

EFFECTIVENESS AND EFFICIENCY ANALYSIS OF NIGHT AUDITOR FUNCTION TOWARD INTERNAL CONTROL AT HOTEL WO SURABAYA

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Abstract: The rapid development of hotels in Indonesia is making existing hotels have the urge to develop themselves to survive and compete. The bigger the hotel is, the more complex its activities will be. Internal control in the hotel is especially important so that no theft or neglecting occurs from the internal side of the organization. In result, the hotel can operate optimally. The purpose of this study is to determine the effectiveness and efficiency of the night auditor function towards the internal control at Hotel WO, Surabaya. This research is based on a qualitative method. The object of this research is a private hotel in Surabaya and it has a three-star hotel rating. The subjects in this study includes officials and staffs who are directly experience the effectiveness and efficiency of the night auditor at Hotel WO in Surabaya. The data obtained in this study came from interviews and observations conducted at the hotel. The results of this study indicate that the night auditor at Hotel WO Surabaya has fulfilled several indicators of effectiveness, but not all. While the efficiency of the night auditor only meets one of the several indicators that have been determined in this study. The internal control at Hotel WO Surabaya is sufficient because double checks or re- examination of reports are always made. All reports made by the night auditor will be re- examined by the income auditor.

Keywords: night auditor, effectiveness, efficiency

INTRODUCTION

One of the goals of hotels is to get a maximum profit with one of the factors being their income Putra & Utama (2014). In business entities, such as hotels, the

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source of income comes from sales of rooms, laundry, and other supporting facilities. One of the characteristics of a hotel business entity is a business that is active and operates 24 hours a day. Recognition and measurement of income must be made accurately, where accuracy is important in presenting fair financial statements.

The bigger the hotel is, the bigger and more complex the business activities, the more difficult the supervision, and the more diverse the division of authority and responsibilities will be. The management is required to implement good internal control in all business activities so all existing activities can be controlled well. The Public Accountant Professional Standard (2001) emphasizes that internal monitoring and control is managerial activities carried out by the board of commissioners and other personnel structures to perfect financial reporting documents. It is an operation that is right on target and efficient, and subject to applicable legal norms. There are risky possibilities if the company does not have strong internal controls, such as imprecision, disorder, and even fraud within the company. One of the efforts to improve internal control in the company is having an internal audit. Internal audit is used to support the company's management as a controlling function who ensures the company runs according to plan and leads to its goals. The Internal Auditor Association (IIA, in Messier, 2005) says that an internal audit can support an organization or company in achieving its goals through a very structured and disciplined approach.

One factor that influences hotel performance is the efficiency of the night auditor (Dewi et al., 2017). In business entities, such as hotels, the internal audits are known as night auditors. According to Sugiarto & Bambang (2006), the main function of the night auditor is to bring a balance to the front office accounting data in preparing daily summary financial reports. In other words, the night auditor's activity is to calculate and record all transactions related to arriving and returning guests, hotel restaurants, laundry departments, and other transactions. The night auditor checks every part of the hotel department; this activity is also known as the closing process. The night auditor will conform the guest account data in accordance with the transactions recorded and the money received on that day. In addition, the closing process also helps to prepare internal reports, such as occupancy status, sales performance, commission income, sales returns, foreign currency transaction reports, etc. In large-scale hotels, the closing process

is carried out by the night auditor daily, while in small-scale hotels the closing process is carried out once a few days or once a week. The night auditor does not only check the financial reports, but also the procedures performed by each department because the night auditor also acts as an internal audit of the hotel.

The closing process is especially important because it can avoid the diversion process. Diversion can occur for various reasons. It can occur in the form of a need for money, not having a good ethical behavior, pressure from superiors or family, and others. The market is currently very developed in Indonesia, but the human resources have not been able to properly implement integrity and other ethical behaviors. Hence, it is necessary to have a good internal audit and internal control to perform discipline practices within a business entity so that everything is in accordance with the operational standards of the company and remain compliant with the government regulations. Having good internal auditors makes a business entity more trustworthy.

From the description above, it can be seen that the role of an internal audit is very important for a business entity, especially hotels in Surabaya because of the rapid development of hotels and tourist developments that force business entities to increase the security in hotels, both from internal and external parties. With an effective internal audit, the hotel can minimize frauds that may be caused by the human resources within the company, as well as thefts that may be committed by people from outside the company. In addition, an effective internal audit can assist a business entity in achieving its objectives and internal audit is strongly influenced by the performance of the night auditors. After conducting conversations (pre-interviews) with staffs from Hotel WO Surabaya, it was found that Hotel WO Surabaya has a large employee turnover rate, including the night auditor role who were at Hotel WO Surabaya. The researcher's interest in examining hotel industry, the facts described above regarding internal control and the existence of several frauds, such as at the Hayam Wuruk Hotel, etc., indicate that the existence of a night auditor has a very influential position on internal control. The research objective is to determine the effectiveness and efficiency of the night auditor on the internal control at hotel WO in Surabaya. To maintain the confidentiality of data, which is also a request from the object of this research, this article uses pseudonyms.

METHOD

This research is classified as a qualitative research. Qualitative research method is also referred to as an artistic method because the research process is lacking of patterns. It is also called as an interpretive method because the research data involves data interpretation obtained from the field. According to Sugiyono (2016), the characteristics of qualitative research are: carried out in natural conditions, directly to the data source and researchers are the key instrument, descriptive, emphasizes the processes rather than the products or outcomes, conducts inductive data analysis, and emphasizes the meaning. It can be concluded that qualitative research must be delivered intensively, the researchers are actively participating for a long time in the field, taking note carefully on what happened, analyzing various documents found in the field, and making detailed research reports.

Research Object

The object of the research is a private hotel in Surabaya, which will be referred as Hotel WO Surabaya. The subjects in this study include staffs and officials of Hotel WO Surabaya. The officials and staffs directly know how effective and efficient the night auditor is. Therefore, it is necessary to know the factors that cause ineffectiveness and inefficiency of the night auditor.

Another reason in determining the subject and object of this research is the increasing level of tourists in Indonesia, especially as Surabaya is the second-largest city after Jakarta. In result, it affects on the increasing number of hotel consumers so that the effectiveness and efficiency of the night auditor will affect the internal control at Hotel WO Surabaya. Below is a list of the officers and staff in the hotel.

According to Sugiyono (2009), the definition of data sources is data that are collected from primary and secondary sources. The primary sources are sources that directly provide data to the data collectors. While the secondary sources are sources that do not directly provide data to data collectors, for example through other people or documents (Sugiyono, 2006). The primary data source needed by the researcher is obtained from interviews with the hotel officials and staff. Whilst the secondary data source comes from the hotel annual sales report.

Table 1 The Subject of the Research

| Subject | Title | The Information |
|---------|---|---|
| Mr. M | Night Auditor at Hotel WO Surabaya | Information on organizational structure, accounting information systems, hotel management, and procedures. |
| Mrs. A | Chief Accounting at Hotel WO Surabaya | The effectiveness of night auditors and the efficiency of night auditors, whether the night auditors have performed their duties in accordance with the procedures established by the management. |
| Mrs. I | Income Auditor at Hotel WO Surabaya | The performance of the night auditor in revenue reporting. |
| Mrs. P | Staff Front Office at Hotel WO Surabaya | Cross-checking data from the main source. |
| Mr. A | Chief Accounting at Hotel WO Surabaya | Comparing night auditor's performance with other hotels. |

According to Sugiyono (2006), there are two main things that affect the quality of research data, namely, the quality of research instruments and the quality of data collection. According to Maryadi (2010), data collection techniques used in a qualitative research are techniques that allow researchers to obtain detailed data in relatively a long time. There are 3 ways of data collection techniques used in this study, namely structured interviews, semi-structured interviews, and observations on the activities of the night auditor. The following is an explanation of the data collection techniques:

1. Structured interviews

According to Sugiyono (2006), structured interviews are used as a data collection technique if the researchers already know for certain on what information they need to gather. In this study, a structured interview is used to find out information from the hotel officials and the interviews are structured in a rigid form. Structured interviews are needed because there is a list of questions related to the hotel condition that need to be asked to the hotel officials. Information about the hotel cannot be given carelessly because it contains an element of confidentiality. Therefore, a structured interview is

carried out. Structured interviews are also used to crosscheck information obtained from the key informants.

2. Semi-structured interviews

Semi-structured interviews are interviews that use draft questions when conducting interviews, but still provide opportunities for question development at the time of the interview. In result, the interviewer does not heavily rely on the existing draft questions. Semi-structured interviews were conducted with the night auditor as the main resource, so the questions asked could be developed to obtain sufficient information. The tools used in this interview are a recorder from a cellphone and a stationery to write the results of the interview.

3. Observation

According to Sarwono (2006), an observation comprises recording activities of systematical events, behavior, objects seen, and other things needed to support the research. Observations made in this study were classified as participatory observations. According to Sugiyono (2006), participatory observation is an activity in which the researcher is involved with the daily activities of the person being observed or who is used as the source of data in the study. Observations will be supported by tools, including a camera to take documentation and writing tools to record certain activities. In this study, the researchers will observe how optimal the activities carried out at the hotel by the night auditor are.

According to Sugiyono (2016), there are four types of testing to check the validity of data, which are credibility, transferability, dependability, and confirmability test. The validity tests carried out in this study are:

1. Credibility

The credibility test, which is the degree of trust test, is carried out through multiple proofs of the fact that is being studied. There are three ways of conducting credibility research in this study, namely:

- a. Triangulation. This technique is used in this study to match the information obtained with the results of observations about the night auditor's activities.
- b. Reference material is a supporting evidence in conducting research. This study uses supporting evidence in the form of documentary obtained at the

time of interviews from the cameras and the voice recordings of a mobile recorder.

- c. Member checking was also carried out with the aim of knowing the truth of the data provided by the informants and the data presented. If the data reported is in accordance with the source, then the data is declared valid and given approval by the management or the authorized parties.
2. Transferability. This test can be conducted by asking opinions from third parties.
3. Dependability

The dependability test in this study was carried out by the supervisor by checking all supporting evidence, namely the documentation obtained from the camera and voice recording from the mobile recorder.

4. Confirmability

Confirmability or research objectivity test. This research is tested to see whether the results of the research are appropriate with the function of the research process being carried out.

Indicator Coding

Every indicator to measure the effectiveness and efficiency of the night auditor will be coded according to the following table:

Table 2 Indicator Coding

| Code | Explanation |
|---------|---|
| FFE-NA | The effectiveness of the nightauditor function |
| FFE-PES | Doing a posting check |
| FFE-BAL | Balancing all front office accounts |
| FFE-PER | Completing room statusdifferences |
| FFE-KRE | Monitoring guest credit limits |
| FFE-LAP | Make reports to managementand other departments |
| EFI-PRO | Improving financial reportproductivity |
| EFI-BIA | Minimize the hotel operationalcosts |
| EFI-GOL | Efficiently achieved the goalof the hotel |

RESULTS

Data Analysis and Discussion

The data analysis test was carried out to see the validity of the data that has been collected. These tests include credibility, transferability, dependability, and confirmability tests. The results of the credibility test are as follow:

1. The technical triangulation test was carried out by comparing the results of the interviews with the results of the observations made. The researchers ensure that the words of the speakers match with the actions taken by the speakers. Based on the results of the triangulation test, it can be concluded that the data validity has been tested. This test is obtained based on the absence of an opinion or opinion that is different with the existing observations.
2. The source triangulation test is carried out by presenting the data from the interviews to the informant who provides the information. This test is carried out so that all information is correct and in accordance with the intention of the source who provided the information.
3. Reference materials are used to increase the level of confidence in the results of the study. The attached reference material is in the form of sound recordings and photo documentation taken during the research. The reference material will then be reviewed by listening to the voice recordings over and over again so that no information is missed and seeing the results of repeated photo documentation which will then be translated into a report as a tool to increase its referential adequacy.
4. The member check test is carried out with the aim of seeing the accuracy of the interview results that have been conducted with all informants by attaching a certificate, which can be seen at the end of the interview report.

The next test conducted is the transferability test. This test was carried out with the aim of being able to see how far this research could be applied to other researches. This test was conducted by asking for the opinion of a third party, named Josephine K. Tjahjono, S.E., M.M. The results of this test indicate that this research can be applied to similar studies with different subjects and objects. The test results can be seen in appendix F.

According to Sugiyono (2016), the dependability test is carried out by conducting an audit of the entire research process. This test is conducted by the research supervisor. The last test is the confirmability test. The confirmability test is carried out by asking for informants' opinion regarding the reports that have been made by the researcher in relation to the suitability of the information provided by the informants. The test results state that all informants agree with the results of the report. So, it can be concluded that the results attached have been confirmed.

Effectiveness of a Night Auditor, Its Functions and Supporting Internal Controls in Hotel WO Surabaya

The night auditor at Hotel WO Surabaya has successfully carried out their duties (EFE- NA) because they have produced daily reports needed by the operational department. However, there are still obstacles in producing the daily reports, for example, there are several companies that do not have a guarantee letter (GL). GL functions as a guarantee provided by the company for its employees who wishes to stay as guests at the hotel. If the employees stay as a guest without a GL, the hotel will post all expenses from the guest to a hang-up post or as Hotel WO Surabaya call as dummies (EFE-PES). This hanging post or dummies can only be maintained for 2x24 hours and must be completed and/or find supporting documents because the operational staff works from morning to evening. This task is carried out by the IA. By fulfilling this indicator (EFE-PES), NA has meet the control activity indicators in a good internal control system for a company. NA has reduced the risks that could disrupt the company in achieving its objectives. According to COSO, the objectives of internal control must meet the operational, reporting, and fulfillment objectives. In result, NAs who have carried out their duties in conducting report inspections and producing daily reports can meet the correct reporting objectives.

Journal posting can only be done by two divisions within the operational department, namely the FO and Resto divisions. Departments that will post income-related matters will bring files from the system and their supporting documents to the FO for posting. This will reduce the possibility of errors only between the FO and/or the restaurant division, so it is easier to check for a

posting error (EFE-PES). This treatment is conducted to improve the internal control owned by the hotel because it reduces the risk of errors in posting. According to COSO (2013), the objective of an internal control falls into the same category as the objective of the operations because this treatment can achieve time efficiency in checking the posting system.

Posts will not be differentiated between guests and non-guests. If the transaction is related to the restaurant, it will be posted by the restaurant, and if it is related to room, spa, laundry, and banquet services, it will be posted by the front office (FO). In the case where there are guests who want to combine the restaurant bill to the room bill, it will still be posted by the restaurant and the FO will be notified through the system. Later, the FO can reduce the guests' credit and bill the guests when they are checking out. The restaurant cashier and FO sections are nearby, making communication between the restaurant cashier and the FO to be easy. This is done so that they can easily inform each other about the transactions that needs to be billed to the guests at the check-out.

NA does not check room status (EFE-PER). Instead, housekeeping (HK) will input the room status in the system and will inform the FO so that the FO can find out which rooms are available. NA can perform this function while working as an FO. So, NA's function in checking room status can be fulfilled because part of NA's working hours will cover FO's functions.

Increasing the guest credit limit is only made for guests who come on behalf of a company because guests who come for personal reasons must use a credit card that has been determined by the bank's credit limit. Lending credit to company's guests will be based on an agreement between the hotel and the company involved. Hotels can add a company's credit limit if the company's previous credit bill payments go well without any outstanding arrears. NA can add a guest credit limit during night working hours if there is an urgent need from the guest. This can be performed by looking at the payment history of the company where the guest works.

The task of checking guest credit limits is the task of IA (EFE-KRE). IA will check the guest credit limit and make a summary of companies that have good payment accuracy and companies that do not have good payment accuracy. This recapitulation will be brought to the general meeting of creditors with the General Manager (GM) to decide whether the hotel will increase the company's

credit limit or stop working with the company. Monitoring guest credit limits should be the task of NA considering NA has a lot of unused time on night shifts.

NA acts as the first controller that should help IA to carry out the task because NA has more time available and it should leads to better observations, then the IA can do an objective double-checking. For companies that do not have too many transactions or for new companies, then the current approach maybe understandable. But if the number of transactions increases and the hotel has run for a long time, each division should carry out its functions as an auditor with the juniors to do more on detailed work and for the seniors to do the analytical work for the juniors. Moreover, granting guest credit limits is one of the most important transactions at Hotel WO Surabaya, considering that this hotel targets businesspeople who come on business trips. So, granting guest credit limits should be an important aspect that must be analyzed.

NA will carry out the process of balancing the posted accounts. NA will check all the transactions that have been posted and check for an error that may occur, then confirm the transactions to the relevant department. This activity is carried out to limit inaccurate posts that will lead to an unbalance in the daily account. Confirmations made are usually submitted to the IA due to differences in work shifts so that the IA will ask the relevant department if there is an error. The NA will be immediately corrected the mistakes so that the daily income report can be made. With this activity, NA functions as balancing the front office accounts (FFE-BAL). This function will fulfill one of the standards of the company's internal control, named the correctness of reporting.

NA does not carry out procedural checks in a hotel because NA does not function as an internal audit at a manufacturing or a trading company who checks the procedures established by a company, and checks for procedural compliance (D5). By carrying out its role, NA needs to ensure the quality of financial reports that will be published. NA oversees the internal auditor who are checking the hotel revenue and focuses on that.

The effectiveness of NA is aimed at ensuring the accuracy of reporting on operational activities carried out by hotels. The effectiveness of NA's work is assessed based on the output produced, namely reports, and ensure that the report is reflecting the posts indicated on the system that have been done correctly. In terms of balancing all front office accounts, NA must ensure that all

transactions have been posted and if an error occurs, they must make sure that the difference has been resolved. So, it can be concluded that the effectiveness of NA at Hotel WO Surabaya for reporting purposes has been done quite well.

The effectiveness of resolving differences in room status should be checked by NA on a routine basis, and not borne by the FO (FFE PER). NA should control these two departments so that there is less visible control activity from an NA. In Hotel WO Surabaya, occasionally NA does this activity, however it is not listed on their routine duties as an NA, instead it is part of front office duties. In order for a junior IA to achieve an effectiveness of checking the guest credit limit, the NA should provide an input in the form of an observation report so that IA can make objective and correct decisions. The effectiveness of the reports carried out by NA at Hotel WO Surabaya has not run as it should be because the NA is still new and is oriented towards making daily reports on operational aspect to support financial reporting. However, the NA does not make reports that brings benefit to the management because the management does not have sufficient information needed. In particular, NA focuses in ensuring the correctness of revenue reporting but completely ignores expense reports, which are entirely monitored by the accounting department. In this case, NA cannot provide inputs to increase the efficiency of the company.

The Efficiency of Night Auditor Function and Support the Internal Control of Hotel WO Surabaya

NA will automatically increase the productivity of the financial reporting issued by the departments in the hotel because the recorded income is correct. In result, reports, such as profit and loss, will be issued to make accurate decisions (FFE-PRO). There are a few sources of income at Hotel WO Surabaya, such as restaurants, spas, sales of rooms, meeting places, and laundry, making control over sources of revenue entry to be very important. It is not only easier to make fake transactions, but also having multiple sources of hotel revenue. In multiple cases, the NA at Hotel WO Surabaya has been able to ensure that everything is posted in the right way; the NA has shown an efficient function of the productivity of financial reports, especially in income accounts, which are carried out correctly and the company assets remain safe. The accuracy and the

speed of future revenue reporting can be used to make a quick decision-making, including revenue budgeting. So, it can be concluded that the productivity and efficiency of financial reports at Hotel WO Surabaya, especially in the income receipt post, has run efficiently.

On the other hand, a narrow inspection at the receipt point alone causes the productivity efficiency of the whole financial statements become unbalanced because the cost item is not controlled and analyzed apart from the cost control. From the IA perspective, it would be better if NA carried out a control process on the cost item so that cost control could do a better analysis. Moreover, currently cost control had taken a long time because Hotel WO Surabaya only carried out cost control during closing, which is at the end of each month. In terms of expenses, accounting may have done its job quite well and minimize the occurrence of fraud or carelessness, but what accounting has been doing is limited to recording what has happened and is lacking of analytical power. Cost budgeting can refer to the cost reports produced by the accounting department, but cost control by budgeting only occurs once a month. Hence, daily cost calculation is needed so each department understand the costs they have spent and to limit each department's expenses, even when the internal control has examine the expenses. As previously stated, costs cannot be ascertained because cost control only calculates the costs incurred from the departments at the end of the month and when the reports has been made. When the report is ready, a meeting will be held to see which departments have exceeded their budget that has been determined.

With NA, the hotel operating costs will not be affected because NA has nothing to do with hotel expenses (EFI-BIA). NA at Hotel WO Surabaya does not control operational cost accounts. As explained above, the operational cost account control is not necessarily guaranteed because there has never been an inspection for expenses, even if the expense report account cannot provide input for the management to improve efficiency. The truth becomes questionable in the case that there has never been a form of control.

In the hotel, there are budgeting activities that have been determined by the GM and the accounting department where the budgeting is based on the actual data from previous year. To deal with the hotel operational expenses, each department is closely monitored so they will not exceed the predetermined

budgeting. The process of planning or setting the company's short- term financial goals has not been able to be determined as a whole because the control is only focus on the income account, while the expenditure item has never been checked. In result, the company's financial goals (budgeting) cannot be made and this will be dangerous because the company does not have a clear short-term goal.

By not influencing the hotel operating costs, the NA does not assist hotels in achieving hotel goals efficiently (EFI-GOL). NA at Hotel WO Surabaya does not carry out an analysis process that can affect the cost or expense incurred by the hotel. It only focuses on opinions to minimize the hotel operating costs and assist the hotel in achieving its goals efficiently, which has not been met.

DISCUSSION

Analysis of the Effectiveness and Efficiency of the Night Auditor at Hotel WO Surabaya

The effectiveness at Hotel WO Surabaya has met several indicators, but has not achieve the predetermined indicators, so the effectiveness cannot be said to be fully effective. The night auditor is immensely helpful in preparing income report by the hotel, so that the effect can be felt by the management even if it has not fulfilled all of the indicators. The effectiveness of NA has been shown in ensuring that all income has been posted with a correct and complete process and checking the balance of all front office accounts has been carried out relatively well. On the other hand , The NA has not been able to resolve differences in room status well because there is no control over the FO and the housekeeping functions. Monitoring the guest's credit limit is also found to not yet be effective because most are done by the IA. In addition, providing reports to the management has not been effective because there is no output in the form of management reports or inspection reports on expense accounts. This causes NA to not be able to contribute their opinion to increase the company efficiency.

NA efficiency at Hotel WO Surabaya cannot be fulfilled perfectly because there are a few NA's effectiveness factors that has not been done well enough. Especially on the effectiveness of creating reports to the management and other departments (EFE-LAP). As previously stated, NA does not provide reports to

the management, but only to other departments in need. Meanwhile, the productivity of the financial reports, especially for income accounts, has been done quite well by the NA at Hotel WO Surabaya. However, due to the lack of EFE-LAP, the operational cost efficiency and efficiency of the objectives could not be met by the NA at Hotel WO Surabaya.

NA is part of the audit team of a company, whose function is to control the activities and to record economic transactions in the company, especially the receiving posts. If NA works with a large hotel (Five Star Hotels), NA is under the auspices of the audit team within the finance department and is in the position of a junior auditor. In order to achieve labor cost efficiency, NA in a small capacity hotel is often asked to ensure that the records created by the accounting department is accurate, even if the NA is not part of the audit team, mostly because the hotel does not have an audit team. This is a valid reason to do but needs to be considered without reducing the function of the audit controller itself. Whereas at Hotel WO Surabaya, they have reduced some functions, for example, NA doubles as FO at night and works as FO when their duties have been completed. NA also does not perform its functions as a junior auditor because they do not control over the guest's credit limit, which is part of IA responsibility.

Based on the results of interviews with the accounting department of Hotel WO and accounting departments from other hotels, it indicates that the average three-star hotel have an NA to help with accounting work and to ensure that the transactions are entered correctly and allocated in the correct posts, so that the financial reports and, in particular, the income reports (at Hotel WO Surabaya) has been made correctly.

NA's position, who should act as an examiner of the accounting recording function, is not independent. This can be overcome by conducting periodic audits for NA and accounting work, even for the entire hotel operation of a public accountant or external audit, so that internal control from the management or the owners is maintained. In some cases, the problem of internal control is there is a limitation of experience in taking care of obstacles, among others are costs. Often time, small-scale companies experience this issue and/or other obstacles, including collusion, which should be able to be overcome by inviting an external audit.

Conclusion

The night auditor (NA) at Hotel WO Surabaya is not effective because it carries out procedures made by the management well, such as checking the posts of each department at night during the next day and also balancing all front office accounts at night. However, NA is not fully effective because it does not perform several indicators, including its inability to perform the function of resolving room status differences as NA performs this function when working as FO. When NA is working as an FO, NA does not always do this function because there were other FOs working. NA also did not check the room status regularly because it was not listed as part of the procedure, so NA would not always perform this function.

NA does not monitor guest credit limits. Monitoring guest credit limits should be the task of hotel operational auditors because this function is limited to monitoring and providing reports without taking a decision or action. NA does not perform this function because this function is the duty of the income auditors. NA also does not perform the function of providing reports to management, but NA provides daily reports to other departments that need it. The conclusion of the level of effectiveness of NA at Hotel WO Surabaya is not effective because it only fulfills two of the five indicators that have been determined to measure the effectiveness of the NA.

The existence of NA at Hotel WO Surabaya has met the first indicator in measuring the efficiency of NA, namely increasing the productivity of financial reporting issued by the departments within the hotel. The posting of revenues from other departments has been confirmed to be correct and accurate so that the published reports can be confirmed. However, NA does not fulfill several indicators, namely the indicator of reducing hotel operating costs and achieving hotel goals efficiently. The failure to achieve these indicators is because NA does not complete indicators, including preparing reports for management purposes. NA does not carry out the activity of analyzing and deciding for the hotel, so that it has no direct relationship with the achievement of hotel goals or minimizing hotel operating costs. NA at Hotel WO Surabaya is found to be inefficient because it does not meet two of the three predetermined indicators to measure the level of effectiveness of the NA.

Internal control at Hotel WO Surabaya is adequate because a reports double-checking has been carried out before the report is published, including attachments from the NA which will be rechecked by the IA; hence, no errors are found. Hotel WO Surabaya is also a hotel that is still developing because it was only established four years ago, hence its internal control system is still being developed. NA can double as FO but has its advantages and disadvantages because the NA can directly inspect the system and posting process from FO. However, one of the weaknesses is that the NA can tolerate more mistakes made by the FO division. Another weakness in internal control at Hotel WO Surabaya is when the NA takes a leave, the FO will then replace the NA. This should not happen because FO will have access to the NA's system. The existence of a NA in Hotel WO Surabaya has not been maximized on the internal control of Hotel WO Surabaya. However, looking at the working shift hours given, NA has the potential to be maximized, but no training is provided to improve the NA skills.

Limitations and Suggestions

For further research, it is better to get a general description of the work of a night auditor in a four-star hotel or a five-star hotel, so it has a broader information. Further research is also expected to dig up information from NA in other three-star hotels to get a clearer picture of the NA profession.

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