

## **Internal Control System in Perspective Personal Bankers (Case Study: Mandiri Bank in Malang Branch and Jakarta Branch)**

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**Abstract:** *The purpose of this study was to determine the extent to which the program improved by quality of service for customer satisfaction and loyalty premium associated with the bank's internal control system. The study used a qualitative approach by primary data and secondary data (interview semi-structured interview and documentation). Testing the credibility of the data can be done by way of an extension of observation, increased by diligence in research, triangulation, discussions with peers, negative case analysis and member check. In interpretive, how to learn the social groups and social structures created by express condition of experience and personal problems.*

**Keywords:** *Internal Control System, Perspective Personal Bankers.*

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### **I. Introduction**

Conditions of economic slowdown led to the banking industry such as composition premium customers or also called by class priority customers who have funds around Rp 500 million amounted by 30% and 80% share of the public's money in the bank. On the basis of the facts, many banks are competing to recruit clients of the premium class to put their funds in the bank. Many facilities and services provided to clients of the premium class. Ranging from priority outlet luxurious and comfortable, ease of transaction, the availability of personal bankers who are reliable and attractive, that it can provide information to customer premium by investing in the stock market and increase the number of premium customers (priority customers). However, the bank needs to improve the quality of service for customer satisfaction and loyalty premium, increasing the reliability of personal bankers. An example is the transfer of customer orders made by the customer confidence, personal bankers but did not confirm directly to the customer concerned, this is due to personal bankers ignore the precautionary principle and violate SPO.

According to the Budisantoso (2006: 9) said that more specifically, a bank may have the following functions are:

1. Fundamentals of banking activities are funding and disbursement of funds. People's desire to entrust their funds in the bank and believe that their money will not be misused by the bank, so their money will be managed properly, and the bank will not went bankrupt when it needs funds can be withdrawn to deposits from banks.
2. Public economic activities in the monetary sector and the real sector are inseparable and influence each other and also need to real sector, monetary sector, and economic activities. Bank as the monetary authority should help the real sector economic activities (consumption, production, and distribution) to enable the smooth running of economic development of society.
3. Distributions of funds are provides to banking services that offers close linkages in the economic activity broadly. Services rendered banks, among others, transfer, clearing, slips, demand deposits, time deposits, and others. However, the three functions of banks can be concluded by place or entity that has legal status and has been mandated by Law No. 10 of 1998 on the banks to raise funds, and serve the community in the banking services.

In this case, that it can monitor and prevent the occurrence of errors or fraud, it is necessary to the bank's internal control systems effectively and efficiently implemented by organization of the bank. Based on the above background, it is necessary to study how to improve the quality of service for customer satisfaction and loyalty premium associated by the Bank Internal Control System. (Study of Social Conditions Customer Cultural Premium in Bank Mandiri Malang Branch and Branch Jakarta)

### **II. Literature Review**

#### **a. Service Quality**

Service Quality for customer satisfaction and loyalty premium quality banking services are strongly influenced by socio-cultural conditions, especially when banks experiencing for economic slowdown and intense

competition among banks in Malang and Jakarta. According to the socio-cultural conditions, assessment of the quality of service customers in Bank Mandiri is also different, because the program can improve the quality of services proven to increase customer satisfaction in the Branch and Branch Malang Jakarta. In Malang branch, service quality is directly influence to customer loyalty priority, while in Jakarta branch, satisfaction indirect effect to customer loyalty priority.

#### b. Internal Control System

Internal Control System is the organizational structure, methods, and coordinated measures to safeguard the wealth of the organization, check the accuracy and reliability of accounting data, promote efficiency and encourage compliance with management policies as outlined in the Standard Operating Guidelines (SPO). The purpose of internal control systems are: (a) keep the wealth of organizations (b) check the accuracy and reliability of accounting data, (c) encourage efficiency, (d) encourage with management policies. Moreover, it can get employees who are competent and trustworthy, such as:

- o Selection of candidates is based on the requirements demanded by the job.
- o Development of employee education for an employee of the company.

### III. Methodology

The study used a qualitative approach interpretive and to obtain the data needed tools in the form of a list of questions, recorder, and camera phones. Data collected by interviews, observation and documentation. According to the Triyuwono (2006.33) said that a symbol between one individual and another individual occur due to differences in "self" the individual who is affected by two things, such as the individual internal factors and external factors, Internal factors coming from within the individual form interests, motivation, knowledge, and perspectives. External factors are such as science and technology, economic conditions, social, and political.

### IV. Results

This study used an interpretive approach (Denzin, 1989) which has existential characteristics, interactional, naturalistic, based on sophisticated rigor pure and can be applied to the social construction of gender concerns, strength, knowledge, history and emotion. Interpretative approach lies in the interaction of thick description and understanding of the deep authentic. In interpretive, how to learn the social groups and social structures created by express condition of experience and personal problems. The allocation of an interpretation involves the following steps, such as: 1) determine when and where a personal bankers are having problems that come together and interact with each other (like a matter of time, history, and mapping), 2) obtain access to set up, 3) learn the language and the meaning of what is said to be a personal bankers and studied in such as situations, 4) connecting individuals, biographies, and other types of socially relevant to the situation of the interaction of the personal bankers in live work activity.

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