

Analysis of Factors Affecting the Quality of Local Government Financial Report Information

Akhmad Saebani

Universitas Pembangunan Nasional Veteran Jakarta, Indonesia

akhmad.saebani@upnvj.ac.id

Abstract

This study examined the influence of human resource competence, utilization of information technology, and internal control of accounting on the quality of information on local government financial reports on SKPD in DKI Jakarta Province. The population in this study is the Regional Device Work Unit (SKPD) of the local Government in the area of DKI Jakarta Province. The technique of determining the sample using a simple random sampling method. The sample used in this research is a financial officer who works on SKPD DKI Jakarta Provincial Government. The number of samples used is 71 respondents. The type of data in this study is quantitative data sourced from the primary data—methods of data collection by distributing questionnaires. The scale used in the preparation of the questionnaire was the Likert scale. The data analysis method was done by validity, reliability, normality, multicollinearity, and heteroscedasticity tests. Hypothesis testing of this research using multiple linear regression analysis. The test tool for the hypothesis is a t-test and coefficient of determination (R²). The result of this research is the influence of each independent variable on the dependent variable that the competence of human resources and internal control of accounting has a significant effect on the quality of the information in local government financial reports. At the same time, the utilization of information technology has no significant effect on the quality of information on local government financial statements.

Keywords

human resource
competence; utilization of
information technology;
internal control of
accounting



I. Introduction

Government Regulation (PP) No. 71 of 2010 concerning the Role of Financial Reporting explains that financial statements are prepared to provide relevant information regarding the financial position and all transactions carried out by a reporting entity during one reporting period. Financial reports are mainly used to determine the value of economic resources used to carry out government operations, assess financial conditions, evaluate the effectiveness and efficiency of a reporting entity, and help determine its compliance with laws and regulations. The phenomenon that can be observed in the development of the public sector today is the increasing demand for the implementation of public accountability by public sector organizations (Mardiasmo, 2009, p. 20). Government financial reporting in Indonesia is an exciting subject to study, given the increasing demands for accountability on public institutions at the central and regional levels. In fact, in the Government's financial statements, there are still many inconsistent data found by the Supreme Audit Agency. To enforce accountability, especially financially in the regions, local governments are responsible for publishing financial reports to stakeholders (Sari & Witono, 2014). The quality of financial statement information is the information

presented in the financial statements that is understandable, free from misleading notions and material errors, presents facts honestly and can be verified so that the information supports decision making (Yensi et al., 2014).

Human Resources Competence has a vital role in preparing financial statements. Having qualified Human Resources can improve the quality of financial reports. Competence can be seen from the educational background, training, and skills stated in the implementation of the task. Employees who do not have an accounting education background, do not attend accounting training, and do not have adequate knowledge of accounting will encounter many difficulties and obstacles in preparing financial statements (Desmiyawati, 2014).

The utilization of Information Technology can affect the Quality of Financial Report Information. Therefore, the Government is obliged to develop and utilize advances in information technology to improve the ability to manage regional finances and distribute Regional Financial Information to public services. According to Pramusinto (2020) the power of technology including digitalization and automation continues to grow and change the pattern of production, distribution, and consumption. As with other areas of life, technology is used to make changes, so also with the legal system as technology in making changes (Hartanto, 2020). Meanwhile, the use of information technology is the benefit expected by users of information systems in carrying out their duties where the measurement is based on the intensity of utilization, the frequency of use and the number of applications or software used (Marlizar, 2021). The obligation to use information technology by the Government and Regional Governments is regulated in Government Regulation no. 56 of 2005 concerning Regional Financial Information Systems.

BPK RI thinks that some exceptions are made professionally to provide WDP opinion. The first exception concerns the difference in Land and Building Tax (PBB) management data where the data on PBB bills presented cannot be tracked. The second exception is regarding Motor Vehicle Tax. PKB does not match the book value in the year payable. The third exception is the unrecorded receivables originating from the conversion of the obligations of the flat developer company to the DKI Provincial Government. The budget management carried out by DKI Province for 2015 is better than in 2014. This is because all financial management uses e-budgeting. There are no cash transactions but instead through transfers that are recorded in detail.

The DKI Jakarta Provincial Government's financial report obtained a Fair With Exception (WDP) opinion given by the BPK when viewed from Human Resources (HR) DKI Jakarta has good HR Competence because the DKI Jakarta Provincial Government provides training through the Human Resources Development Agency (BPSDM) which has held various training programs to develop competencies, knowledge, skills for employees within the DKI Jakarta Provincial Government. Furthermore, the internal control applied in accounting activities is quite good, such as every activity cannot be carried out without authorization from the competent authority, every record must have strong evidence and must not have double evidence, and every expense incurred has a budget from the previous year all has been well budgeted. Furthermore, DKI Jakarta has quite sophisticated information technology; for example, all financial management uses e-budgeting. There is no cash transaction, but it is carried out via transfers that are recorded in detail.

II. Review of Literature

2.1 Agency Theory

Agency theory is a theory of the relationship between the principal and the agent. In agency theory, provincial/district/city governments can act as agents or principals. As an agent, the local Government is tasked with managing principal funds, namely the people represented by the DPRD. On the other hand, as a principal, the local government hands over its wealth management to BUMD, which acts as an agent (Halim & Kusyufi, 2014, p. 128).

The responsibility shown by the local Government as the recipient of the trust is not only in the form of presenting complete, fair, and quality financial reports but also how they can open access for users of financial statements (Desmiyawati, 2014).

2.2 Signaling Theory

Signaling theory underlies this voluntary disclosure. Management always tries to disclose private information, which in its judgment, is of great interest to investors and shareholders, especially if the information is good news. Management is also interested in conveying information that can increase the credibility and success of the company even though the information is not required (Suwardjono, 2010).

The Government as the recipient of the trust, provides information to the people as the party giving the trust in the form of quality financial report information. However, local governments can also inform all forms of information clearly to the people to show that the Government has carried out the mandate under what was given to the people.

2.3 Quality of Local Government Financial Report Information

Government accounting is distinguished from central Government and local government accounting, often called regional financial accounting. Regional financial accounting is accounting used to record economic events in the local government environment (Erlina et al., 2015, p.3). According to Bastian (2010, p. 297), Public sector financial statements represent the financial position of transactions carried out by a public sector entity.

The quality of financial statement information is the information presented in the financial statements that is understandable, free from misleading notions and material errors, presents facts honestly, and can be verified so that the information supports decision making. Moreover, it is understood by users (Yensi et al., 2014).

According to Romney & Steinbart (2016, p. 4), information is data that has been managed and processed to provide meaning and improve decision-making. Users make better decisions as the quantity and quality of information increases. Local governments must be accountable for their budgets and performance as public service entities. The main form of accountability is the presentation of quality financial reports (Sari & Witono, 2014).

2.4 Human Resources Competence

Competence is employees' ability and characteristics in the knowledge and skills needed to carry out their duties (Syarifudin, 2014). Human resource development is improving the ability to achieve the entity's objectives. The ability of human resources in an entity can be improved through training and education programs (Bangun, 201, p. 5).

Human resources are now increasingly playing a significant role in the success of an organization. Human resources must be defined not by what human resources do but by what human resources produce, such as quality financial reports (Rachmawati, 2008, p. 1). Talented human resources must carry out changes in cash-based accounting to accruals in the government financial reporting process in order to be able to compile and present quality local government financial reports (Syarifudin, 2014).

2.5 Utilization of Information Technology

Advances in electronic technology are increasingly pervasive in almost every aspect of human life, both in the field of information, offices, etc. Computer technology offers various conveniences and sophistication to work on data management quickly, accurately, and efficiently; even now, computer technology is combined with communication technology whose ability to explore information such as the internet (Sutarman, 2012, p. 86). In the explanation of PP No. 56 of 2005 concerning the Regional Financial Information System, it is stated that the Government is obliged to develop and utilize advances in information technology to improve the ability to manage regional finances and to distribute quality financial report information to the public.

2.6 Accounting Internal Control

Internal control is a process to provide adequate assurance that control objectives have been achieved (Romney & Steinbart, 2016, p. 226). Internal controls are organizational plans and methods to maintain or protect assets, produce accurate and reliable information, and improve efficiency (Krismiaji, 2015, p. 216). Internal control provides adequate assurance for effectiveness and efficiency in the accounting process, especially in producing quality financial reports that are seen through reliable financial statements (Mahaputra & Putra, 2014).

Based on Government Regulation Number 60 of 2008 concerning the Government's internal control system (SPIP) explains that the internal control system seen activities is an activity carried out continuously by all employees to provide adequate assurance on the achievement of organizational goals through effective and efficient activities, reliable reporting finance, safeguarding state assets, and compliance with laws and regulations to produce quality financial reports.

2.7 Hypothesis Development

The Influence of Human Resource Competence on the Quality of Local Government Financial Report Information

Changes in cash-based accounting to accruals in the Government's financial reporting process must be carried out by competent human resources in order to be able to compile and present quality financial reports (Syarifudin, 2014).

Human resources are needed to produce quality financial reports (Mahaputra & Putra, 2014). Providing development and training to improve employee competence through knowledge and skills can make human resources produce quality financial reports (Dessler, 2015 p. 25).

H1: Human Resource Competence affects the Quality of Local Government Financial Report Information.

2.8 The Effect of Information Technology Utilization on the Quality of Local Government Financial Report Information

In the explanation of PP No. 56 of 2005 concerning Regional Financial Information Systems, it is stated that the Government is obliged to develop and utilize advances in information technology to improve the ability to manage regional finances and distribute quality financial report information to the public. (Mustafa, 2011 in Desmiyawati, 2014).

The utilization of information technology will minimize errors because all activities are recorded more systematically and, in the end, can present reliable regional financial reports (Sari & Witono, 2014).

H2: Utilization of Information Technology affects the Quality of Local Government Financial Report Information.

2.9 The Effect of Internal Accounting Control on the Quality of Local Government Financial Report Information

Based on Government Regulation Number 60 of 2008 concerning the Government Internal Control System (SPIP) explains that the internal control system seen activities is an activity carried out continuously by all employees to provide adequate assurance on the achievement of organizational goals through effective and efficient activities, reliable reporting finance, safeguarding state assets, and compliance with laws and regulations to produce quality financial reports. Organizational activities used to maintain or protect assets, produce accurate and reliable information, improve effectiveness, and encourage policy compliance are internal controls carried out by organizations to produce quality financial reports (Krismiaji, 2015).

H3: Internal control accounting affects the quality of information on local government financial statements.

2.10 Measurement and Operational Definition of Dependent Variable (Y)

The dependent variable used in this study is the Quality of Financial Report Information. Quality of Financial Report Information is financial statement information that is free from errors or biases by accurately presenting events or organizational activities. In addition, the financial statements are provided at the right time for decision-making (Romney & Steinbart, 2016, p. 5).

III. Discussion

3.1 Results

a. Descriptive Statistics

Descriptive statistics in this study include the independent variables, namely the competence of human resources, the use of information technology, and accounting internal control, and the dependent variable, namely the quality of information on local government financial reports.

Table 1. Statistik Deskriptif
Descriptive Statistics

	<i>Mi</i>	<i>Ma</i>	<i>M</i>	<i>Std.</i>
<i>N</i>	<i>nim</i>	<i>xim</i>	<i>ea</i>	<i>Devi</i>
	<i>um</i>	<i>um</i>	<i>n</i>	<i>atio</i>
				<i>n</i>

	<i>Statistic</i>	<i>Statistic</i>	<i>Statistic</i>	<i>Statistic</i>	<i>Statistic</i>
	<i>ic</i>	<i>c</i>	<i>c</i>	<i>sti</i>	<i>c</i>
Kualitas Informasi Laporan Keuangan Pemerintah Daerah	71	18	24	20	2.48
Kompetensi Sumber Daya Manusia	71	17	24	19	2.15
Pemanfaatan Teknologi Informasi	71	13	24	19	2.51
Pengendalian Internal Akuntansi	71	18	24	21	2.18
Valid (listwise)	N 71				

Table 1 explains that of the 71 respondents, the variable Quality of Information on Local Government Financial Statements has a minimum total score of 18, which has been answered by 24 respondents (respondents 14, 15, 16, 20, 24, 25, 26, 30, 33), 47, 50, 53, 55, 58, 59, 63, 64, 65, 66, 67, 68, 69, 70, 71) from the total minimum score of 18 divided by six statements to show a result of 3, it can be concluded that Quality of Local Government Financial Report Information has a minimum score of 3 (True). While the maximum total score is 24, which has been answered by 16 respondents (respondents 19, 28, 29, 31, 34, 35, 36, 37, 38, 39, 40, 41, 44, 46, 49, 61) from the results a maximum total score of 24 divided by six statements so that it shows a result of 4, it can be concluded that the Quality of Information on Local Government Financial Reports has a maximum value with a score of 4 (Very True). The empirical average of this variable is 20.90, divided by six statements in the questionnaire. The result is 3.48 or rounded up to 3. Therefore, it can be concluded that the average value of the respondents' answers is correct. The standard deviation for the level of Information Quality of Local Government Financial Statements is 2.485.

The value of the Human Resource Competence variable has a minimum total score of 17, which has been answered by one respondent (30) divided into six statements so that it shows a result of 3; it can be concluded that Human Resource Competence has a minimum score of 3 (True). While the total value of the maximum score is 24, which respondents have answered totaling nine respondents (respondents 31, 34, 35, 36, 37, 38, 39, 41, 54) divided into six statements so that it shows a result of 4, it can be concluded that the Competency of Resources Human Resources has a maximum score of 4 (Very True). The empirical average of this variable is 19.75 divided by the six statements in the questionnaire; the result is 3.29 or rounded up to 3; it can be concluded that the average value of the respondents' answers is correct. Therefore, the standard deviation for Information Quality of Local Government Financial Statements is 2.156.

The value of the Information Technology Utilization variable has a minimum score of 13, which has been answered by respondents totaling one respondent (43 respondents)

divided into six statements so that it shows two results, it can be concluded that Information Technology Utilization has a minimum value with a score of 2 (False). While the maximum score is 24, which has been answered by respondents totaling eight respondents (respondents 35, 37, 38, 39, 41, 54, 59, 62) divided into six statements so that it shows a result of 4, it can be concluded that the Utilization of Information Technology has maximum value with a score of 4 (Very True). The empirical average of this variable is 19.31 divided by six statements in the questionnaire; the result is 3.21 or rounded up to 3; it can be concluded that the average value of the respondents' answers is correct. The standard deviation for the level of Information Quality of Local Government Financial Statements is 2.561.

The value of the Accounting Internal Control variable has a minimum total score of 18 which 13 respondents have answered (respondents 14, 15, 16, 22, 25, 26, 30, 33, 47, 55, 58, 61, 62) divided into six statements so that it shows the result of 2.16 rounded up to 2, it can be concluded that Accounting Internal Control has a minimum value with a score of 2 (False). While the maximum total score is 24, which has been answered by 20 respondents (respondents 2, 4, 6, 8, 9, 19, 20, 29, 31, 34, 35, 37, 38, 39, 41, 49, 50, 53, 54, 60) is divided into six statements so that it shows a result of 4, it can be concluded that Accounting Internal Control has a maximum value with a score of 4 (Very True). The empirical average of this variable is 21.46 divided by six statements in the questionnaire, the result is 3.57 or rounded up to 4, so it can be concluded that the average value of the respondents' answers is very true. The standard deviation for the level of Information Quality of Local Government Financial Statements is 2.183.

b. Classic Assumption Test

1. Normality Test

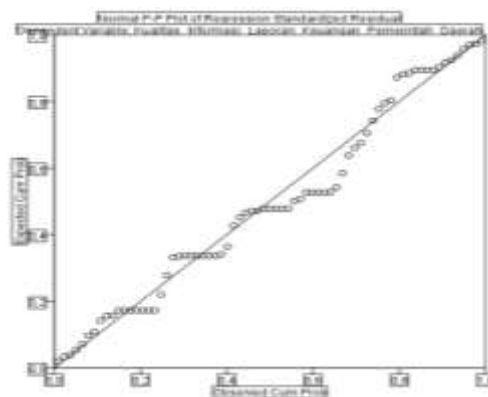


Figure 3. *P-Plot Graph of Normality Test Results*

Based on Figure 3, it can be seen that the points spread around the diagonal line and their distribution follow the direction of the diagonal line, or the P-Plot graph shows a customarily distributed pattern, so the data on the variable quality of information on local government financial statements can be said to be expected and meet the assumption of normality.

Normality test can also be carried out by testing through other statistical tests that can be used to test normality, namely by using the Kolmogorov-Smirnov (K-S) nonparametric statistical test in this study as follows:

Table 2. Hasil Uji *Kolmogorov-Smirnov One-Sample Kolmogorov-Smirnov Test*

<i>Unstandardized Residual</i>		
N		71
Normal Parameters ^b	<i>Mean</i>	0E-7
	<i>Std. Deviation</i>	1,83368740
	<i>Absolute</i>	,119
	<i>Positive</i>	,119
Most Extreme Differences	<i>Negative</i>	-,089
	<i>Kolmogorov-Smirnov Z</i>	1,006
<i>Asymp. Sig. (2-tailed)</i>		,263

a. *Test distribution is Normal.*

b. *Calculated from data.*

Source: Processed primary data

Based on table 22, the Kolmogorov-Smirnov value is 1.006. The significant level is 0.263 or $0.263 > 0.05$; in this case, H_0 is accepted. H_a is rejected, which means the residual data is usually distributed. The statistical test results can be said to be consistent with the previous test, and the regression model has met the classical assumption of normality.

2. Multicollinearity Test

Table 3. Multicollinearity Test Results
Coefficients

Model	<i>Collinearity Statistics</i>	
	<i>Tolerance</i>	<i>VIF</i>
(Constant)		
Kompetensi Sumber Daya Manusia	,618	1,618
Pemanfaatan Teknologi Informasi	,688	1,453
Pengendalian Internal Akuntansi	,737	1,357

a. Dependent Variable: Quality of Local Government Financial Report Information

Source: Processed primary data

The results of the multicollinearity test in table 23 show that the VIF value of the Human Resources Competence, Utilization of Information Technology, and Accounting Internal Control variables is more minor than ten. The tolerance value is more significant than 0.10. This indicates no multicollinearity in the regression model and no correlation between the independent variables for the relationship with one another.

3. Heteroscedasticity Test

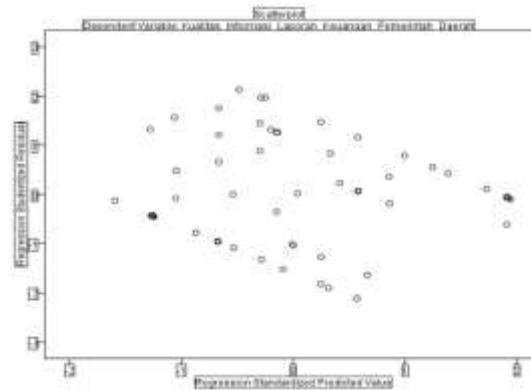


Figure 4. Heteroscedasticity Test Scatterplot Graph

Based on Figure 4, the Scatterplot graph shows that the dots spread randomly above and below the number 0 on the Y axis. Therefore, it can be concluded that there is no heteroscedasticity in the regression model, so the regression model is feasible to predict the quality of local government financial statement information based on the character of the situation experienced, such as the competence of human resources, the use of information technology and accounting internal control.

Table 4. Glejser Test Results

<i>Coefficients^a</i>	
Model	Sig.
(Constant)	1,000
Human Resources	1,000
Competence	
1 Utilization of Information	1,000
Technology	
Accounting Internal Control	1,000

a. Dependent Variable: AbsUt

Based on table 4, it can be seen that all the significances of the independent variables have a significance of more than 0.05. This result is from the scatterplot graph in Figure 4, which shows no heteroscedasticity in the regression model in this study.

c. Hypothesis Testing

1. Coefficient of Determination (R^2)

Table 5. R^2 Test Results

<i>Model Summary^b</i>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.657 ^a	.456	.431	1.874

a. Predictors: (Constant), Internal Accounting Control, Utilization of Information Technology, Competence of Human Resources
b. Dependent Variable: Quality of Local Government Financial Report Information
Source: Processed primary data

The multiple determination coefficient test results are shown in table 25; the adjusted R² square value is 0.431 or 43.1%. This means that in this study, the variable quality of information on local government financial statements can be explained by human resource competence, utilization of information technology, and accounting internal control of 43.1%; other variables explain the rest.

2. Individual Parameter Significance Test (Test Statistical t)

Table 6. Results of t-test (Partial Test)
Coefficients

	Model	T	Sig.
	(Constant)	1.128	.263
	Human Resources Competence	4.271	.000
1	Utilization of Information Technology	-.054	.957
	Accounting Internal Control	2.735	.008

a. Dependent Variable: Quality of Local Government Financial Report Information
Source: Processed primary data

- The hypothesis test results show that count > ttable, which is $4.271 > 1.99601$, has a significance value of $0.00 < 0.05$. This means that Human Resource Competence significantly affects the Quality of Information on Local Government Financial Reports, so Ha1 is accepted.
- The hypothesis test results show that count > ttable is $-0.054 < 1.99601$ and has a significance value of $0.957 > 0.05$. This means that Information Technology has no significant effect on the Information Quality of Local Government Financial Reports, so Ha2 is rejected.
- The hypothesis test results show that count > ttable, which is $2.735 > 1.99601$, has a significance value of $0.008 < 0.05$. This means that Internal Accounting Control significantly affects the Quality of Information on Local Government Financial Statements, so Ha3 is accepted.

3. Multiple Linear Regression Analysis

Table 7. Multiple Linear Regression Test Results
Coefficients

Model	<i>Unstandardized Coefficients</i>	
	B	Std. Error
(Constant)	2.853	2.528
Human Resources Competence	.564	.132
1 Utilization of Information Technology	-.006	.107
Accounting Internal Control	.327	.120

a. *Dependent Variable:* Quality of Local Government Financial Report Information

Source: Processed primary data

$$\text{INF} = 2,853 + 0,564 \text{ SDM} - 0,006 \text{ PTI} + 0,327 \text{ PIA}$$

Information:

QLGFRI	=	Quality of Local Government Financial Report Information
HRC	=	Human Resources Competence
UIT	=	Utilization of Information Technology
AIC	=	Accounting Internal Control

The result of the multiple regression equation that is formed is:

- For the Local Government Financial Report Information Quality variable, the Constant Value (α) means that if the DKI Jakarta Provincial SKPD employees have incompetent resources, information technology is not utilized. Furthermore, if there is no internal control, the quality of financial reports is not qualified.
- The Human Resource Competency variable has a regression coefficient value of 0.564 which means that if the competence of human resources is increased by one unit, the quality of information on local government financial reports at the DKI Jakarta SKPD will increase by 0.564 units.
- The Information Technology Utilization variable has a regression coefficient value of -0.006 which means that every time there is a different use of Information Technology in preparing financial statements, it will reduce by 0.006 units.
- The Accounting Internal Control variable has a regression coefficient of 0.327, which means that if the internal accounting control is increased by one unit. Then the quality of local government financial report information will increase by 0.327 units.

4.2 Discussion

a. The Influence of Human Resource Competence on the Implementation of Quality Information on Local Government Financial Reports

Based on the results of the partial test, it is stated that the competence of human resources significantly affects the quality of information on local government financial statements. These results are under the information obtained from the questionnaire that the human resources in the finance department in the Regional Work Units (SKPD) of DKI Jakarta Province are adequate. From the results of the demographics of the respondents, it can be seen that some of the respondents have an undergraduate education level, so they have good knowledge. From the demographic results, it can be seen that most of the respondents have worked for more than two years, so it can be said that they are pretty experienced in their field of work. To improve the capabilities and expertise of human resources, the DKI Jakarta Provincial SKPD organizes and engages employees to participate in the training. Involving employees in training can improve the competence of human resources to present quality financial report information. Based on the answers to the first question questionnaire, 71% answered correctly, and 29% answered correctly that the finance/accounting sub-section job description corresponds to the actual accounting function. In the fourth question, 70% answered correctly, and 30% answered correctly that the finance/accounting subdivision has a sufficient number of qualified staff. Based on the identity and statements that have been filled out, the respondents answered true and very true that the human resources in the SKPD received training that could improve the competence of human resources; almost all of the respondents stated that they were correct in the statement. At least 10 percent of the finance/accounting subdivision staff were D3 graduates. Accounting or more. So that the Human Resources Competency Variable has a significant effect on the Quality of Information on Local Government Financial Statements, the hypothesis test results can be seen that count > ttable which is $4.271 > 1.99601$ and has a significance value of $0.00 < 0.05$. This means that Human Resource Competence significantly affects the Quality of Local Government Financial Report Information.

The results of this study align with research conducted by Yensi et al. (2013), which states that human resource competence significantly affects the quality of local government financial reports because it is in the world of Government. Every part of the Government must be filled by the right person with the appropriate competence and specified qualifications. For example, in managing the finance department, human resources must be filled with accounting competencies and other related financial sciences. However, the results of this study are not in line with the research conducted by Syarifudin (2014), which states that human resource competence has no significant effect on the quality of local government financial reports.

b. The Effect of Information Technology Utilization on the Quality of Local Government Financial Report Information

Based on the results of the partial test, it is stated that the use of information technology has no significant effect on the quality of information on local government financial reports. Based on the questionnaire results, in the first question, seven respondents with respondent numbers 12, 13, 15, 17, 34, 43, and 45 answered incorrectly that the accounting/finance subdivision has sufficient computers to carry out the task. The fourth question was 16 respondents with respondent numbers 1, 2, 4, 5, 6, 7, 8, 10, 12, 13, 15, 17, 18, 43, 45, and 55 answered incorrectly that the accounting process from the beginning of the transaction to the manufacture financial reports is computerized. The fifth

question is five respondents with respondent numbers 15, 21, 34, 36, and 43 answered incorrectly that there is a regular equipment maintenance schedule. The sixth question of 71 respondents answered three respondents with respondents numbered 42, 43, 45 answered very wrong, and 13 respondents with respondent numbers namely 1, 2, 4, 5, 6, 7, 8, 9, 10, 15, 21, 34 and 36 answered incorrectly that obsolete/damaged equipment was recorded and repaired on time. Based on all the statements and answers, some respondents gave wrong answers, which means that some SKPDs do not do/make financial reports with the help of information technology such as computers and the internet. So that the variable of Information Technology Utilization has no significant effect on the Quality of Information on Local Government Financial Reports, the hypothesis test results show that $\text{count} < t_{\text{table}}$ is $-0.054 < 1.99601$ and has a significance value of $0.957 > 0.05$. This means that every time there is an addition in the use of information technology in the preparation of financial statements, it will reduce by -0.054 .

The study results align with the research conducted by Desmiyawati (2014), which states that the use of information technology has no significant effect on the reliability of local government financial reports. This is probably because the technology used is only limited to using a computer to input transaction data manually. This may not help much in improving the reliability of local government financial reports, especially in Riau Province. However, the results of this study are not in line with Sari & Witono (2014), which state that the use of information technology significantly affects the quality of information on local government financial statements.

c. The Effect of Internal Accounting Control on the Quality of Local Government Financial Report Information

The test results partially stated that internal accounting control significantly affects the quality of local government financial statement information. The Regional Apparatus Work Unit (SKPD) of DKI Jakarta Province carries out activities in the financial department following the internal controls that exist in the SKPD in DKI Jakarta, namely, based on the results of interviews conducted by researchers; each transaction cannot be carried out without authorization from the authorities, every transaction must have evidence valid and valid, the budget has been carried out one year previously so that every financial activity of the DKI Jakarta SKPD must not exceed the predetermined budget. Based on the results of the questionnaire, namely from the second question, 42% answered correctly, and 58% answered correctly that transactions could not be carried out without authorization from the authorities. The third question is 25% answered correctly, and 75% answered correctly that a valid proof of transaction must support every transaction. The fourth question is that 32% answered correctly, and 68% answered correctly that every transaction is recorded in the accounting record book. Based on interviews and statements that have been answered, almost all respondents answered correctly and very correctly that the SKPD carries out Internal Accounting Control which can make the SKPD better. So, the Accounting Internal Control variable significantly affects the Information Quality of Local Government Financial Statements. The hypothesis test results can be seen that $\text{count} > t_{\text{table}}$, which is $2.735 > 1.99601$ and has a significance value of $0.008 < 0.05$. This means that Internal Accounting Control significantly affects the Quality of Information on Local Government Financial Statements.

The results of this study align with Sari & Witono's (2014) research which states that the influence of accounting internal control has a significant effect on the timeliness of financial reporting. District and City Governments in the Surakarta Ex-Resident Area could carry out control activities according to the SPIP stipulated by Government

Regulation No. 60/2008 so that timely regional financial reporting could be achieved effectively. This condition shows that the local Government, through DPPKAD, has been able to continuously integrate all components of the organization so that the required timeliness of information can be achieved. However, the results of this study are not in line with research conducted by Yensi et al. (2013), which states that accounting internal control has no significant effect on the quality of local government financial statement information.

IV. Conclusion

After conducting research and a series of hypothesis testing related to the influence of human resource competence, the use of information technology and internal accounting control on the quality of information on local government financial reports in regional work units (SKPD) in the DKI Jakarta Provincial Government area, the following conclusions can be drawn:

- a. The Human Resources Competence and Accounting Internal Control variables significantly affect the Information Quality of Local Government Financial Statements. In contrast, the Information Technology Utilization Variable has no significant effect on the Information Quality of Local Government Financial Statements. This proves that this study has similarities and differences from previous research.
- b. The Coefficient of Determination (R²) test results shows the effect of the independent variables, namely Human Resource Competence, Utilization of Information Technology, and Accounting Internal Control, on the Quality of Local Government Financial Statements Information is 43.1%. In comparison, the remaining 56.9% can be explained by other factors.
- c. The results of this study are expected to be useful for the DKI Jakarta Provincial Government in using information technology for financial employees to improve the quality of the DKI Jakarta Provincial Government financial reports.

References

- . Peraturan Pemerintah Republik Indonesia Nomor 54 Tahun 2005 Tentang Sistem Informasi Akuntansi (2005). Jakarta.
- . Peraturan Pemerintah Republik Indonesia Nomor 60 Tahun 2008 Tentang Sistem Pengendalian Intern Pemerintah (2008). Jakarta.
- . Peraturan Pemerintah Republik Indonesia Nomor 71 Tahun 2010 Tentang Pendidikan dan Pelatihan Jabatan Pegawai Negeri Sipil (2000). Jakarta.
- . Peraturan Pemerintah Republik Indonesia Nomor 101 Tahun 2000 Tentang Standar Akuntansi Berbasis Akrual (2010). Jakarta.
- . Peraturan Menteri Dalam Negeri Republik Indonesia Nomor 64 Tahun 2013 Tentang Penerapan Standar Akuntansi Pemerintah Berbasis Akrual Pada Pemerintah Daerah (2013). Jakarta.
- Bangun, W. (2012). Manajemen sumber daya manusia. Jakarta: Erlangga.
- Bastian, I. (2010). Akuntansi sektor publik suatu pengantar. Jakarta: Edisi Ketiga, Erlangga.
- Desmiyawati. (2014). 'Faktor-faktor yang mempengaruhi keandalan dan ketepatan waktu pelaporan keuangan'. Jurnal Akuntansi. vol. 2, no. 2. hlm. 163-178.

- Erlina, Rambe, O.S., & Rasdianto. (2015). Akuntansi keuangan daerah berbasis akrual. Jakarta: Salemba Empat.
- Ghozali, I. (2013). Aplikasi analisis multivariate dengan program IBM SPSS21. Semarang: Badan Penerbit Universitas Diponegoro.
- Halim, A. & Kusufi, M. (2012). Akuntansi Sektor Publik Akuntansi Keuangan Daerah. Jakarta: Salemba Empat.
- Hartanto, D. (2020). Sociology Review of Social Phenomenon, Social Rules and Social Technology. Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 3, (2): 1175-1184.
- Krismiaji. (2015). Sistem informasi akuntansi. Yogyakarta: Sekolah Tinggi Ilmu Manajemen YKPN.
- Mahatma, Y. (2016). 'Rapor Merah Pemerintah DKI Jakarta Jangan Terulang'. Diakses Sabtu 02 Januari 2016 Pukul 17.07 WIB Dari <http://www.harnas.co/2015/12/31/rapor-merah-pemerintah-dki-jangan-terulang>.
- Mardiasmo. (2009). Akuntansi sektor publik. Yogyakarta: Andi Offset.
- Marlizar, et.al. (2021). Effect of Service Quality and Use of E-Service Technology on Customer Loyalty: A Case Study of Maxim in Aceh. Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 4, (4): 8002-8016.
- Pramusinto, N.D., Daerobi, A., and Hartanto, D. (2020). Labor Absorption of the Manufacturing Industry Sector in Indonesia. Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 3 (1): 549-561.
- Rachmawati. (2008). Manajemen sumber daya manusia. Yogyakarta: Andi Offset.
- Rahayu, L., Kennedy. & Anisma, Y. (2014). Pengaruh kompetensi sumber daya manusia (SDM), penerapan sistem akuntansi keuangan daerah, dan penerapan standar akuntansi pemerintah (SAP) terhadap kualitas laporan keuangan pemerintah daerah pada pemerintah provinsi riau. JOM FEKON. Vol. 1, No.2.
- Razaei, N. (2013). 'The effect of accounting information technology systems on the accounting information quality. Journal of Applied Business and Finance Researches. Vol. 2. Page. 41-49.
- Rudi, A. (2016). 'Untuk Ketiga Kalinya, Laporan Keuangan DKI Jakarta Dapat Opini WDP Dari BPK'. Diakses 01 Juni 2016 Pukul 17.33 WIB dari <http://megapolitan.kompas.com/read/2016/06/01/17334891/untuk.ketiga.kalinya.laporan.keuangan.dki.jakarta.dapat.opini.wdp.dari.bpk>
- Romney, M, B & Steinbart, P, J. (2016). Sistem Informasi Akuntansi. Jakarta: Salemba Empat.
- Sari, S & Witono, B. (2014). 'Keterandalan dan ketepatan waktu pelaporan keuangan daerah ditinjau dari sumber daya manusia, pengendalian internal dan pemanfaatan teknologi informasi'. Seminar Nasional. ISBN: 978-602-70429-1-9. Hlm. 418-425.
- Sekaran, U. (2006). Research Methods for Business. Jakarta: Salemba Empat.
- Sugiyono. (2012). Metode penelitian kombinasi. Bandung: Alfabeta.
- Susanta. (2006). 'Sikap: Konsep Dan Pengukuran'. Jurnal Administrasi Bisnis, Vol. 2, No.2, hlm 94-106.
- Sutarman. (2012). Pengantar Teknologi Informasi. Jakarta: Bumi Aksara.
- Suwardjono. (2010). Teori Akuntansi Perencanaan Pelaporan Keuangan. Yogyakarta: BPFE.
- Syarifudin, A. (2014). 'Pengaruh kompetensi SDM dan peran audit intern terhadap kualitas laporan keuangan pemerintah daerah dengan variabel intervening sistem pengendalian internal pemerintah'. Jurnal Fokus Bisnis. vol. 14, no. 02. hlm.

- Yensi, D., Hasan, A. & Anisma, Y. (2014). 'Pengaruh kompetensi sumber daya manusia, penerapan sistem akuntansi keuangan daerah, dan sistem pengendalian intern terhadap kualitas informasi laporan keuangan pemerintah daerah'. JOM FEKON. Vol. 1, No. 1.
- Z.I.B, Abdullah, et al. (2015). Transparency And Reliability in Financial Statement: Do They Exist? Evidence from Malaysia. Journal of Accounting, page 29-43, October 2015.