

Factors Affecting Delay in Reporting Village Government Financial Accountability in Delima Subdistrict, Pidie Regency

Cut Hamdiah¹, Maisur²

¹Universitas Serambi Mekkah, Indonesia

²Universitas Jabal Ghafur, Indonesia

cuthamdian@usm.ac.id, maisur@unigha.ac.id

Abstract

The purpose of this study is to analyze the factors that affect the delay in reporting village government financial accountability in the Delima District, Pidie Regency. The sample in this study were 44 financial groups. In determining the sample using saturated sampling and field research method. While the analysis tool used is multiple linear regression. From the results of the analysis obtained The factors that cause the dominant delay are the HR factor on the educational background indicator, information technology on the application update indicator, supporting facilities on the internet indicator, the internal control system on the dual position indicator, and the rule of law on the indicator of minimal understanding of legislation. The implication of this research for the working unit is that it can improve the quality of timely submission of financial reports.

Keywords

financial statements; human resources; information technology



I. Introduction

To realize an advanced, independent and democratic village, it requires a budget for development and community empowerment in a village. The budget is regulated in PP (Government Regulation) No. 60 of 2014 concerning Village Funds which states that village funds are funds sourced from the APBN (State Revenue and Expenditure Budget) intended for villages which are transferred through the Regency/City APBD (Regional Revenue and Expenditure Budget) and are used to finance government administration, implementation development, community development and community empowerment. Regarding the management of village funds, it is explained in the Minister of Home Affairs Regulation No. 113 of 2014 concerning Village Financial Management. The village fund management process in question starts from planning, implementing, administering, reporting and accountability. All village fund management processes must be based on the principles of transparency, accountability and participation. In managing village funds, an aspect of good governance is required where one of the pillars is accountability (Astri, Grace and Herman, 2016). Many factors hinder the accountability of reporting and financial accountability by the village government, this is due to the existence of targets for the use of funds that have not been realized properly, even the human resource factor within the village government is less professional in compiling village financial reporting. So that it affects the timeliness of village financial accountability, Punctuality is very necessary in submitting reports to parties in need because those who need reports to deal with problems that are sudden and require report makers who can be made and submitted as soon as possible (Dewi et al., 2019). In good village government financial management, the work unit must have quality human resources with adequate accounting understanding supported by appropriate training and educational background. Therefore, the problems that occur in the villages in the Delima

sub-district, based on initial observations made by the research team at the BPMG office, it was found that there were many villages whose financial reports were not timely, even exceeding the specified time. This further shows the less than optimal performance of the Village Government in some of the Pomegranate Districts in handling village financial accountability reports. The results of observations from reports on the distribution and realization of the use of village funds in phase I in 2019 in villages in the Delima Sub-district, the average realization of the use of village funds only reached 60%. And the realization of the use of village funds in phase II is still below 50% (BPMG Pidie, 2020).

II. Review of Literature

2.1 Financial Report

Financial statements are written reports that provide quantitative information about the financial position and its changes, as well as the results achieved during a certain period. According to the Regulation of the Minister of Finance PMK Number 177/PMK.05/2015 concerning Guidelines for the Preparation and Submission of Financial Reports of State Ministries/Institutions, that financial reports are a form of government accountability for the implementation of the State Budget in the form of budget realization reports, balance sheets, cash flow reports, operational reports, reports changes in equity, reports of changes in excess budget balances, and notes to financial statements. Whereas (Fung, 2014) believes that without the required data and information, it is difficult to fully understand the financial condition. The financial reports that must be prepared by the government as regulated in Government Regulation Number 71 of 2010 concerning Government Accounting Standards include: Budget Realization Report, Budget Change Balance Report, Balance Sheet, Operational Report, Cash Flow Report, Changes in Equity Report, and Notes to Financial Statements.

2.2 Punctuality

To be relevant, the information in financial statements must be able to influence the economic decisions of its users. Timeliness includes the provision of financial statement information within the decision-making period (Budiyanto & Aditya, 2015). If there is an undue delay in reporting, the resulting information will lose its relevance. Financial statements must be presented in a timely manner so that they can be used as a basis for making economic, social and political decisions and to avoid delays in making these decisions. Constraints on the timeliness of the presentation of financial statements are related to the length of time required by the organization to produce financial statements. The faster the time for presenting financial statements, the better for decision making. The problem is that the more information you need, the more time it takes to produce this information (Astuti, 2019).

2.3 Factors Affecting Delays in Financial Reporting

a. Human Resources

Human resources are the most strategic elements in the organization that must be recognized and accepted by management. Increasing work productivity is only possible by humans. On the other hand, human resources can also be the cause of waste and inefficiency in various forms (Suharto, 2012). Therefore, paying attention to the human element is one of the demands in the overall effort to increase work productivity. Human resources are seen as one of the most important of today's organizations (Isaiah, 2012). Organization must have a goal to be achieved by the organizational members (Niati et al.,

2021). Development is a change towards improvement. Changes towards improvement require the mobilization of all human resources and reason to realize what is aspired (Shah et al, 2020). The development of human resources is a process of changing the human resources who belong to an organization, from one situation to another, which is better to prepare a future responsibility in achieving organizational goals (Werdhiastutie et al, 2020). Competency-based human resources can increase capacity and build foundations, because if the people who work in the organization have the right competencies according to the demands of their work, then these people are capable both in terms of knowledge, skills, as well as mental and character productive (Hutapea & Thoha, 2008). There are four main components of competency formation, namely education, knowledge, experience and skills. In good financial management, the work unit must have competent competence and human resources, supported by an accounting education background, often attend education and training, and have experience in the financial sector. (Kalangi, 2015). Then to implement the accounting system, the quality of human resources (HR) will be able to understand the logic of accounting well.

b. Information Technology

Information Technology is technology used to process data, including processing, obtaining, compiling, storing, manipulating data in various ways to produce quality information, namely information that is relevant, accurate and timely, which is used for personal, business and government purposes and is strategic information for decision making (Modo et al., 2016). Internal control is a regulatory framework and system that provides protection against unit assets and other different assets that can be used by the association, confirmation of appropriate and reliable financial reporting, principles or laws and consistency of progress control, and achievement of productive and productive tasks. Success (Dzomira, 2014). In Indonesia, the internal control system is regulated in Government Regulation No. 60 of 2008. According to Government Regulation No. 60 of 2008, the Government's Internal Control System consists of several elements, namely the control environment, risk assessment, control activation, information and communication. and monitor internal control.

c. Internal Control System

The Internal Control System is a process influenced by management which was created to provide adequate assurance in achieving effectiveness, efficiency, compliance with applicable laws and regulations, and the reliability of the Government's financial statement presentation. The internal control system aims to direct, monitor, and measure the resources of an organization and to see the accuracy and reliability of accounting data. And plays an important role in preventing and detecting fraud. So that assessing the quality of regional financial reports is required to develop the potential of human resources and also the sources of wealth owned by the region. The superiority of internal control design is very important for the achievement of an association (Bin Abdullah & Nor Izah Ku Ismail, 2008).

III. Research Methods

The location of the research was carried out in the Delima Subdistrict, Pidie Regency, which included 44 Gampong and 70% were indicated to have problems with delays in accountability reports. Population and sample, this study used saturated sampling. Saturated sampling is a sampling technique when all members of the population are used as samples. So that the sample size of all village treasurers in Delima District is 44 people. The collection technique is done by: a). Direct interviews with competing parties to obtain research data. b). Questionnaire is a way of collecting data by providing and distributing a list of questions to respondents, namely the village treasurer. c) Documentation is data collection in the form of books containing data on village fund policies, village fund management rules.

IV. Results and Discussion

To test the feasibility of the questionnaire items, validity and reliability tests were used. The results of the validity test show that r-count is equal to or greater than r-critical, then it is said to be valid and can be used for further analysis. The overall results of testing the validity of the data can be seen in Table 1 below;

Table 1. Validity test

Variable	Items	Correlation coefficient	Critical value (N=44)	Information
Human Resources (X1)	X 1.1	0.364	0.257	Valid
	X 1.2	0.576		Valid
	X 1.3	0.769		Valid
	X 1.4	0.393		Valid
Information technology (X2)	X 1.1	0.667	0.257	Valid
	X 1.2	0.521		Valid
	X 1.3	0.457		Valid
	X 1.4	0.574		Valid
Internal control (X2)	X 1.1	0.667	0.257	Valid
	X 1.2	0.517		Valid
	X 1.3	0.745		Valid
	X 1.4	0.445		Valid
Punctuality (Y)	Y 1.1	0.497	0.257	Valid
	Y 1.2	0.748		Valid
	Y 1.3	0.523		Valid
	Y 1.4	0.415		Valid

Data Source processed, 2021

To be able to see that these variables must be tested for reliability so that the results show that all indicators of each variable are appropriate.

Table 2. Reliability Test

No	Variable	Question	Cronbach Alpha	Results
1	Human Resources	4	0.788	Reliable
2	Information technology	4	0.747	Reliable
3	Internal control	4	0.788	Reliable
4	Punctuality	4	0.867	Reliable

Data source processed, 2021

Statistical testing using multiple linear regression analysis is intended to determine the effect of human resources, information technology and control on timeliness. The results of multiple linear analysis can be seen in Table 3.

Table 3. Regression Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	4.215	2,558		2.039	.049
Human Resources	.311	.191	.274	2,629	.011
1 Information technology	.305	.159	.356	2,918	.042
Internal control	.302	.106	.319	2.852	.007

a. Dependent Variable: Timeliness

$$Y = 4.215 + 0.311X_1 + 0.305X_2 + 0.302X_3$$

Based on the multiple linear regression equation above, the B value is 4.215, the coefficient value for the human resources variable is 0.311, the coefficient for the information technology variable is 0.305 and the coefficient for the information technology variable is 0.302.

4.1 The Influence of Human Resources on Timeliness of Financial Reporting

From the analysis results obtained $t_{count} = 2.629 > t_{table} = 1,680$ and significant = $0.011 < = 0.05$. Thus H1 is accepted and Ho is rejected, meaning that human resources affect the timeliness of financial reporting at a significance level of = 0.05.

From the data above, it can be concluded that human resources are an indicator of timeliness in financial reporting and weak human resources will result in delays in financial reporting. a late report will reduce or eliminate its relevance. This will have an impact on the use of financial statements in decision making. In addition, this will also have an impact on stakeholder confidence in the implementation of activities. As happened in the villages in the District of Delima. Indications of human resources are educational backgrounds, therefore village treasurers must have educational qualifications in the same field, but in reality the average treasurer is not in accordance with the scientific field, even their education is high school graduates. This fact is strengthened by the results of interviews conducted by researchers with several village heads, that on average village heads complain about the lack of graduates with accounting qualifications and the occurrence of obstacles that do not allow the recruitment of outside resources based on government regulations. The results of this study are also strengthened by Astuti's research (2019) that resources greatly affect the accuracy of financial reporting, even with reliable human resources creating quality financial reports (relevant, reliable, comparable and

understandable). that on average, village heads complain about the lack of graduates with accounting qualifications and the occurrence of obstacles that do not allow the recruitment of external resources based on government regulations. The results of this study are also strengthened by Astuti's research (2019) that resources greatly affect the accuracy of financial reporting, even with reliable human resources creating quality financial reports (relevant, reliable, comparable and understandable). that on average, village heads complain about the lack of graduates with accounting qualifications and the occurrence of obstacles that do not allow the recruitment of external resources based on government regulations. The results of this study are also strengthened by Astuti's research (2019) that resources greatly affect the accuracy of financial reporting, even with reliable human resources creating quality financial reports (relevant, reliable, comparable and understandable).

4.2 The Effect of Information Technology on Timeliness of Financial Reporting

From the results of the analysis obtained $t_{count} = 2,918 > t_{table} = 1,680$ and significant at $0.042 < \alpha = 0.05$, meaning that information technology has an effect on the timeliness of financial reporting at the level of significance $\alpha = 0.05$ or 5%. Thus, H2 is accepted.

This means that the use of information technology will improve the quality of information generated from the process of preparing financial reporting. With information technology, the preparation of financial reports is expected to be faster and more accurate so that the reliability of financial reporting can also increase. the facts on the ground show that there is a delay in financial reporting in the villages, the factor being the weak mastery of information technology, resulting in delays in financial reporting. the results of this study empirically support the research conducted (Ramzilah, 2020) which shows that information technology greatly affects the timeliness of financial reporting and can create quality financial reports. This result is strengthened by the results of interviews with several treasurers where they admit the lack of understanding of the application provided by the government for the accountability reporting process.

4.3 The Effect of Internal Control on Timeliness of Financial Reporting

From the results of the analysis obtained $t_{count} = 2.852 > t_{table} = 1.680$ and significant at $0.007 < \alpha = 0.05$, meaning that internal control has an effect on the timeliness of financial reporting at the level of significance $\alpha = 0.05$ or 5%. Thus, H3 is accepted.

The findings of this study are in line with the results of research by Astrawan et al. (2016) who obtained the results of internal control that affect the timeliness of financial reporting. However, the results of this study are not in line with the research of Amalia (2014) and (Maisur, 2019) which gives insignificant results. In the context of compliance theory, the financial manager of the West Lombok Regency government has implemented internal control. This internal control helps financial managers to minimize errors that could occur in the preparation of financial reports caused by non-compliance with laws and regulations so as to make financial reports quality.

V. Conclusion

Based on the results of research and discussion that human resources, information technology and internal control are factors that cause delays in the accountability of financial statements in villages in Delima District. Human resources can cause delays, so it is not timely in the submission of financial reports. This is due to the placement of finance officers or treasurers with educational backgrounds that are not in accordance with their fields. Likewise with information technology, where the treasurer is very minimal in mastering various kinds of financial reporting applications including the village financial system application (SISKEUDES) and the lack of facilities provided by the village government such as computers and internet networks. The same thing will happen to the delay in financial reporting if the internal control is weak. Weak internal control is caused by the absence of a good division of tasks within the organization so that employees have multiple positions in carrying out their duties.

References

- Astuti, C. D. (2019). Faktor Faktor Yang Berpengaruh Terhadap Ketepatan Waktu Pelaporan Keuangan. *Jurnal Informasi, Perpajakan, Akuntansi, Dan Keuangan Publik*, 2(1), 27. <https://doi.org/10.25105/jipak.v2i1.4425>
- Budiyanto, S., & Muncar Aditya, E. (2015). FAktor-Faktor Yang Memengaruhi Ketepatan Waktu Pelaporan Keuangan (Studi Empiris Perusahaan Food and Beverages Periode 2010-2012). *Fokus Ekonomi*, 10(1), 77–87.
- Dewi, N. F., Ferdous Azam, S. M., & Yusoff, S. K. M. (2019). Factors influencing the information quality of local government financial statement and financial accountability. *Management Science Letters*, 9(9), 1373–1384. <https://doi.org/10.5267/j.msl.2019.5.013>
- Dzomira, S. (2014). Internal Controls and Fraud Schemes in Not-For-Profit Organisations : A Guide for Good Practice. *Research Journal of Finance and Accounting*, 5(2), 118–126.
- Fung, B. (2014). Tuntutan dan kebutuhan akan transparansi dan keterbukaan dalam tata kelola perusahaan. *Universal Manajemen*, 2(2), 72–80.
- Hutapea, P., & Thoha, N. (2008). *Kompetensi Komunikasi Plus: Teori, Desai, Kasus, dan Penerapan untuk HR dan Organisasi yang dinamis*. Jakarta. Gramedia Pustaka Utama.
- Isaiah, S. U. (2012). Human Resource Management and Organizational Achievement: Case Study of the Lagos State Education District III. *Compilation of Good Practices in Statistical Offices*, 1–64. <http://docplayer.net/5960026-Human-resource-management-and-organizational-achievement.html>
- Kalangi, R. (2015). Pengembangan sumber daya manusia dan kinerja aparat sipil negara di Kabupaten Kepulauan Sangihe Provinsi Sulawesi Utara. *Jurnal LPPM Bidang EkoSosBudKum*, 2(1), 1–18.
- Maisur, N. U. (2019). Pengaruh Penerapan Sistem Informasi Akuntansi Terhadap Kinerja Manajerial (Study Kasus pada Usaha Kecil Dan Menengah (UKM) di Kabupaten Pidie). *I(I)*, 29–37.
- Modo, S. M., Saerang, D. P. E., & Poputra, A. T. (2016). Analisis Faktor-Faktor Yang Mempengaruhi Kualitas Informasi Laporan Keuangan Pemerintah Daerah (Studi Empiris Pada SKPD Pemerintah Kabupaten Kepulauan Talaud). *Jurnal Riset*

Akuntansi Dan Auditing "Goodwill," 7(2), 14–30.
<https://doi.org/10.35800/jjs.v7i2.13550>

- Muljono, Djoko (2012) Pengaruh Perpajakan pada Penerapan Standar Akuntansi Keuangan Entitas Tanpa Akuntabilitas Publik, (Yogyakarta: ANDI, 2012), hal. 10
- Niati, D. R., Siregar, Z. M. E., & Prayoga, Y. (2021). The Effect of Training on Work Performance and Career Development: The Role of Motivation as Intervening Variable. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(2), 2385–2393.
<https://doi.org/10.33258/birci.v4i2.1940>
- Ramzilah, M. (2020). Pengaruh Partisipasi Masyarakat Dan Transparansi Kebijakan Terhadap Pengawasan Anggaran Dana Desa Di Kecamatan Delima Kabupaten Pidie. *Jurnal Sains Riset*, 9(3), 1–8. <https://doi.org/10.47647/jsr.v9i3.156>
- Shah, M. M., et al. (2020). The Development Impact of PT. Medco E & P Malaka on Economic Aspects in East Aceh Regency. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Volume 3, No 1, Page: 276-286.*
- Suharto, A. A. (2012). Pengaruh Kualitas Sumber Daya Manusia, Komitmen Dan Motivasi Terhadap Kinerja Pegawai Pada inspektorat kabupaten kediri. *Ilmu Manajemen*, 3, 67–79.
- Werdhiastutie, A. et al. (2020). Achievement Motivation as Antecedents of Quality Improvement of Organizational Human Resources. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Volume 3, No 2, Page: 747-752.*