commissioners variable (X1) obtained a calculated t value of 0.187994, which is smaller than the t table, namely2.016692 and sig. value 0.8523 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the board of commissioners variable does not affect banking ROA.The results of the t-test on the Board of Directors variable (X2) obtained a calculated t value of 0.164684, which is smaller than the t table, namely2.016692 and sig. value 0.8704 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the board of directors variable does not affect banking ROA.The results of the t-test on the internal audit variable (X3) obtained a calculated t value of 0.081198, which is smaller than the t table, namely2.016692 and sig. value 0.9359 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the internal audit variable does not affect banking ROA.

Y2 t-test (BOPO)

Table 6. Results of the Y2 t-test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	88.23342	54.20956	1.627636	0.1152
X1	6.211398	12.13827	0.511720	0.6130
X2	-5.152030	8.470346	-0.608243	0.5481
X3	0.118688	1.283846	0.092447	0.9270

The results of the t-test on the Board of Commissioners variable (X1) obtained a calculated t value of 0.511720, which is smaller than the t table, namely2.016692 and sig. value 0.6130 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the board of commissioners variable does not affect banking BOPO.The results of the t-test on the Board of Directors variable (X2) obtained a calculated t value of 0.608243, which is smaller than the t table, namely2.016692 and sig. value 0.5481 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the board of directors variable does not affect banking BOPO.The results of the t-test on the internal audit variable (X3) obtained a calculated t value of 0.092447, which is smaller than the t table, namely2.016692 and sig.

value 0.9270 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the internal audit variable does not affect banking BOPO.

Y3 t-test (CAR)

Table 7. Results of the Y3 t-test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	37.86193	23.18044	1.633357	0.1140
X1	-6.305858	5.190422	-1.214903	0.2349
X2	2.970180	3.621988	0.820041	0.4194
X3	0.117118	0.548983	0.213336	0.8327

The results of the t-test on the Board of Commissioners variable (X1) obtained a calculated t value of -1.214903, which is smaller than the t table, namely2.016692 and sig. value 0.2349 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the board of commissioners variable does not affect banking CAR.The results of the t-test on the Board of Directors variable (X2) obtained a calculated t value of 0.820041, which is smaller than the t table, namely2.016692 and sig. value 0.4194 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the board of directors variable does not affect banking CAR.The results of the t-test on the internal audit variable (X3) obtained a calculated t value of 0.213336, which is smaller than the t table, namely2.016692 and sig. value 0.8327 is greater than 0.05, then Ha is rejected and H0 is accepted. This means that the internal audit variable does not affect banking CAR.

- **F Test**

F-test Y1 (ROA)

Table 8. Results of the F Y1 Test

R-squared	0.362378
Adjusted R-squared	-0.039088
SE of regression	12.95944
Sum squared residual	4534.573
Log likelihood	-167.6408
F-statistic	0.902636
Prob(F-statistic)	0.578053

The calculated f value of 0.90263 is smaller than the F table value of 2.455831 and the sig value of 0.578053 is greater than 0.05, so H0 is accepted and Ha is rejected, meaning that the variables of the board of commissioners, board of directors and internal audit do not affect banking ROA.

F Y2 Test (BOPO)

Table 9. Results of the F Y2 Test

R-squared	0.758217
Adjusted R-squared	0.605983
SE of regression	28.44280
Sum squared residual	21842.81
Log likelihood	-203.0139
F-statistic	4.980612
Prob(F-statistic)	0.000112

The calculated f value of 4.980612 is greater than the F table value of 2.455831 and the sig value of 0.000112 is less than 0.05, so Ha is accepted and H0 is rejected, meaning that the variables of the board of commissioners, board of directors and internal audit have an effect on banking BOPO.

F Y3 Test (CAR)

Table 10. Results of F Y3 Test

R-squared	0.480136
Adjusted R-squared	0.152814
SE of regression	12.16237
Sum squared residual	3993.929
Log likelihood	-164.7843
F-statistic	1.466862
Prob(F-statistic)	0.181848

The calculated f value of 1.466862 is smaller than the F table value of 2.455831 and the sig value of 0.181848 is greater than 0.05, so H0 is accepted and Ha is rejected, meaning that the variables of the board of commissioners, board of directors and internal audit do not affect banking CAR.

- **Coefficient of Determination Test (R2)**

  R2 Y1 (ROA) Test

Table 11. R2 Y1 Test Results

R-squared	0.362378
Adjusted R-squared	-0.039088
SE of regression	12.95944
Sum squared residual	4534.573
Log likelihood	-167.6408
F-statistic	0.902636
Prob(F-statistic)	0.578053

The R2 value is -0.039088 or -3.91%. The coefficient of determination value indicates that the independent variables consisting of the board of commissioners, board of directors and internal audit are unable to explain the ROA variable of -3.91 while the rest is explained by other variables not included in this study.

R2 Y2 Test (BOPO)

Table 12. R2 Y2 Test Results

R-squared	0.758217
Adjusted R-squared	0.605983
SE of regression	28.44280
Sum squared residual	21842.81
Log likelihood	-203.0139
F-statistic	4.980612
Prob(F-statistic)	0.000112

The R2 value is 0.605983 or 60.6%. The coefficient of determination value indicates that the independent variables consisting of the board of commissioners, board of directors and internal audit are unable to explain the BOPO variable of 60.6% while the remaining 39.4% is explained by other variables not included in this study.

R2 Y3 (CAR) Test

Table 13. R2 Y3 Test Results

R-squared	0.480136
Adjusted R-squared	0.152814
SE of regression	12.16237
Sum squared residual	3993.929
Log likelihood	-164.7843
F-statistic	1.466862
Prob(F-statistic)	0.181848

The R2 value is 0.152814 or 15.2%. The coefficient of determination value indicates that the independent variables consisting of the board of commissioners, board of directors and internal audit are unable to explain the CAR variable of 15.2% while the remaining 84.8% is explained by other variables not included in this study.

5. DISCUSSION

The Influence of the Board of Commissioners on ROA

Based on the results of the hypothesis test, it shows that the variable of the Board of Commissioners (X1) obtained a t-value of 0.187994 which is smaller than the t table, which is 2.016692 and a sig. value of 0.8523 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the variable of the board of commissioners does not affect banking ROA. This shows that the number of boards of commissioners in a banking company does not affect its competitiveness in the banking industry. These results are in line with research by Afrenza & Astuti (2024) which states that an independent board of commissioners has no effect on profitability.

The Influence of the Board of Directors on ROA

Based on the results of the hypothesis test, it shows that the variable of the Board of Directors (X2) obtained a t-value of 0.164684 which is smaller than the t table, which is 2.016692 and a sig. value of 0.8704 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the variable of the board of directors does not affect the banking ROA. This shows that the number of boards of directors does not affect the competitiveness of banking companies in the banking industry. These results are in line with research by Fitrianingsih & Asfaro (2022) which shows that the influence of the board of directors has a positive but insignificant impact on financial performance as measured by return on equity (ROE). In addition, the board of commissioners also does not show a significant influence on financial performance in terms of ROE. Likewise, the audit committee does not have a significant effect on financial performance as measured by ROE. On the other hand, the implementation of good corporate governance also does not have a significant effect on return on equity (ROE)

The Influence of Internal Audit on ROA

Based on the results of the hypothesis test, the internal audit variable (X3) obtained a t-value of 0.081198 which is smaller than the t table, which is 2.016692 and a sig. value of 0.9359 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the internal audit variable has no effect on banking ROA. This shows that the number of employees in the company's internal audit division has no effect on the competitiveness of banking companies. These results are in line with research by Afrenza & Astuti (2024) which states that an independent board of commissioners has no effect on profitability.

The Influence of the Board of Commissioners on BOPO

Based on the results of the hypothesis testing, the variable of the Board of Commissioners (X1) obtained a calculated t value of 0.511720 which is smaller than the t table which is 2.016692 and a sig. value of 0.6130 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the variable of the board of commissioners does not affect the banking BOPO. This shows that the number of boards of commissioners does not affect the competitiveness of banking companies as reflected by BOPO.

The Influence of the Board of Directors on BOPO

Based on the results of the hypothesis testing, the variable of the Board of Directors (X2) obtained a calculated t value of 0.608243 which is smaller than the t table which is 2.016692 and a sig. value of 0.5481 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the variable of the board of directors does not affect the BOPO of banking companies. This shows that the number of boards of directors in banking companies does not affect the competitiveness of banking companies.

The influence of internal audit on BOPO

Based on the results of the hypothesis testing, the internal audit variable (X3) obtained a t-value of 0.092447 which is smaller than the t table, which is 2.016692 and a sig. value of 0.9270 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the internal audit variable does not affect banking BOPO. This shows that the number of internal audit implementers in banking companies does not affect the increasing competitiveness of banking companies.

The Influence of the Board of Commissioners on CAR

Based on the results of the hypothesis test, it shows that the variable of the Board of Commissioners (X1) obtained a calculated t value of -1.214903 which is smaller than the t table which is 2.016692 and a sig. value of 0.2349 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the variable of the board of commissioners does not affect the banking CAR. This shows that the number of boards of commissioners in a banking company does not affect the competitiveness of the banking company.

Influence of the Board of Directors on CAR

Based on the results of hypothesis testing, it shows that the variable of the Board of Directors (X2) obtained a calculated t value of 0.820041 which is smaller than the t table which is 2.016692 and a sig. value of 0.4194 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the variable of the board of directors does not affect the banking CAR. This shows that the number of boards of directors in a banking company does not affect the company's competitiveness.

The Impact of Internal Audit on CAR

Based on the results of hypothesis testing, it shows that the internal audit variable (X3) obtained a t-value of 0.213336 which is smaller than the t table, which is 2.016692 and a sig. value of 0.8327 which is greater than 0.05, so Ha is rejected and H0 is accepted. This means that the internal audit variable does not affect banking CAR. This shows that the number of internal auditors in a banking company does not affect its competitiveness in the banking industry.

Simultaneous Effects

The Influence of the Board of Commissioners, Board of Directors and Internal Audit on Competitiveness Proxied by ROA

Based on the test results, it shows the probability of significance of the joint influence of the board of commissioners, board of directors and internal audit on competitiveness proxied by ROA is more than 0.05 so that the simultaneous influence of the three is positive but not significant. This shows that the three variables using panel data from 2021 to 2023 together have no effect on the competitiveness of banking companies in Indonesia.

The Influence of the Board of Commissioners, Board of Directors and Internal Audit on Competitiveness Proxied by BOPO

Based on the test results, it shows that the probability of significance of the joint influence of the board of commissioners, board of directors and internal audit on competitiveness proxied by BOPO has been lower than 0.05 so that the simultaneous influence of the three is significantly positive. This shows that the three variables using panel data from 2021 to 2023 can jointly influence the competitiveness of banking companies in Indonesia.

The Influence of the Board of Commissioners, Board of Directors and Internal Audit on Competitiveness Proxied by CAR

Based on the test results, it shows that the probability of significance of the joint influence of the board of commissioners, board of directors and internal audit on competitiveness proxied by CAR is more than 0.05 so that the simultaneous influence of the three is positive but not significant. This shows that the three variables using panel data from 2021 to 2023 together have no effect on the competitiveness of banking companies in Indonesia.

6. CONCLUSION

Increasing the competitiveness of the company is something that must continue to be done by every organization, especially companies in the financial sector. Banks are one of the companies that must continue to maintain business stability, especially management in it related to the management of resources, both human resources and other resources in order to continue to survive and be stable. Human resources such as the board of commissioners function in supervising to ensure that the company's strategies and policies are in accordance with the principles of good governance but do not have a significant impact on the company's competitiveness, namely ROA, BOPO and CAR. The board of commissioners functions in making operational decisions and business strategies but cannot have a significant impact on the company's competitiveness, namely ROA, BOPO and CAR. Meanwhile, internal audit functions as a quality controller and compliance with existing procedures and established by the company but cannot have a significant impact on the company's competitiveness, namely ROA, BOPO and CAR. However, strong integration between the board of directors, board of commissioners, and internal audit through operational cost efficiency and operational income has a positive and significant impact on the company's competitiveness.

In terms of increasing the competitiveness of banking companies, researchers suggest the following things.

1) Improving the competence of the board of commissioners through regular training related to the latest trends in corporate governance, risk management and technology to improve effective and strategic supervision.
2) Strengthening the strategic role of the board of directors to be more proactive in responding to market changes and designing innovative strategies to maintain the company's competitiveness.

3) Improve the internal audit function and ensure that audit results are immediately responded to with concrete corrective actions.

7. LIMITATION

Further research is needed to investigate other indicators that may contribute to the competitiveness of companies in the banking sector and other sectors.

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