REGULARITY AUDIT OF HUMAN RESOURCES AND INFORMATION WITHIN INFORMATION SYSTEMS OF PUBLIC INSTITUTIONS

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Abstract:

  Abstract: Necessity of building typologies appears in the most various domains because they offer vast possibilities to analyse and interpret specific phenomena. An economic typology can be build based on existing similarities and dissimilarities between the objects of a given set of data.

  Organizing data in structures having a high level of efficiency correlated with a low level of cost requires data categorization and also data security. Cluster analysis is a data classification technique that constitutes an efficient exploratory analysis instrument.

  Financial management responsibilities include making decisions based on different analysis tools. This paper presents the results of hierarchical clustering algorithms applied over an economic dataset that provides useful description of secured data for decision makers by comparison.

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1. Introduction

Human resources are all native intellectual and physical skills along with knowledge acquired through learning, training and experience working life and used in specific business activities.

Effective management requires knowledge of permanent resources available to a unit, of integrated data processing system that is intended to give information on the input data and some unique regulations. Considering the economic unit as a system, it outlines three subsystems: subsystem operationally-driven, decision-making and information subsystem, which can be regarded as a stand-alone system.

Accounting information system comprises a set of interrelated elements aimed at collecting, processing, storing, analysing to transmit information on the status and heritage movement.

Attracted and used in business activities, human resources is crucial production factor, active and decisive, whose role consists in the following:

  Produce and reproduce other factors of production (natural resources, materials, capital, information resources) and their combination provides an effective way;

  Meet a decisive role in the transformation of natural resources into goods and services as the only factor of production able to produce new values;

  It is the only driver of creativity and innovation.

Integrated human resources business activity presents a heterogeneous structure with components with qualifications, specializations and different hierarchical positions, different personality traits, which must be connected to business objectives.

Intervention of human resources within the company is mediated by managerial tools including an important role system rules: work, personal, leadership, service, and organizational structures that enable and facilitate the mobilization of personnel, cooperation, correlation interests the individual company, all leading to increased use of human resources.

2. Human Resources Management

The company is based on the personality and individual results that form her. Valuable personnel with a good qualification are a real "asset" of the company and management ability to concentrate high-quality staff becomes a key strategic factor.

Human resource management seeks continuous improvement of performance of all employees and their continuous cooperation to improve the quality of business operation in order to achieve organizational mission and objectives, to ensure long-term viability and profitability.

The main objective of human resource management is to find ways of integrating staff. In view of the integration, human resource management is the set of methods which seek proximity or coincidence of interests of individual employees with business objectives.

Integration goal is to guide employees towards achieving energy company objectives, namely integration into the overall strategy of the company. The means used are intended to reduce sources of tension and stimulate the factors that motivate staff, develop a sense of belonging to the company, etc.

Therefore it is considered that the best companies are those in which management sets with employees' technological change, work content, the changes in internal social relationships. Methods, techniques and processes of integration of employees in the general policy of the company are: management by objectives - employee ownership, incentives and promotion systems, quality circles, identifying a company's culture, developing a business project, training and development staff.

In essence, human resource management focuses on three priority areas, namely:

1. Qualitative and quantitative adaptation (appropriateness) of human resources and future needs of the company.

2. Integration of objectives of profitability and business development.

3. Human resources in order to optimize the performance of their participation in the overall objectives of the company.

Staff evaluation system has two components, as it follows:

a) The evaluation criteria. These are performance requirements to be met by the occupant of a post and to whom it is performed appreciation. Evaluation criteria concern or past results, obtained in a period, or potential

for future growth.

b) Performance Standards is the desired level of performance. As a benchmark in assessing the results highlight the degree to which standards permit have been met activities.

2000 - Managing the internal audit activity responsible for the internal audit activity should effectively manage the internal audit activity so as to ensure that it adds value to the entity.

2030 - Resource management responsible for the internal audit activity must ensure that resources allocated to this activity be adequate, sufficient and effectively used to achieve the audit plan approved.

2300 - Auditors who perform the internal engagement should identify, analyse, evaluate, and document sufficient information to achieve the mission objectives.

2310 - Internal auditors who identify information must identify the sufficient, reliable, relevant and useful information to achieve the mission objectives.

2320 - Analysis and evaluation of internal auditors should base its conclusions and engagement results on tests and their proper evaluation.

2330 - Internal auditors who document information must document relevant information to justify conclusions and engagement results.

A realistic assessment, measurable and well understood is useful for the company and the employees. It is of great importance for both growth and maintaining a favourable climate of trust and honesty within the company and to stimulate staff and to increase attachment to the firm.

Human Resources Department provides an independent source of information on interviewing and hiring staff. The Department is also an independent source of evidence pertaining to management accounting and internal verification can lead us to information on wages, including adding and deleting information from the payroll, as well as amendments to the salaries and deductions.

3. Human Resources and Information Audit

We believe that the internal auditor, corporate manager and any other person responsible for the management or control is very important to have verification and knowledge auditing. It helps to be familiar with the work of all departments divisions within an entity whether public or private.

Performance evaluation is the core business of human resources management which determines the extent to which employees of an organization effectively fulfill their responsibilities or tasks. Firstly it aims to evaluate the results obtained, expressed or differently expressed depending on their specific jobs.

An internal auditor will have to prepare and perform a series of procedures to perform the audit. The procedure of collecting and processing information for an internal auditor is based on the following assumptions. The collection of data is in fact, preparing information for performing risk analysis and identify the information needed, reliable, relevant and useful information to achieve the mission of internal audit. Collecting information includes:

* To identify the main elements of institutional and socioeconomic context in which human resources department or the financial accounting and payroll operates;

* The Analysis of the legal framework governing the activities of these departments;

* The Analysis of factors likely to hinder the exercise of internal audit;

* To identify key points of operation compartments and control systems to a prior assessment of strengths and weaknesses;

* To identify significant findings and recommendations of previous audit reports that may affect the audit engagement goal setting and reports from other institutions that have the capacity to control body (Court of Auditors, the National Agency for Fiscal Administration etc.).

* Identification and risk assessment with significant impact;

* To identify potential sources of information that could be used as audit evidence and consider the validity and reliability of such information.

I. In the audit of payment of wages to a public entity, collecting information from both compartments means:

- Identifying applicable laws and regulations audited structure;
- Obtaining job descriptions, written procedures and the organizational and operating rules;
- Identifying staff responsibilities;
- Obtaining a copy of previous internal audit report;
- Obtaining a copy of the report of the Court of Auditors;
- Obtaining reports from other institutions.

By identifying the applicable law:

- The legal basis for staff salaries: the general (Law no. 53/2003 on the Labour Code);

- Number of stations (State Budget Law);

- The amounts approved for personal expenses (Law on State Budget head. 51.01 "public authority"-Title 02 "Staff costs"

- The deductions from wages (state social insurance contributions other deductions).

4. Collecting and Processing Information Procedure

Questionnaire-checklist provided in the procedure of collecting and processing information for the payroll of audit engagement at a public institution includes the following:

A. General Risks

- Check whether there are procedures for issuing the decisions of the appointment manager;

- Check if there is a high staff turnover in the system;

- Check if there are repeated changes in the legal framework governing the basic salary

B. The elements of the salary

- Check if basic salary is adequate to the legislation, awareness and that function;

- Check if the basic salary allowance is part of management;

- Check that is part of the basic salary merit pay;

- Check if all the people in payroll are the positions of the institution.

C. Issuing the decision to appointment

- Check if the appointment decision has all the signatures;

- Is intended that the appointment decision is taken correctly

- Check if the appointment decision is entered correctly in the base salary.

D. Others

- Issuing documents;

- Recording in labour;

- Calculation of gross income;

- Updating the database, salary changes;

- Calculation of taxable gross income - basic deduction expense,

additional deductions, social security

In case of human resources management audit at a public institution the audit objectives are:

1) The organization audited recruitment has the following:
• The plan project substantiation occupying public functions;
• The State provides jobs that will handle the competition;
• Request the organization competitions
• The records of candidates applying for jobs;
• The interview type;
• Issuing and communicating the decision of appointment;
2) The evidence of the presence of employees by the following:
• Rules and procedures on how to record the presence;
• Use spread sheets of collective presence;
• Records of medical leaves and studies;
3) The career development of the staff by the following:
• Consistency of the entity's objectives with staff career development;
4) Training of staff by the following:
• Strategic plans and annual training;
5) Management professional files by the following:
• Rules and procedures relating to professional case management;
6) Manage work books by the following:
• Rules and procedures for managing work books;
• Updating work books.
7) The functionality of the computer system used to manage human resources:
• Manual operation and use of the system;
• Adaptability of the system to user requirements;
• Assurance system for processing transactions authorized and correct;
8) Archiving documents:
• Rules and procedures for archiving resulting from the activity of human resource management.

5. Conclusions

Human resource management in a public institution is an important support function, preferably an area of internal auditor's work, supported

largely by the multitude of processes that are run by default and the risks that accompany them.

An audit process of human resources and information within information systems of public institutions has to mark each phase of the procedure. Every step of the procedure is designed so that the next can be build upon. Thus, the organization will have a very strong overview of the health of the human resources function, when the audit is ended.

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