

Factors Affecting the Quality of Village Financial Reports Using Information Technology as Moderation Variables
(Study in the Villages in the Tangerang District)

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Abstract: This study aims to analyze Factors Affecting the Quality of Village Financial Reports Using Information Technology as Moderation Variables. This research method is quantitative research. The total population of 246 villages and a sample of 123 villages using the purposive sampling method. The technique of collecting data is through distributing questionnaires which include the village head or village secretary. The results showed that the implementation of village government accounting standards, the competence of village apparatus, and the use of information technology had a significant effect on the quality of village financial reports and had a positive direction. The use of information technology can moderate the influence of the competence of village apparatus on the quality of village financial reports and the direction is positive.

Keywords: Village Government Accounting Standards, Village Apparatus Competence, Use of Information Technology, Quality of Village Financial Reports

1. INTRODUCTION

Law Number 6 of 2014 concerning Villages states that the implementation of village government is carried out based on the principle of accountability because for now, the village is the smallest unit of a government that runs the budget and is given confidence in government budget management, so that village finances that are managed must have a transparent process. and can be accounted for to users or the wider community. The need for implementing village government accounting standards aims to assist village apparatus in presenting village financial reports to be of higher quality so that the information presented is useful in deciding by the central government and local governments.

Based on information sourced from www.neraca.co.id on April 21, 2016, the disbursement of village funds in the Tangerang district for the 2016 fiscal year experienced delays because many village heads had not submitted accountability reports for the use of these funds. According to reports from 246 villages, only 152 village heads have submitted accountability reports. It is suspected that the accountability report was delayed because each village head did not use the funds according to the village income and expenditure budget. Other information obtained from neraca.co.id on 23 August 2017, five village heads have been asked for information by DPM-PD officers because it is suspected that the use of village funds is not by the village Budget Plan. According to residents' reports, the construction of residential roads using "paving blocks" (double-decker printing cement) is suspected of not being by the best and several other jobs that are not the same as the village budget. There is also information from berita6.com on June 27, 2020, Dozens of residents raided the Cibadak Village office, Cikupa District, Tangerang Regency, on Saturday (27/6/2020). They questioned the use of village funds for 2016-2019 which was allegedly misappropriated by the local village head.

Studies based on several of these phenomena are very important to be studied and analyzed more deeply about the quality of financial reports in a village government. A village financial report can be said to be of high quality, including that it must be presented promptly, there is no element of personal interest, and the allocation of village funds or the allocation of available village funds has been carried out properly and is by the Village Budget Plan. Increasing the quality of village financial reports will have a direct impact on the welfare of the community and the smooth development of a village government.

The results of research (Mahardini & Miranti, 2018) and (Setiyawati & Iskandar, 2020) say that the quality of government financial reports is determined by the better application of government accounting standards and competent human resources in their work. This means that the better the application of government accounting standards, the government financial reports that are presented will be of higher quality, besides that competent resources also greatly determine the quality of government financial reports so that they are free from misstatement and can be justified. However, this study contradicts the results of research (Inapty & Martiningsih, 2016) and (Ratmi & Hoesada, 2020) which concluded that quality government financial reports are not determined by the application of appropriate government accounting standards and competent apparatus.

In terms of village financial management, which is managed by village apparatus, it must use good government accounting standards, so that it becomes more transparent and accountable (Dwiningwarni & Amrulloh, 2020). The implementation of good government accounting standards means that the central and local governments, sub-districts, village communities and parties who need village financial information will participate in monitoring its use and village apparatus will not be burdened with compiling village financial reports because of the existence of correct reporting standards, as well as the village government. will not be bothered with time-consuming accountability matters.

Stated that several factors determine the quality of regional financial reports, including improved human resource competence and increasingly optimized use of information technology (Harnovinsah et al., 2020). The results of the study (Michael et al., 2020) and (Ramandei et al., 2019) an accountant who has high competence is very decisive in presenting quality and objective financial reports. However, the results of this study are not in line with (Safitri & Ramantha, 2018) and (Ratmi & Hoesada, 2020) the competence of human resources is not decisive in producing quality financial reports, because the principle of accounting conservatism is not supported to be applied optimally.

Quality village financial reports can be achieved through optimizing the use of information technology by building a management information system network and will assist village apparatus in presenting village financial reports. (Prodani et al., 2019) information technology plays a strategic role in managing organizations and has changed the world so that it is more developed and able to communicate or interact with one another. The results of research (Gafar et al., 2019) and (Mardinan et al., 2018) that quality financial reports are influenced by the use of information technology, if information technology is increasingly optimized, a financial report will be of higher quality. However, it is not in line with the research results (Nurlis & Yadiati, 2017) that information technology does not determine the quality of financial reports. Because information technology is still not optimally utilized and the application of this information technology is very expensive.

In institutional theory (Meyer & Rowan, 1977) the main focus is on the relationship between environment and organization, especially stability and organizational survival. So the role of information technology as a driver of social change is used as a major force in the dynamics of society that can affect the material of human work. This information technology provides the main strength for village apparatus with their competence in presenting quality and fast village financial reports so that a village is held accountable for its financial reports and is easier to understand. The results of the study (Susena & Supadmi, 2020) state that information technology strengthens the competence of human resources in the quality of financial reports. So in this case the government must further improve and optimize information technology to support competent human resources in presenting a quality financial report. However, the results of this study contradict (Sa'adah et al., 2017) that the information technology variable is unable to moderate the variable human resource competence and the quality of financial reports. This is because there are still many human resources who do not understand the use of information technology.

There are several different research results related to these 3 (three) variables on the quality of financial reports, therefore this study aims to prove empirically: (1) Does the implementation of village government accounting standards affect the quality of village financial reports?, (2) whether The competence of village apparatus affects the quality of village financial reports?, (3) does the use of information technology affect the quality of village financial reports?, (4) does the competence of village apparatus with the use of information technology affect the quality of village financial reports?

2. LITERATURE REVIEW

Stewardship Theory

Stewardship Theory (Donaldson & Davis, 1991) is a theory that describes how management in a government is required to provide services (acting as stewards/servants) for the benefit of the principal. Management in a dominant government acts as a steward rather than an agent. In essence, a village government aims not to seek profit but to provide maximum services to the village community. Stewardship Theory views a village government as a party that can be trusted by the village community who are required to manage and present a village financial report in a transparent and accountable manner. To carry out their responsibilities as stewards, village apparatus must use their competencies to the fullest so that they can present village financial reports according to correct government accounting standards and the Village Government not only operates for its interests but must provide benefits to stakeholders.

Institutional Theory

The institutional theory according to (Meyer & Rowan, 1977; Cai & Mehari, 2015) is a theory that focuses primarily on the relationship between environment and organization, especially stability and organizational survival. Institutional theory shows how a village government carries out its activities by the social and cultural values that surround it. The implementation of village government accounting standards is a supporting factor in presenting quality village financial reports so that it reflects a pattern of change that is even better in doing things that develop from time to time and are legalized in an organization and the environment. The role of the use of information technology as a driver of social change is used as a major force in community dynamics that affect human work materials such as managing financial information in a village using a computer so that the resulting village financial information is more transparent and accurate.

Village Government Accounting Standards

According to the Republic of Indonesia Government Regulation No. 71 of 2010, Government Accounting Standards are accounting principles in preparing and presenting financial reports that must be applied in a government both central and regional. Until now, the Village Government Accounting Standards have not been implemented in a village government, so that in terms of village financial management it still follows Permendagri 20 of 2018. Village finances are managed based on the principles of transparency, accountability, participation and are carried out in an orderly, disciplined budget and Village Budget is the basis of Village financial management for a period of 1 (one) fiscal year from January 1 to December 31. According to (Committee Government Accounting Standards, 2019) Government Accounting Standards focus on transactions to financial reports, including (1) Measurement, (2) Recognition, (3) Presentation, (4) Disclosure.

Village Apparatus Competence

Competence is the knowledge and skills a person has so that they can work easily, quickly, intuitively, and can minimize errors (Solong, 2020). In the Regulation of the Head of the State Personnel Agency Number 8 of 2013 concerning the Formulation of Technical Competency Standards for Civil Servants including (1) Work Knowledge, (2) Job Skills, (3) Work Attitudes.

Use of Information Technology

Information Technology is a technology system that can provide information widely and quickly to others, so that information can increase public knowledge and understanding (Simarmata et al., 2020). According to (Kadir & Triwahyuni, 2013) The main components of an information technology system are (1) Hardware, (2) Software, (3) People (Brainware).

Quality of Village Financial Reports

The quality of financial reports is a financial report that can be compared with previous periods, presents facts in an honest, reliable manner, is free from misleading notions, is easy to understand, and supports decision making

(Hakim, 2017). Criteria for assessing the quality of financial reports according to Government Regulation No. 71 of 2010 concerning Indonesian Government Accounting Standards, which include (1) Understandable, (2) Relevant, (3) Reliable, (4) Comparable.

3. THOUGHT FRAMEWORK

Based on the theoretical foundation and previous studies, the researcher develops the research framework tested as shown in the following figure:

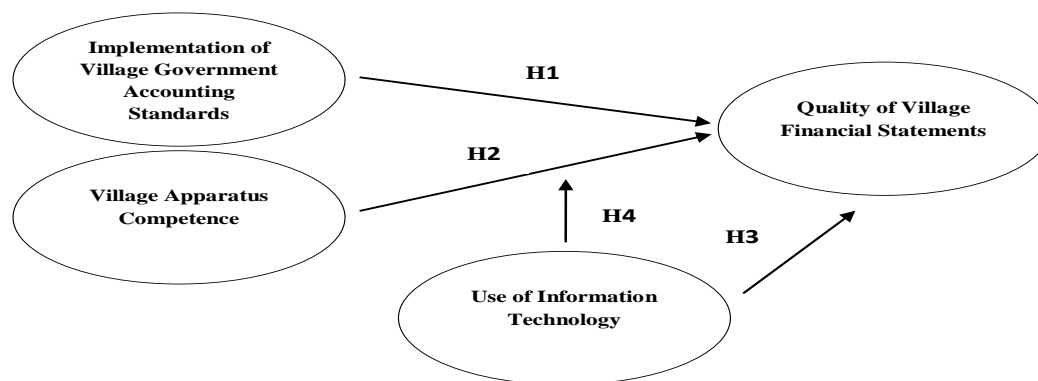


Figure 1.1 Frameworks for Thinking

Hypothesis Development

The Effect of the Implementation of Village Government Accounting Standards on the Quality of Village Financial Reports

The implementation of the Village Government Accounting Standards will have a process of transparency and accountability in the presentation of village financial reports so that they will be free from misstatements and can be used as a financial information center for central and local governments, sub-districts, village communities and other parties who need financial information village and used as a basis by the government in making a decision.

Research results (Meinarsih et al., 2020), (Sako & Lantowa, 2018), (Nkundabanyanga et al., 2013), (Kurniawati & Setiyawati, 2019), (Setiyawati & Iskandar, 2020), and (Putri & Agustiawan, 2020) What determines the quality of the financial reports in a government is government accounting standards that are well implemented so that the presentation of government financial reports will be by applicable regulations and are more structured. However, it is not in line with (Julita & Susilatri, 2018) and (Ratmi & Hoesada, 2020) that the application of government accounting standards does not determine the quality of government financial reports. This means that higher government accounting standards do not affect the quality of government financial reports.

H₁ : The implementation of Village Government Accounting Standards has a significant effect on the Quality of Village Financial Reports.

The Effect of Village Apparatus Competence on the Quality of Village Financial Reports

To produce quality and accountable village financial reports, the competency of village apparatus who have skills, knowledge, and a good attitude is required. The better the competence of village apparatus, the better the quality of quality village financial reporting.

Research results (Nurlis & Yadiati, 2017), (Kasim, 2015), (Ramandei et al., 2019), (Michael et al., 2020), (Mabil, 2019), (Umar et al., 2018), (Nirwana & Haliah, 2018), (Ratih & Nurhasah, 2018), (Synthia, 2017), (Mardinan et al., 2018), (Gafar et al., 2019), (Setiyawati & Iskandar, 2020) and (Mahardini & Miranti, 2018) concluded that apparatus who have high competence such as having good knowledge, adequate skills and being responsible for

determining the quality of government financial reports. However, it is not in line with the results of research (Safitri & Ramantha, 2018), (Susena & Supadmi, 2020) and (Ratmi & Hoesada, 2020) that quality financial reports are not determined by human resource competence because the principle of accounting conservatism is not supported for applied optimally.

H₂ : The Competence of Village Apparatus has a significant effect on the Quality of Village Financial Reports.

The Effect of Information Technology Use on the Quality of Village Financial Reports

The use of optimized information technology will assist village apparatus in presenting village financial information quickly and easily understood through a computerized system. The more optimized the use of information technology in a village government, the more quality village financial reports will be produced.

The results of research (Julita & Susilatri, 2018), (Mardinan et al., 2018), (Gafar et al., 2019), (Ratmi & Hoesada, 2020), and (Putri & Agustiawan, 2020) state that government financial reports will be of higher quality. because it is determined by the information technology applied in a government. This means that the application of information technology is one of the supporting factors so that the government financial reports that are presented will be of higher quality. However, it is not in line with the research results (Nurlis & Yadiati, 2017) which states that the quality of financial reports is not affected by the use of information technology. This means that optimizing the use of information technology has not been able to encourage financial reports to be of high quality because there are still some information technologies that have not been utilized optimally. Besides, it also requires a lot of money in implementing information technology.

H₃ : The Use of Information Technology has a significant effect on the Quality of Village Financial Reports.

The Effect of Village Apparatus Competence on the Quality of Village Financial Reports with the Use of Information Technology as a Moderation Variable

The presence of information technology helps competent village apparatus in presenting a village financial report to be of higher quality so that in terms of reporting it will not take a long time.

The results of the study (Susena & Supadmi, 2020) concluded that the use of information technology was able to moderate the influence between human resource competence and the quality of financial reports. It can be said that information technology that is used properly will help human resources in compiling financial reports so that it will produce higher quality financial reports. However, it is not in line with the results of the research (Sa'adah et al., 2017) which states that the use of information technology is not able to moderate the competency variables of human resources with the quality of financial reports.

H₄ : The use of Information Technology can Moderate the Competence of Village Apparatus on the Quality of Village Financial Reports.

4. RESEARCH METHOD

The method or type of research used in this research is quantitative research. The scale used is the interval scale. The total population is 246 villages and purposive sampling is the method used in the sampling of this study, using several criteria, namely the village that uses the Village Income and Expenditure Budget which is used according to village development and activities, villages that are not late in submitting financial reports, villages whose human resources understand how to present village financial reports correctly, and villages whose village funds and village fund allocations are by their allocation. The number of samples determined based on the criteria was 123 villages.

Table 1. Sample Member Table

No	Village Name	No	Village Name	No	Village Name	No	Village Name
1	Dukuh	32	Tipar Raya	63	Ranca Labuh	94	Cikande
2	Cukanggalih	33	Rancabuaya	64	Wanakerta	95	Pasir Gintung
3	Kadu	34	Ancol Pasir	65	Sindang Sono	96	Pangkat
4	Cikupa	35	Daru	66	Sindang Jaya	97	Pabuaran
5	Bitung Jaya	36	Taban	67	Sindang Panon	98	Dangdeur
6	Pasir Bolang	37	Peusar	68	Sukaharja	99	Patrasana
7	Jeungjing	38	Panongan	69	Suka Asih	100	Renged
8	Bojong	39	Kutruk	70	Rancabango	101	Jengkol
9	Matagara	40	Ranca Iyuh	71	Pengadegan	102	Sukamulya
10	Talaga	41	Pasir Barat	72	Pasar Kemis	103	Blukbuk
11	Talaga Sari Cikupa	42	Babat	73	Rajeg	104	Pagenjahan
12	Munjul	43	Cirarab	74	Kubang	105	Pasilian
13	Curug Wetan	44	Bojong Kamal	75	Bantarpanjang	106	Kronjo
14	Kadu Jaya	45	Malangnengah	76	Pasanggrahan	107	Pagedangan
15	Sukadamai	46	Caringin Legok	77	Solear	108	Lontar
16	Pasir Jaya	47	Jatake	78	Caringin Cisoka	109	Patramanggala
17	Sukanegara	48	Situgadung	79	Cibugel	110	Karang Anyar
18	Pematang	49	Kadusirung	80	Pasir Ampo	111	Kaliasin
19	Cisereh	50	Mekarwangi	81	Koper	112	Pasir
20	Cireundeu	51	Dangdang	82	Talok	113	Kemuning
21	Cikareo	52	Sindang Asih	83	Kressek	114	Parahu
22	Cikuya	53	Cibadak	84	Kemiri	115	Merak
23	Cileles	54	Tanjakan	85	Pasir Muncang	116	Rancailat
24	Cangkudu	55	Rajeg Mulya	86	Sumur Bandung	117	Buniayu
25	Selapajang	56	Sukasari	87	Gembong	118	Benda
26	Carenang	57	Lembang Sari	88	Sentul Jaya	119	Tapos
27	Karang Harja	58	Jambu Karya	89	Tobat	120	Jambe
28	Bojongloa	59	Daon	90	Sukamurni	121	Tegalsari
29	Cempaka	60	Pasirgadung	91	Talaga Sari Balaraja	122	Sukatani
30	Pete	61	Sukamantri	92	Saga	123	Pasirangka
31	Sodong	62	Sukamanah	93	Jayanti		

The data technique is obtained from primary data through distributing questionnaires to respondents including the village head or village secretary. The unit of analysis used is 1 (one) questionnaire for 1 (one) village. The questionnaire is made in the form of structured questions, where respondents are limited in providing answers to certain alternative answers. Data analysis used multiple linear regression with the help of the SPSS application program version 25. The relationship is expressed in the following equation:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e$$

Also, for the Moderated Regression Analysis test the regression is:

$$Y = \alpha + \beta_1X_2 + \beta_2X_3 + e \dots\dots\dots (1)$$

$$Y = \alpha + \beta_1X_2 + \beta_2X_3 + \beta_3X_2 \cdot X_3 + e \dots\dots\dots (2)$$

Information: Y = Quality of Village Financial Report; α = Kostanta; $\beta_1 \beta_2 \beta_3$ = Regression Coefficient; X1 = Implementation of Village Government Accounting Standards; X2 = competence of village apparatus; X3 = Use of Information Technology; X2*X3 = Moderation Variable; e = Error.

5. RESULTS AND DISCUSSION

In this study, 123 questionnaires were distributed. Of the total questionnaires distributed, 123 were returned and can be used as material for analysis

Table 1. Characteristics of Respondents

Characteristics	Information	Frequency	%
Gender	Men	117	95%
	Women	6	5%
Age	20-30 Years	11	9%
	31-40 Years	46	37%
	41-50 Years	41	33%
	51-60 Years	24	20%
	61-70 Years	1	1%
Education	Junior High School	2	2%
	Senior High School	77	63%
	Diploma	3	2%
	Bachelor	40	32%
	Postgraduate	1	1%
Years of Service	<1 Year	44	36%
	1-5 Years	31	25%
	6-10 Years	22	18%
	11-15 Years	11	9%
	16-20 Years	10	8%
	21-25 Years	3	2%
	26-30 Years	1	1%
31-35 Years	0	0%	
	36-40 Years	1	1%

The table shows the characteristics of the respondents based on gender, namely being dominated by the male gender. For men 117 people or 95% and women 6 people or 5%. The characteristics of respondents based on the age of the majority are 31-40 years old, namely 46 people or 37%, and minorities aged 61-70 years namely 1 person or 1%. Characteristics of respondents based on education level, the majority have a junior school education, 77 people or 63%, and a minority with postgraduate education of 1 person or 1%. Characteristics of respondents based on the majority of working years under 1 year 44 people or 36% and minority 31-35 years do not exist or 0%.

Descriptive Statistical Analysis

In Table 2, the variable implementation of village government accounting standards has the highest minimum value of 44, the variable use of information technology has the lowest minimum value of 30. The highest maximum value is owned by the variable implementation of village government accounting standards and the competence of village apparatus by 55, while the variable use of technology information has the lowest maximum value of 40.

Table 2. Descriptive Statistical Test

Deskripif Statistics	N	Minimum	Maximum	Mean	Std. Deviation
ISAPD	123	44	55	49,47	3,222
KAD	123	42	55	49,49	3,148
PTI	123	30	40	36,27	2,294
KLKD	123	37	50	43,98	3,285
Valid N (listwise)	123				

The mean value of the variable implementation of village government accounting standards is 49,47, whose value is close to the interval scale of 5 and means that on average the respondents answered: "strongly agree". The mean value of the village apparatus competency variable is 49,49, which means that on average the respondents answered: "strongly agree". The mean value of the variable using information technology is 36,27, which means that on average the respondents answered: "agree". The mean value on the quality variable of village financial reports is 43,98 which means that on average the respondents answered, "agree".

Validity Test

All indicators on the variable implementation of village government accounting standards, the competence of village apparatus, the use of information technology, and the quality of village financial reports have been tested valid because the calculated r-value is greater than the r-table value (0.1771).

Reliability Test

Based on Table 3, the variable implementation of village government accounting standards, the competence of village apparatus, the use of information technology, and the quality of village financial reports are declared reliable. Because the variable Cronbach Alpha value is greater than 0.7.

Table 3. Reliability Test

	Cronbach Alpha	N of Items	Information
Implementation of Village Government Accounting Standards	0,810	11	Reliable
Village Apparatus Competence	0,790	11	Reliable
Use of Information Technology	0,702	8	Reliable
Quality of Village Financial Reports	0,814	10	Reliable

Normality Test

In Table 4, it is known that the asymp. The sig (2-tailed) of the Kolmogorov-Smirnov Z test for standardized variable residuals is 0.82 greater than the α value (0.05). So it can be concluded that the residual data is normally distributed.

Table 4. Normality Test

One-Sample Kolmogorov-Smirnov Test	Unstandardized Residual
Asymp. Sig. (2-tailed)	0,82

Multicollinearity Test

In Table 5, it can be concluded that the variable implementation of village government accounting standards has a tolerance value of 0.657 > 0.1 and VIF 1.522 < 10 so that there is no multicollinearity. The village apparatus competency variable has a tolerance value of 0.582 > 0.1 and VIF 1.717 so that there is no multicollinearity. The

variable of information technology use has a tolerance value of 0.711 > 0.1 and VIF of 1.406 so that there is no multicollinearity.

Table 5. Multicollinearity Test

	Tolerance	VIF
Implementation of Village Government Accounting Standards	0,657	1,522
Village Apparatus Competence	0,582	1,717
Quality of Village Financial Reports	0,711	1,406

Dependent Variable: Quality of Village Financial Reports

Heteroscedasticity Test

In Table 6, the results of the heteroscedasticity test using the Glejser test were obtained for the sig value. on each variable that is greater than the value of α (0.05). So it can be ignored that there is no heteroscedasticity in the regression model.

Table 6. Heteroscedasticity Test

	Sig.	Information
Implementation of Village Government Accounting Standards	0,577	No Heteroscedasticity
Village Apparatus Competence	0,913	No Heteroscedasticity
Quality of Village Financial Reports	0,059	No Heteroscedasticity

Result of Determination Coefficient Test (R²)

The value of Adjusted R Square for this study is 0,580 which means that the variable quality of financial reports can be explained by the variable implementation of village government accounting standards, the competence of village apparatus, and the use of information technology. While the rest (100% - 58% = 42%) can be explained by other variables outside this model. so it can be concluded that the model is quite good.

Simultaneous Test (Test F)

In Table 7, the calculated F value is 57,215 with a probability of 0,000. So it can be concluded that the implementation of village government accounting standards, the competence of village apparatus, and the use of information technology together affect the quality of village financial reports because the p-value is less than 0,05.

Table 7. Simultaneous Test (Test F)

	F	Sig.
Regression	57,215	0,000 ^b

Partial Test (t-test)

Table 8. Partial Test (t-test)

	Unstandardized Coefficients		Standardized Coefficients		T	Sig.
	B	Std. Error	B			
Constant	-4,009	3,703			-1,083	0,281
ISPAD -> KLKD	0,232	0,074	0,228		3,148	0,002
KAD -> KLKD	0,409	0,080	0,392		5,098	0,000
PTI -> KLKD	0,448	0,100	0,313		4,500	0,000

First Hypothesis

The variable for implementing village government accounting standards has a significance value of 0,002 much smaller than 0,05. It can be concluded that the implementation of village government accounting standards influences the quality of village financial reports. So in this case the hypothesis H₁ is accepted.

Second Hypothesis

The competency variable of the village apparatus has a significance value of 0,000 much smaller than 0,05. It can be concluded that the competence of the village apparatus influences the quality of village financial reports. So in this case the hypothesis H₂ is accepted.

The Third Hypothesis

The variable use of information technology has a significance value of 0,000 much less than 0.05. It can be concluded that the use of information technology influences the quality of village financial reports. So in this case the hypothesis H₃ is accepted.

Multiple Regression Analysis

The multiple linear regression analysis models between the independent variables and the dependent variable can be formulated in the equation model as follows:

$$Y = -4.009 + 0.232X_1 + 0.409X_2 + 0.448X_3 + e$$

Moderate Regression Analysis Test

Table 9. Test of Moderated Regression Analysis

	Equation 1			Equation 2		
	Adj. R Square	B	Sig.	Adj. R Square	B	Sig.
Adjusted R Square	0,549			0,561		
Constant		-0,158			98,511	
KAD		0,524	0,000			0,135
PTI		0,502	0,000			0,101
KAD*PTI					4,817	0,044

By comparing the two regressions, it is concluded that the level of significance of the variable using information technology is 0.044 less than 0.05 and in equation 1 the results of Adj. R Square 0.549 and equation 2 give the result of Adj. R Square 0.561, so that there is an increase of 0.012 in the MRA test. It can be said that the variable use of information technology is a moderating variable. Moderated Regression Analysis test Regression Equation:

$$Y = 98,511 + (-1,492) X_2 + (-2,183) X_3 + 4,817 \text{abs} X_2 * X_3 + e$$

The Fourth Hypothesis

The significance value of the moderating variable KAD*PTI is 0,044, which means the significance is less than 0,05 and an increase in the value of Adjusted R Square is 0,012. These results indicate that hypothesis H₄, namely the use of information technology, moderates the effect of village apparatus competence on the quality of village financial reports are accepted.

The Effect of the Implementation of Village Government Accounting Standards on the Quality of Village Financial Reports

The implementation of village government accounting standards has a significant effect on the quality of village financial reports and has a positive direction. This means that village financial reports will be of higher quality if good village government accounting standards are implemented. By institutional theory (Meyer & Rowan, 1977) The implementation of village government accounting standards is a supporting factor in presenting quality village financial reports so that it reflects a pattern of change that is even better in doing things that develop over time and are validated in an organization and the environment. With government accounting standards implemented in a village government, village financial reports will be accountable, so that interested parties can know every transaction and flow of village income and expenditure budgets transparently and accurately. This proves that it is very important for village government accounting standards to be implemented as soon as possible in a village government, so that village financial reports will be of higher quality.

The results of this study are in line with (Meinarsih et al., 2020), (Sako & Lantowa, 2018), (Nkundabanyanga et al., 2013), (Kurniawati & Setiyawati, 2019), (Setiyawati & Iskandar, 2020) and (Putri & Agustawan, 2020) who concluded that the application of government accounting standards has a significant effect on the quality of government financial reports. However, the results of this study are not in line with (Julita & Susilatri, 2018) and (Ratmi & Hoesada, 2020) which state that the quality of government financial reports is not determined by the application of government accounting standards.

The Effect of Village Apparatus Competence on the Quality of Village Financial Reports

The competence of the village apparatus has a significant effect on the quality of village financial reports and has a positive direction. This means that the higher and the competence possessed by the village apparatus continues to be improved, the better quality village financial reports will be. By the management theory (Donaldson & Davis, 1991) explains that village apparatus with their competencies must provide village financial reports according to correct government accounting standards as a form of their responsibility in providing maximum service to stakeholders. Competence improvement can be done by frequently attending financial education and training, having good knowledge, adequate skills, and a good attitude, so that they can work quickly, intuitively, and with experience will be able to minimize errors.

However, the researcher analyzed the description of the research object for respondents based on the level of education and years of service which showed that the dominant high school/vocational school education level was 63% and the work period was less than 5 years, namely 61%, it can be concluded that his competence is relatively low and his working period is still under 5 years of age, but the respondents answered the questionnaire very highly all of the village apparatus competency variables, the possibility of potential bias.

The results of this study are in line with (Nurlis & Yadiati, 2017), (Kasim, 2015), (Ramandei et al., 2019), (Michael et al., 2020), (Mabil, 2019), (Umar et al., 2018), (Nirwana & Haliah, 2018), (Ratih & Nurhasah, 2018), (Synthia, 2017), (Mardinan et al., 2018), (Gafar et al., 2019), (Setiyawati & Iskandar, 2020) and (Mahardini & Miranti, 2018) stated that human resource competence has a significant effect on the quality of village financial reports. However, the results of this study are not in line with (Safitri & Ramantha, 2018), (Susena & Supadmi, 2020) and (Ratmi & Hoesada, 2020) which state that quality financial reports are not determined by the competence of human resources.

The Effect of Information Technology Use on the Quality of Village Financial Reports

The use of information technology has a significant effect on the quality of village financial reports and has a positive direction. This means that the more optimized use of information technology in a village government, the more quality village financial reports are presented. By institutional theory (Meyer & Rowan, 1977) the role of using information technology provides the main strength for village apparatus with their competence in presenting quality and fast village financial reports so that a village is accountable for its financial reports that are not obstructed and easily understood, with which originally used a manual system to become a computerized system. Based on the descriptive data of the research object observed by the researcher, in the description of the frequency of respondents based on age, the dominant age is in the 30 to 50 years, which is 70%, in fact with the age of 30 to 50 years demographically not familiar with technological changes, but respondents answered the questionnaire. on the variables of the use of information technology with very high categories, the possibility of a potential bias.

The results of this study are in line with (Julita & Susilatri, 2018), (Mardinan et al., 2018), (Gafar et al., 2019), (Ratmi & Hoesada, 2020) and (Putri & Agustiawan, 2020) that the quality of financial reports influenced by the use of information technology. However, the results of this study are not in line with the results of research (Nurlis & Yadiati, 2017) which states that the quality of financial reports is not influenced by the use of information technology.

The Effect of Village Apparatus Competence on the Quality of Village Financial Reports with the Use of Information Technology as a Moderation Variable

The use of information technology can strengthen or moderate the influence of the competence of village apparatus on the quality of financial reports and has a positive direction. This means that the increasingly optimized use of information technology in a village government will help village apparatus with their competence in presenting a village financial report so that the resulting village financial reports will be of higher quality. In managing village financial reports, the village administration in the Tangerang Regency Government area has used the Village Financial System application. The use of information technology in the form of a village financial system is very helpful for village apparatus in inputting every reporting transaction that occurs every day, resulting in higher quality village financial reports.

The results of this study are in line with (Susena & Supadmi, 2020) concluding that the use of information technology can moderate the effect of human resource competence on the quality of financial reports. However, it is not in line with the results of research (Sa'adah et al., 2017) which states that the use of information technology is not able to moderate the human resource competency variables with the quality of financial reports.

6. CONCLUSION AND SUGGESTIONS

Conclusion

From the results of research conducted by distributing questionnaires and obtained the following results: (1) Implementation of village government accounting standards has a significant effect on the quality of village financial reports and the direction is positive; (2) The competence of village apparatus has a significant effect on the quality of village financial reports and the direction is positive; (3) The use of information technology has a significant effect on the quality of village financial reports and has a positive direction; (4) The use of information technology can moderate the influence of the competence of village apparatus on the quality of village financial reports and has a positive direction.

Suggestions

Next Researcher

Further research is expected to be able to examine the quality of village financial reports in other Village Government areas in Indonesia besides the Tangerang Regency Village Government and also increase the number of village government samples that will be used as research objects.

Central Government and Village Government

The Central Government should immediately implement village government accounting standards in a village government, so that the village government in making village financial reports will be by the use of village income and expenditure budget funds, besides that it will also minimize misuse of village finances, both those sourced from village funds and allocation of village funds. The Central Government is also expected to optimize information technology facilities in a Village Government.

The Village Government in the Tangerang Regency area must routinely provide education and training to village apparatus so that the competence of the village apparatus increases. It is also hoped that the Village Government in the Tangerang Regency area can optimize the use of information technology so that the preparation of village financial reports no longer takes a long time.

Research Limitations

This study has limitations, namely, it is recognized that there is a potential bias in the answers to the questionnaire. Also, this research does not use interview techniques or other methods because it only uses questionnaires.

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