

Analysis of Company Performance Through a Management Control System Approach: A Study of Financial Services Authority Documents in 2019

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ABSTRACT

This study analyzes the organizational performance of Indonesia's Financial Services Authority (OJK) in 2019 from the perspective of the Management Control System. Drawing on a document analysis of the OJK 2019 Performance Report, the research evaluates the effectiveness of the integration of strategy, budget, and performance through the Management, Strategy, Budget, and Performance System (MSAK), which is rooted in the Balanced Scorecard (BSC) framework. The findings indicate that OJK's Management Control System successfully maintained financial sector stability amidst global economic slowdown. External performance indicators remain robust, with banking credit growth reaching 7.05% (YoY) and the net Non-Performing Loan (NPL ratio) contained at a healthy 1.20%. Furthermore, foreign investors recorded a net buy of IDR 49.2 trillion in the capital market. Internally, OJK significantly strengthened its control mechanisms by implementing Integrated Governance, Risk, and Compliance (GRC) and using Supervisory Technology (SupTech) such as OJK-BOX and Continuous Audit Continuous Monitoring (CACM). This control environment resulted in the organization achieving an Unqualified Opinion on its financial statements. The study concludes that OJK's successful performance relied on an adaptive, risk-based Management Control System that strategically leveraged digital transformation.

Keywords: Management Control System, Financial Services Authority, Financial Performance Report, Organizational Performance Analysis, Digital Transformation Strategy.

I. Introduction

2019 was a period marked by significant pressure on global economic stability. The escalating trade conflict between the United States and China, accompanied by rising protectionist sentiment, created structural uncertainty that triggered capital market volatility and the risk of declining investment flows. Various supranational institutions, such as the World Bank and the International Monetary Fund (IMF), consistently revised down growth projections, signaling the need for a countercyclical policy response from financial authorities worldwide. Domestically, the Financial Services Authority (OJK) has a vital mandate, as stipulated in Law Number 21 of 2011, to ensure that the financial services sector (FSS) remains stable, contributing, and protected from systemic risk amidst this external turmoil.

The performance of a regulatory agency is not only the result of market intervention, but also the effectiveness of its governance and internal controls. Research on the OJK's performance in 2019 is crucial because that year tested the organization's ability to implement an adaptive Management Control System (MSS). The MSS serves as the backbone, ensuring that macro-level strategies (for example, maintaining the NPL ratio or stimulating credit growth) can be executed efficiently through internal processes. A central issue that arises is how a public entity with a mandate as large as the OJK can demonstrate its accountability comprehensively, not only operationally but also through its Financial Performance Report.

While numerous studies have examined the stability of Indonesia's financial sector (banking, capital markets, non-bank financial institutions) based on OJK reports, there is a significant gap in the literature that explicitly analyzes OJK's performance as an organization from a Management Control System perspective. Most analyses focus on macroprudential outcomes without linking them back to internal control inputs. There is a lack of empirical studies that causally link the SPM instruments used by the OJK (such as the implementation of BSC-based MSAK and CACM internal audit modernization) with control outputs in the form of Unqualified Audit Opinions (WTP) and stable FSS performance indicators in 2019. This study aims to fill this gap by viewing the 2019 OJK Performance Report not only as data, but as the final manifestation of the effectiveness of the SPM. The main objectives of this research are:

- a. Analyzing the implementation of the OJK Management Control System in integrating strategic planning, budgeting, and performance measurement in 2019.
- b. Evaluate the effectiveness of OJK's internal control mechanisms, including the adoption of technology (SupTech), in supporting the achievement of accountable Financial Performance Reports.
- c. Identifying key control factors that enable the Financial Services Authority to maintain the stability of the financial services sector amidst global economic pressures in 2019.

This research is expected to make a significant contribution by providing empirical evidence on how SPM is adapted and implemented by financial sector regulators in developing countries. By analyzing data from the 2019 Financial Services Authority (OJK) Performance Report, this study will provide practical insights for OJK management and other public authorities regarding best practices in integrating strategic control with financial governance, while also enriching the academic literature on analyzing public sector performance from an SPM perspective.

II. Literature Review

Management Control System (MCS) is an important mechanism used by organizations to ensure that the strategies that have been formulated can be implemented effectively and in line with organizational goals. (Anthony & Govindraj, 2012) states that MCS functions as a system that integrates planning, control, and performance evaluation so that organizational behavior supports the achievement of strategic goals. Referring to this, MCS plays a role not only as an internal control tool, but also as a means to improve accountability, transparency, and the quality of public services. Meanwhile, the Balanced Scorecard (BSC) is a performance measurement system that combines financial and non-financial indicators, which allows organizations to assess performance comprehensively. Its implementation is considered effective because it is able to translate the organization's vision and mission into measurable strategic goals from various perspectives, including the perspective of stakeholders and internal processes within government agencies and regulators. (Niven, 2006).

The effectiveness of a management control system depends heavily on the level of integration between strategy, budgeting, and performance measurement systems. This integration enables the organization to allocate resources in alignment with established strategic objectives, thereby increasing consistency in strategy implementation. (Hansen & Van der Stede, 2004) In the context of public organizations, both support the implementation of performance-based budgeting, which is oriented towards increasing efficiency and accountability for results. Furthermore, in uncertain environmental conditions, a risk-based control approach becomes a critical component of a management control system. The integration of risk management with strategy and internal control, including through the implementation of a Governance, Risk,

and Compliance (GRC) framework, enables organizations, particularly financial sector supervisory institutions, to respond to external dynamics and mitigate systemic risk more effectively.

Digital developments also impact the design and effectiveness of MCS. Digital transformation enables organizations to develop more real-time, data-driven, and proactive control systems through the use of Supervisory Technology (SupTech) and continuous monitoring.(Bhimani & Willcocks, 2014)In the context of financial sector supervision, MCS digitalization improves the quality of supervision, accelerates decision-making, and strengthens early warning systems for potential risks. The performance of financial sector regulatory institutions is assessed not only by internal achievements but also by their impact on financial system stability and market confidence. Therefore, the effectiveness of the Financial Services Authority can be understood as the result of implementing an integrated, adaptive, risk-based management control system supported by the use of digital technology.(Organization for Economic Co-operation and Development (OECD), 2015)

Based on the literature review, an integrated Management Control System is estimated to play a crucial role in supporting organizational performance. Integration between strategy, budget, and performance measurement enables all operational activities to align with the organization's strategic objectives. The implementation of a Balanced Scorecard-based MCS and a risk-based control approach through Governance, Risk, and Compliance (GRC) is estimated to positively impact the performance of financial sector regulatory organizations, particularly in the face of environmental uncertainty. Furthermore, digital transformation through the use of surveillance technology and continuous monitoring systems improves the effectiveness of internal controls and the reliability of performance information. Therefore, the digitalization of the MCS is expected to strengthen the relationship between the management control system and organizational performance.

III. Research Method

This study uses a descriptive qualitative approach with a document study method to analyze the role of the Management Control System in supporting the organizational performance of the Financial Services Authority (OJK). The primary data source for this study is the 2019 OJK Performance Report, as it contains comprehensive information on the organization's strategies, control systems, and performance achievements. The qualitative approach was used because this study aims to understand and evaluate the phenomenon of management control contextually, not to test causal relationships statistically. The unit of analysis is the OJK's management control system as reflected in reported policies, programs, and performance indicators. The focus of this study is directed at three main dimensions of MCS: Balanced Scorecard implementation, risk-based control (Governance, Risk, and Compliance), and digital transformation.

Data analysis was conducted through three main stages: identification, categorization, and evaluation. In the identification stage, researchers explored and collected information from documents relevant to strategy, performance measurement, risk management, and technology utilization. The identified data were then categorized into three dimensions of MCS according to the conceptual framework and research hypotheses. The evaluation stage was conducted by comparing the findings in each category with concepts and findings in the literature review to assess their contribution to organizational performance. Data validity was maintained through the use of official OJK documents and cross-verification of theories relevant to the Management Control System.

IV. Result and Discussion

4.1. Strategic Planning: Vision and Execution

The strategic planning carried out by the Financial Services Authority (OJK) is formulated as a series of policies and documents that serve as the basis for completing the institutional vision and executing measurable and sustainable medium-term programs. The OJK's vision is "To become a trusted financial services industry supervisory institution, protecting the interests of consumers and the public, and capable of realizing the financial services industry as a pillar of the national economy that is globally competitive and can

advance public welfare," which serves as a reference for formulating institutional strategies for that period. This vision statement was then deepened through the 2017–2022 Destination Statement, which emphasizes the OJK's orientation to become an independent and credible financial services sector (FSS) supervisory institution in order to realize a resilient and sustainably growing FSS and effectively protect consumers and the public, so that operational strategies can be aligned with medium- and long-term targets. The integration of the vision and strategic statements was then realized in the 2019 OJK Strategy Map, which was designed to ensure the direction of regulatory and supervisory policies is aligned with these strategic objectives, including strengthening supervisory capacity, internal governance, and a commitment to consumer protection as a crucial element in financial system stability. (Financial Services Authority (OJK), 2020). Strategic planning not only fulfills administrative requirements but also becomes a mechanism that ensures that every planning activity, resource allocation, and performance monitoring is carried out based on a comprehensive and measurable framework so that the achievement of the vision can be assessed systematically.

The establishment of a comprehensive strategic plan takes into account the external challenges and dynamics affecting the financial services industry, where financial system instability can increase economic vulnerability and hinder broader economic activity, a relationship confirmed by academic literature on financial stability and supervisory policy. (Veronika & Efendi, 2025) The OJK's strategic function is designed to strengthen the role of regulators and supervisors in providing effective complaint, education, and dispute resolution mechanisms so that consumer trust in the financial services industry can be maintained. (Maulani & Octavya, 2021) This consumer protection, integrated with strategic planning, is part of an effort to create market discipline that supports financial system stability and sustainable national economic growth, as outlined in the OJK's long-term financial consumer protection strategy. Implementation of this consumer protection strategy is intended to ensure that the information received by consumers is accurate and complete and that consumer treatment is fair, thereby enhancing market confidence, which in turn supports the stability of the financial services sector.

The operational supervisory strategy formulated by the OJK also includes a risk-based approach (Risk-Based Supervision) that prioritizes the identification and mitigation of significant risks in the financial services sector, reflecting a commitment to maintaining the health and stability of the financial sector through comprehensive regulations and effective law enforcement. (Rifa Qothrun et al., 2024) This risk-based approach is a key part of the strategic framework, ensuring that supervisory resources are directed to areas with the greatest potential for systemic impact on financial stability, enabling the Financial Services Authority (OJK) to proactively address challenges arising from financial innovation and market dynamics. Such strategic planning is not merely a set of objectives but an operational instrument combined with clear performance indicators, enabling periodic evaluation and adjustment of strategies to adapt to changing internal and external conditions. Effective strategic planning by the financial services authority correlates with improvements in the quality of regulation, supervision, and consumer protection, ultimately strengthening the stability and growth of the financial system as a whole. (Maulani & Octavya, 2021). This strategic planning is implemented sustainably through performance measurement and adaptive policy adjustments to changes in the economic and technological environment, ensuring that OJK's strategy remains relevant in facing global and domestic challenges. Published annual performance evaluations provide empirical evidence that the formulated strategy is internalized in various OJK operational policies and program activities, including financial literacy, consumer empowerment, and the development of a supervisory framework responsive to financial service innovation. This demonstrates strategic planning as a fundamental tool in realizing OJK's vision and implementing execution that supports the achievement of the organization's strategic objectives consistently and sustainably.

4.2. Financial Services Sector Performance Analysis

An analysis of the performance of Indonesia's financial services sector since the late 2010s shows that the stability of the domestic financial system has remained intact despite increasing global pressures and significant changes in global economic dynamics. This condition is reflected in the Financial Services Authority (OJK) performance report, which states that the stability of the domestic financial services sector remains intact, and the intermediation function is growing in line with moderate national economic growth. (Financial Services Authority (OJK), 2020). The reported 7.05% growth in bank credit and 4.47% increase in financing

institutions demonstrate that the banking sector's role in channeling funds to the real economic sector remains strong despite looming global economic challenges. This positive development is reinforced by the 1.70% growth in the Jakarta Composite Index (JCI) and progress in the non-bank financial industry, demonstrating that various components of the financial services sector are contributing to the formation of a broader and more resilient ecosystem. (Financial Services Authority (OJK), 2020).

The performance of the banking sector in particular has been analyzed in various empirical studies highlighting the role of key financial indicators as predictors of bank stability and performance. Research conducted by (Fitrianingsih, 2025) shows that the Capital Adequacy Ratio (CAR) has a significant influence on the financial stability of banking in Indonesia in the 2020–2024 period, while the Loan to Deposit Ratio (LDR) variable is moderated by bank size as an important role in supporting overall stability. (Fitrianingsih, 2025). These findings align with the theory that strong capital and a bank's ability to adjust its funding structure will increase resilience to external and internal shocks, ultimately supporting the banking sector's role as a key driver of intermediation. Other research by (Wulandari & Hwihanus, 2025), shows that management characteristics and bank size also have a positive effect on financial stability, which shows that internal management also determines the effectiveness of bank performance in the long term. (Wulandari & Hwihanus, 2025)

Exchange rate fluctuations have a significant relationship with the performance of banking stocks, which shows that external macro variables such as exchange rates and global economic indicators are the main factors influencing the performance of the Indonesian capital market. (Rasyid et al., 2025). These results reinforce the view that the capital market sector is influenced not only by internal company performance but also by macroeconomic variables that determine investor confidence in financial assets and overall market liquidity. When exchange rate volatility decreases, pressure on financial sector stock returns tends to ease, which can support the strengthening trend in the domestic capital market. Studies related to the non-bank financial industry also show that this segment shows significant growth amidst the development of the digital financial ecosystem. The development of FinTech peer-to-peer lending after the Covid-19 pandemic, despite initial negative impacts due to the economic shock, has shown a positive growth trend and contributed to financial inclusion, although credit risk needs to be carefully managed. (Khaliq, 2025) This phenomenon demonstrates that financial technology innovation, while potentially creating new risks, has become a crucial part of expanding financial access and strengthening the intermediation function beyond the realm of traditional banking.

The overall performance of the financial services sector is not only measured by the performance of individual institutions but also by their contribution to the broader economy. A stable financial services sector supports the provision of financing for productive sectors, encourages capital mobility in the capital markets, and enables the diversification of financial instruments for the public. Intellectual capital is also a crucial variable influencing bank performance, particularly in responding to the challenges of innovation and global competition, which ultimately impacts the added value of banking institutions in the capital markets. (Kondoy & Soewignyo, 2023). Evaluation of the performance of Indonesia's financial services sector also requires careful attention to external challenges such as global pressures, international interest rate dynamics, and changes in monetary policy in developed countries that impact capital inflows and outflows. Sector resilience can be maintained through improved governance practices, rigorous credit risk monitoring, and the development of capital market instruments that are more responsive to short-term and long-term investment needs. Overall, from the external perspective of banking, capital markets, and non-bank financial institutions, the performance of Indonesia's financial services sector demonstrates that despite challenges, stability and positive growth can be maintained through a sound supervisory framework and adaptation to changing global economic conditions.

4.3. Internal Control and Organizational Governance

Internal control and organizational governance have been identified as critical components in the effectiveness of financial services sector supervisory institutions, thus ensuring the principles of good governance are a key focus of organizational implementation. The Financial Services Authority (OJK) stated that governance is managed in accordance with best practices and good governance principles as stipulated in the 2019 OJK Performance Report, which includes the development of integrated GRC (Governance, Risk,

Compliance) to ensure the efficient and effective achievement of the organization's strategic objectives. The implementation of integrated GRC is intended to unify supervision, risk management, and compliance, ultimately strengthening the organization's overall internal control and governance (OJK Performance Report 2019). Recent research shows that comprehensive GRC implementation can strengthen the internal audit function as an organizational pillar, so that internal audit is no longer merely a compliance instrument but also provides added value to governance and strategic effectiveness.(Fitriani et al., 2025).Other internal control components of concern are information systems and human resource competency as a support for good governance. Support from information systems and competent human resources has been identified as playing a role in strengthening internal control at the OJK.(Financial Services Authority (OJK), 2020)Effective internal control over financial reporting (ICoFR) can improve the reliability of financial reporting and reduce the opportunity for irregularities, while the whistleblowing system has been proven to play an important role in the prevention and early detection of fraud by increasing transparency and accountability.(Kristianti, 2025).

Financial control and quality assurance are also important aspects of effective organizational governance, which are realized through innovation in internal audits, anti-fraud systems, and strengthening reporting integrity. The preparation of the Internal Audit Grand Design and the implementation of a Quality Management System in accordance with ISO 9001:2015 are aimed at ensuring that financial control, budget execution, and financial reporting are implemented consistently and in accordance with international standards.(Financial Services Authority (OJK), 2020)Internal audit plays a key role in strengthening governance and preventing fraud, particularly when GRC implementation is integrated with a systematic audit process (Fitriani et al., 2024). Such strengthening of the internal audit function has been proven to assist organizations in identifying risks, mitigating potential irregularities, and creating an early warning system that supports sustainable governance.

The anti-fraud and integrity system is part of internal control focused on the prevention, detection, and early handling of irregularities. Fraud control programs, which focus on prevention and early detection, as well as upholding integrity through whistleblowing programs and LHKPN reporting, are designed to minimize the risk of irregularities and corrupt practices within the organization.(Financial Services Authority (OJK), 2020). Effective internal control systems and whistleblowing systems can contribute to reducing the opportunities for fraud to occur in various entities, including the banking sector and the public sector, although the results of their influence can vary depending on the organizational context and the strength of other existing control mechanisms.(Kristianti, 2025)Good governance must include a strong internal control system, competent human resources, and credible reporting mechanisms to achieve organizational goals and protect the integrity of the financial system. The implementation of comprehensive internal control is also supported by the Financial Services Authority (OJK)'s efforts to implement the latest global internal audit standards (Global Internal Audit Standards – GIAS) and obtain an Internal Audit Capability Model (IACM) assessment, which demonstrates the increasing maturity level of the internal audit function. This reflects the continued strengthening of governance and internal control through international standards and global benchmarking to ensure effective oversight, reporting, and prevention of unethical practices or fraud.

4.4. The role of information technology in management control systems

In the context of Management Control Systems, information technology plays a key role in supporting the planning, implementation, monitoring, and evaluation of organizational performance. Information technology enables accurate, timely, and relevant data, enabling management to exercise control more effectively. Through management information systems, organizations can improve reporting quality, transparency, and accountability in achieving performance goals. Based on the analysis of the Financial Services Authority's 2019 Annual Report, information technology plays a strategic role in supporting the effectiveness of the OJK's Management Control System (MSS), particularly in its supervisory functions, internal control, and managerial decision-making. The OJK consistently strengthens its information systems to support supervision of the financial services sector, including by strengthening statistical functions and information systems in the areas of Capital Market and Non-Bank Financial Industry supervision. This information system enables integrated data collection, processing, and analysis, enabling management to monitor performance, identify risks, and evaluate regulatory compliance on an ongoing basis.

From a Management Control System perspective, the OJK's use of information technology serves as a formal control mechanism that supports the planning, monitoring, and evaluation of organizational performance. This aligns with literature findings that digitalization and the use of information technology improve the quality of managerial information, transparency, and control effectiveness within an organization. (Setia Ningsih et al., 2026). Information technology enables the provision of more accurate and timely information, thus supporting better managerial decision-making. In addition to supporting external oversight functions, information technology also plays a crucial role in OJK's internal control. Developing an internal management support system helps ensure that operational activities are carried out in accordance with established policies and work plans. Empirical research shows that the use of information technology significantly impacts the effectiveness of the Management Control System and employee performance. (Rachman & Nuraeni, 2020). These findings reinforce the results of the 2019 OJK document analysis which shows that information technology is used as a control tool to direct and monitor the implementation of organizational tasks.

The role of information technology in the OJK Management Control System is also reflected in the implementation of a Learning Management System (LMS) as a support system for human resource management. The LMS is used for training planning, online learning implementation, and integrated monitoring and evaluation of employee competency development. The use of this information system in HR management aligns with research showing that information technology and internal control contribute to improving the quality of an organization's information systems, which are part of the managerial control mechanism. (Anggraini et al., 2023). Overall, the analysis of the 2019 OJK Annual Report and the literature support indicate that information technology serves not only as an operational support tool but also as an integral component of the Management Control System. Information technology strengthens the supervisory function, improves information quality, and supports the control of organizational performance and behavior. Therefore, the OJK's utilization of information technology significantly contributes to the effectiveness of management control and the achievement of organizational goals.

4.5. The role of information technology in management control systems

Management Control Systems are essentially designed to ensure that all organizational resources are utilized effectively and efficiently to achieve established goals. One of the key resources determining the success of such control is human resources. In this context, human resources not only act as implementers of operational activities but also as subjects whose behavior, competence, and performance need to be directed and controlled through management control mechanisms. (Kencana & Purwanti, 2022) explains that human resource management is an integral part of an organization's internal control system. Human resource management, which encompasses planning, competency development, and performance evaluation, serves as a control tool to ensure that operational activities are carried out in accordance with organizational policies and objectives. Therefore, human resource control is a crucial instrument in maintaining organizational effectiveness and efficiency.

Furthermore, research examining the relationship between Management Control Systems and human resource management shows that human resources are a key component of a control system because the entire control process is ultimately carried out by individuals within the organization. A good control system requires competent and integrated human resources to ensure optimal planning, implementation, and performance evaluation. Therefore, controlling human resource behavior and performance is a critical focus in the design of a Management Control System. (Muttaqien et al., 2024) found that human resource competence significantly influences the effectiveness of internal control systems. This finding confirms that the quality of human resources determines the success of control implementation, both in terms of compliance with procedures and in achieving organizational performance. From a Management Control System perspective, competent human resources act as control subjects capable of translating management policies into controlled operational actions.

Furthermore, the personnel control approach within the Management Control System places human resources at the center of organizational behavior control. By establishing behavioral standards, organizational culture, and reward and punishment systems, management can direct human resource behavior to align with organizational goals. This approach emphasizes that human resources are not merely

objects of supervision but also key actors determining the effectiveness of management control. Based on a document study approach, an analysis of the Financial Services Authority's 2019 Annual Report shows that human resources aspects receive significant attention in the organization's management and control system. The OJK includes human resources as part of its risk profile and develops various mitigation efforts directly related to HR management. These findings reflect that HR plays a role not only as a policy implementer but also as an element that is systematically controlled to support effective oversight and organizational performance. A summary of the document analysis results related to the role of human resources as a subject of control is presented in the following table.

Table 1. HR Aspects and Implications for Management Control Systems

HR Aspects	Findings in the 2019 OJK Document	Implications for Management Control Systems
HR position in risk profile	HR is included as one of the main risk themes in the OJK risk profile.	Shows that HR is seen as a factor that needs to be controlled in achieving organizational goals.
Mitigating HR-related risks	There are 137 risk mitigations related to HR out of a total of 846 OJK risk mitigations.	Demonstrates OJK's significant attention to HR control as part of management control.
Organizational structure	OJK has a special unit/function that handles HR management.	Describes the existence of a division of responsibilities and formal control mechanisms.
HR management policy	There are internal OJK guidelines and policies regarding HR management and employee competency.	Support the implementation of controls through standards, procedures, and HR performance evaluations.
HR technology support	Implementation of Learning Management System (LMS).	Strengthening monitoring, evaluation, and accuracy of HR development data.
The role of HR in supervision	OJK HR plays a role in implementing the functions of supervision, analysis, and decision making.	Affirming HR as both the implementer and subject of control in SPM.

An analysis of the Financial Services Authority's 2019 Annual Report shows that human resources play a crucial role in the organization's control mechanisms. This is reflected in the inclusion of human resources as one of the key risk themes in the OJK's risk profile. The designation of human resources as part of organizational risk demonstrates that the OJK views the human factor as an element that needs to be systematically managed and controlled to achieve organizational goals. Furthermore, the OJK noted that 137 (16%) risk mitigations specifically relate to human resources out of a total of 846 risk mitigations developed. This number demonstrates significant attention to human resource control, including competency, integrity, and the implementation of supervisory duties. Within the context of the Management Control System, risk mitigation is part of the control process aimed at ensuring that organizational activities are carried out in accordance with established plans and policies.

The OJK's organizational structure, which encompasses human resource management functions and the existence of internal policies related to HR management, also reflects the implementation of formal controls. These policies serve as guidelines for employees in carrying out their duties and responsibilities, as well as a performance evaluation tool. Thus, human resources play a role not only as operational implementers but also as the primary subject of the Management Control System, determining the effectiveness of oversight and organizational performance achievement. In the context of internal organizational policies, the Financial Services Authority's 2019 Annual Report shows that the OJK has improved its Human Resources Management System as part of its efforts to strengthen governance and internal control. These improvements target employee competence and professionalism, as well as a more effective performance evaluation mechanism to support the supervisory function and achieve the institution's goals. This strengthening of human resources is part of the OJK's strategic policy, indirectly reflecting the role of human resources in the regulatory organization's Management Control System.

Furthermore, the 2019 OJK HR policy is aimed at supporting effective management control through competency development and employee performance evaluation. Competency-based HR management and the implementation of internal policies governing employee assignments and responsibilities reflect the existence of formal control mechanisms within the organization. Within the context of the Management Control System, these policies serve as tools to control individual behavior and ensure that task execution is in accordance with organizational standards and plans. In human resource management, the OJK implements a competency-based recruitment policy through promotions, transfers, rotations, and talent scouting methods. Furthermore, the OJK implements various HR development programs such as formal education, competency assessments, assignments, and the Multilevel Leadership Development Program. These policies reflect mechanisms for controlling employee behavior and performance, as competency and leadership readiness are fundamental to task execution and organizational decision-making. Strengthening the role of HR in the Management Control System is also supported by the implementation of a Learning Management System (LMS), which enables integrated monitoring, evaluation, and management of HR development data. Overall, the 2019 OJK HR policy demonstrates that human resources are positioned as the primary subject within the Management Control System, systematically controlled through organizational structure, competency policies, performance evaluations, and information technology support to ensure the achievement of organizational goals.

V. Conclusion

This study aims to analyze the implementation of the Financial Services Authority's (OJK) Management Control System (MSS) in 2019, integrating strategic planning, budgeting, and performance measurement. It also evaluates the effectiveness of technology-based internal controls and control factors that support the stability of the financial services sector. Based on the document analysis, it can be concluded that the OJK has implemented an integrated and adaptive Management Control System to support the achievement of organizational goals. The research results show that the integration of strategic planning, budgeting, and performance measurement has enabled the Financial Services Authority (OJK) to systematically control program implementation and budget utilization, aligned with strategic objectives. Furthermore, the OJK's internal control mechanisms have been strengthened through the use of supervisory technology (SupTech), which improves the quality of monitoring, evaluation, and accountability in financial performance reporting. This study also found that the stability of the financial services sector in 2019 was supported by key control factors, namely risk-based strategic controls, the use of information technology, and structured human resource management. Overall, the OJK's 2019 Management Control System proved to be instrumental in maintaining performance accountability and stability of the financial services sector amidst global economic pressures.

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