ABSTRACT

PT. Telkom as one of a big telecommunication company in Indonesia, constitute company registered as emiten in local or abroad stock exchange, that have commitment to develope and apply policy and practice company management which agreeable with world stock exchange standardization. One of that is Sarbanes Oxley Act (SOA) 2002. As company that registered in board of ADR, New York Stock Exchange, Telkom become one of emiten, so Telkom has to obey the US Security and Exchange Commission rules which has adopt SOA as one of requirement for financial report.

PT Telkom implement SOA in each division. One of them is long distance division that not long time ago undergo change in organization structure become Telecommunication Infrastructure Division. Objective of change in this organization structure is to improve employee working productivity. This changing is also to change work condition in that division. In SOA, something that manage environment condition to create internal control in SOA implementation become more effective called entity level. Entity level SOA is process to know empolyee perfomance in doing implementation of SOA.

The process of implementation SOA can do well if employee feel comfortable and satisfied with working process that agreeable with what employee wants. Work satisfaction from this employee is a primary key which has to be first priority. This satisfaction was result from behavior and action from each employee in behave the process in SOA entity level implementation.

Based on assessment from each employee in 5 component of SOA entity level, get the result that 90% contribution for controll environment, 92% for risk, 94% for controll activity, 96% for information and communication and 92 % for controlling. So although there is change of organization structure, components of SOA entity level has been running, and the employee feel satisfaction with this process whether that from behavior or procedure which has apply from entity level from relationship with management although between partner looking from high percentage of employee perception about entity level SOA process. This is possible to improve perfomences and productivity of employee in implementation of SOA so that effective internal controll can do well.

Nevertheless, in fact this process doesn't running well, it can find in finansial report 2006 from PT Telkom which reveal internal controll was not effective. This cause of behavior from management or employee that irrelevant from the rules so that causes there is many material weaknessess in entity level SOA. Amendment for this problem is having good coordination between top and low management, having fair treatment from director to their employee whether is old or new employee, always involve other employee in process implementation of entity level SOA.

Keyword, SOA, behavior, entity level