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THE INFLUENCE OF IMPLEMENTING REGIONAL GOVERNMENT INFORMATION SYSTEMS (SIPD) AND HUMAN RESOURCE COMPETENCE FINANCIAL REPORTS QUALITY OF REGIONAL APPARATUS ORGANIZATIONS (OPD) IN SITUBONDO REGENCY

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ABSTRACT

This article objective is to determine the effect of implementing regional government information systems and human resource competence on the quality of regional apparatus organization (OPD) financial reports in Situbondo Regency. This research uses primary data in the form of questionnaires collected from 53 OPDs in Situbondo Regency. The populations in this study were all OPDs in Situbondo Regency, totaling 53 OPDs in Situbondo Regency. Researchers used a purposive sampling method. Determining respondents with a total of 100 respondents with 2 respondents for each OPD in Situbondo Regency, namely the head of OPD and financial report preparation staff at each Regional Apparatus Organization (OPD) in Situbondo Regency so that the analysis unit is heterogeneous and respondents' perceptions can be spread evenly in each organization. Regional Apparatus (OPD) in Situbondo Regency. The data analysis method used is multiple linear regression analysis. The results of the research show that the implementation of regional government information systems and human resource competency has a positive and significant effect on regional apparatus organization (OPD) financial reports quality in Situbondo Regency.

KEYWORDS: - SIPD, Competency, Human Resources, Financial Reports Quality.

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1. INTRODUCTION

The central government provides funds to each regional government to be managed based on the needs of each region. Based on UU no. 23 of 2014, the policy that applies in various regions of

Indonesia itself is to give freedom to each regional government in each region to organize and run government freely to develop existing resources in each region based on the principles of autonomy and supporting duties that apply to the government sector. The central government requires regional governments to make financial reports as a form of accountability for the use of funds and performance assessments; this is based on the government realizing the need to implement accounting in government to create fair and transparent regional government (Wardani et al., 2023). The financial reports that must be provided by local governments are reports that can be accounted for and are of high quality. The quality of financial reports is something that needs to be considered because it will be used as a reference as a basis for decision making, both in the public and non-public sectors. The quality of public sector financial reports must be considered in accordance with existing standards for preparing financial reports, because public sector financial reports are a form of government transparency for users of financial reports. Quality financial reports can be said to be good if they provide financial report information that can be understood and can meet the needs of users in making decisions. And can be relied on, these financial reports can be compared to previous or previous periods (Prasetio et al., 2023).

One of the things that influence the quality of financial reports is the implementation of information systems. The Regional Development Information System (SIPD) is a system that documents, administers and processes regional development data into information that is presented to the public and as material for consideration in decision making. The Regional Development Information System (SIPD) will assist Regional Heads / Heads of Agencies / Heads of Agencies / Heads of Offices / Heads of respective Work Units in obtaining accurate information and data. And implementing the Regional Development Information System is also an acceleration of the implementation of Presidential Instruction Number: 3 of 2003 concerning National Policy and Strategy for Government Electronic Development (Mutoharoh&Ifada, 2023).

Preparing regional financial reports not only involves the need for adequate information systems and special accounting software, but also must be balanced with highly competent human resources. Human resources are a very important organizational element; therefore it must be ensured that human resource management is carried out as well as possible so that they are able to contribute optimally in efforts to achieve organizational goals. Human resources are an important factor in creating quality financial reports. The success of an entity is not only influenced by human resources but also the competence of human resources that he has (Eliana et al., 2023).

The large number of cases regarding the quality of regional government financial reports in Indonesia is still a hot issue or news that needs to be studied more deeply, as evidenced by the existence of several regional governments that have failed to obtain WTP opinions. One of them is East Java Province, the results of the audit show that relatively many Regency/City BPKADs have received WTP, especially since East Java province has always received WTP in the last 5 (five) years, although in this opinion it still received special notes from the Supreme Audit Agency . One of them is regarding the recording of School Operational Assistance (BOS) funds; there are still some incomplete reports (Jatimnet, 2023).

Based on the results of the examination of the Financial Report, Situbondo Regency received an Unqualified Opinion (WTP) for five consecutive years. However, an Unqualified Opinion (WTP) is not a guarantee that the financial reports presented by the government are free from irregularities. There are several notes that need attention and it is hoped that they can be corrected, one of which is that there are problems with the issuance of assets and inaccurate administration of assets. Apart from that, there is also the problem of finding the return of excess payments for physical project

work. Based on this, the phenomenon of Situbondo Regency government financial reporting is worthy of further study.

Syamsuddin's research (2022) shows that the use of information technology has an effect on the quality of financial reports. Research by Sutrisna et al., (2022) shows that the use of information technology has an effect on the quality of financial reports. Mutoharoh&Ifada's (2023) research shows that the use of information technology has an effect on the quality of financial reports. Research by Searly et al., (2023) shows that the use of information technology has an effect on the quality of financial reports. However, there is a research gap in the results of research conducted by Meliana (2021) showing that the use of information technology has no effect on the quality of financial reports. Research by Agustin &Fidiana (2020) shows that the use of information technology has no effect on the quality of financial reports.

Research by Prasetyo et al., (2023), Eliana et al., (2023), Anto &Yusran (2023), Asmiati et al., (2023) shows that human resource competency influences the quality of financial reports. However, there is a research gap in the results of research conducted by Wardani et al., (2023) showing that human resource competency has no effect on the quality of financial reports. Research by Animah et al., (2020) shows that human resource competency has no effect on the quality of financial reports.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Liability Theory (Stewardship Theory)

Stewardship theory is a situation where management is not motivated by individual goals but is more focused on the main goal, namely the interests of the organization (Donaldson and Davis, 1991). As demands for accountability increase in public sector organizations, it becomes increasingly difficult for principals to carry out their own financial management functions, so that the role of accounting is needed in separating duties between ownership and management functions in order to realize public welfare and accountability for the management of state assets.

Quality of Financial Reports

The purpose of financial reports based on PSAK Number 1 is to provide information regarding the financial position, financial performance and cash flow of an entity that is useful for the majority of report users in making economic decisions. Financial reports also show the results of management's accountability for the use of the resources entrusted to them. The qualitative characteristics of financial reports are characteristics that make the information in financial reports useful for users in making decisions of economic value.

Hypothesis

Stewardship Theory describes a strong relationship between satisfaction and organizational success. Achieving success in an organization can be achieved by maximizing the utility of principals and management. To achieve good governance objectives in preparing regional financial reports, regional governments must disclose clearly and in detail related accounting data and other information that is in accordance with the use of the Regional Government Information System (SIPD) in preparing regional financial reports. The Regional Government Information System (SIPD) is designed in such a way by an organization so that it can fulfill its function, namely producing accounting information that is relevant, reliable, comparable and understandable. With a proper Regional Government Information System (SIPD) a report can be produced that is capable of providing various information that is useful for decision-making parties (Sacco & Vance, 2020). The use of an accounting information system is one of the factors that can produce quality financial reports. The better use of accounting information systems will have an impact on increasing the

quality of local government financial reports. One of the supporting factors for the quality of financial reports is the implementation of the Regional Government Information System (SIPD), where financial reports are produced from a process that is based on good input, good processes and good output. In this way, it is hoped that the resulting financial reports can meet the expected information and be able to improve the quality of results and the availability of timely financial reports (Mauro, 2021).

Research by Syamsuddin (2022), Sutrisna et al., (2022), Mutoharoh&Ifada (2023), Searly et al., (2023), Prasetyo et al., (2023), Eliana et al., (2023), Anto &Yusran (2023), Asmiati et al., (2023) show that the use of information technology has an effect on the quality of financial reports. So a hypothesis can be formulated as follows:

H1: Regional Government Information Systems have a positive effect on the Quality of Regional Financial Reports

According to Stewardship Theory, executives tend to be motivated to act in the interests of the corporation rather than their own interests. Therefore, the role of human resource competence is very necessary in preparing regional financial reports. Human resource competency plays an important role in the process of preparing financial reports with quality report results. Human resources directly related to the system will be required to have sufficient accounting skills (Lorson et al., 2023).

The quality of financial reports must be supported by the quality of human resources, meaning that the higher the quality of a financial employee will support an increase in the quality of the financial reports produced. The better the competency of human resources, the better the quality of the report. Human resources who have competence will be able to complete their work efficiently and effectively. The existence of human resource competence will support the timeliness of making financial reports. Good use of the Regional Government Information System (SIPD) is expected to improve the quality of the financial reports produced (Asmiati et al., 2023).

Research by Syamsuddin (2022), Sutrisna et al., (2022), Mutoharoh&Ifada (2023), Searly et al., (2023), Prasetyo et al., (2023), Eliana et al., (2023), Anto &Yusran (2023), Asmiati et al., (2023) show that human resource competency influences the quality of financial reports. So a hypothesis can be formulated as follows:

H2: Human Resource Competency has a positive effect on the Quality of Regional Financial Reports

3. RESEARCH METHODS

The population in this study was all OPDs. This study used primary data in the form of questionnaires collected from 53 OPDs in Situbondo Regency. The populations in this study were all OPDs in Situbondo Regency, totaling 53 OPDs in Situbondo Regency. Researchers used a purposive sampling method. Determining respondents with a total of 100 respondents with 2 respondents for each OPD in Situbondo Regency, namely the head of OPD and financial report preparation staff at each Regional Apparatus Organization (OPD) in Situbondo Regency so that the analysis unit is heterogeneous and respondents' perceptions can be spread evenly in each organization. Regional Apparatus (OPD) in Situbondo Regency. The data analysis method used is multiple linear regression analysis.

4. RESULTS AND DISCUSSION

Results

Descriptive Statistics

Descriptive statistical analysis in research is basically a process of transforming research data in tabulated form so that it is easy to understand and interpret. This research uses descriptive statistics to determine the description or description of data which can be seen from the average (mean), maximum and minimum values and standard deviation of the research variables (Ghozali, 2021). The results of descriptive statistical data processing for research variables appear in Table 1 below:

Table 1. Descriptive Statistic Results

Research Variable	N	Min	Max	Mean	Deviation Standard
X ₁	100	27	40	35,92	2,9837
X ₂	100	16	24	21,38	1,8022
Y	100	22	32	28,36	2,4475

Source: Data is processed, 2024.

Based on the results of the analysis in Table 1, it can be seen that the SIPD variable shows an average value of 35.92. The lowest value for the SIPD variable is 27 and the highest value is 40. The standard deviation is 2.9837. This means that the standard deviation value is closer to the average value (mean) and the size of the data spread is getting smaller.

Based on the results of the analysis in Table 1, it can be seen that the HR Competency variable shows an average value of 21.38. The lowest value for the HR Competency variable is 16 and the highest value is 24. The standard deviation is 1.8022. This means that the standard deviation value is closer to the average value (mean) and the size of the data spread is getting smaller.

Based on the results of the analysis in Table 1, it can be seen that the OPD Financial Report Quality variable shows an average value of 28.36. The lowest value for the OPD Financial Report Quality variable is 22 and the highest value is 32. The standard deviation is 2.4475. This means that the standard deviation value is closer to the average value (mean) and the size of the data spread is getting smaller.

Multiple linear regression analysis

Multiple linear regression analysis is a regression model that aims to determine the direction and how much influence the dependent variable has on the independent variables, using SPSS 19 software. The results of this analysis test how much SIPD and HR Competency influence the Quality of OPD Financial Reports. The results of multiple linear regression analysis of the research hypothesis can be seen in Table 4.9 as follows:

Table 2. Multiple linear regression analysis results

Variable	Regression Coefficient	Sig.	Information
Constanta	6,469	0,015	Significant
SIPD (X ₁)	0,370	0,000	Significant
Competency of SDM (X ₂)	0,402	0,001	Significant

Source: Data is processed, 2024.

The regression equation obtained from this test is:

$$Y = 6,469 + 0,370X_1 + 0,402X_2 + e$$

The multiple linear regression equation can be explained as follows:

1. The constant in the regression equation is 6.469. This means that if SIPD (X_1) and HR Competency (X_2) are 0, then the Quality of OPD Financial Reports (Y) is 6.469.
2. The regression coefficient value for the SIPD variable (X_1) is 0.370. This means that if there is an increase in the SIPD variable (X_1), the value of the OPD Financial Report Quality variable (Y) will increase by 0.370.
3. The regression coefficient value for the HR Competency variable (X_2) is 0.402. This means that if there is an increase in the HR Competency variable (X_2), the value of the OPD Financial Report Quality variable (Y) will increase by 0.402.

t Test

The t test aims to see how far an independent variable partially influences the dependent variable. This test is the basis for decision making to accept or reject the hypothesis. Zaenuddin (2018) stated that the t test aims to observe how much influence an independent variable has in proving variations in the dependent variable. This test considers other independent variables constant and uses a significance level of 0.005 ($\alpha = 5\%$). The t test results are as follows:

Table 3. t Test Results

Variable	Sig
SIPD (X_1)	0,000
Competency of SDM (X_2)	0,001

Source: Data is processed, 2024.

Based on this table, it can be seen the magnitude of the influence of each independent variable on the dependent variable as follows:

1. Based on Table 3, it can be seen that the probability level (α) is 0.000. This means that SIPD influences the quality of OPD's financial reports. Because the probability value is <0.05 , it is proven to be true (H_1 is accepted).
2. Based on Table 3, it can be seen that the probability level (α) is 0.001. This means that HR Competency has a significant effect on the Quality of OPD Financial Reports. Because the probability value is <0.05 , it is proven to be true (H_2 is accepted).

5. DISCUSSION

The Influence of SIPD on the Quality of OPD Financial Reports

The results of multiple linear regression analysis in the t test on the first hypothesis (H_1) can be seen in Table 3. That SIPD influences the quality of OPD financial reports by looking at the significance level, which is 0.000. The effect shown by the regression coefficient is significantly positive, meaning that the better the use of SIPD, the quality of OPD Financial Reports will improve (H_1 is accepted).

Stewardship Theory describes a strong relationship between satisfaction and organizational success. Achieving success in an organization can be achieved by maximizing the utility of principals and management. To achieve good governance objectives in preparing regional financial reports, regional governments must disclose clearly and in detail related accounting data and other information that is in accordance with the use of the Regional Government Information System (SIPD) in preparing regional financial reports. The Regional Government Information System (SIPD) is designed in such a way by an organization so that it can fulfill its function, namely producing accounting information that is relevant, reliable, comparable and understandable. With a proper Regional Government Information System (SIPD) a report can be produced that is capable of providing various information that is useful for decision-making parties (Sacco & Vance, 2020).

The use of an accounting information system is one of the factors that can produce quality financial reports. The better use of accounting information systems will have an impact on increasing the quality of local government financial reports. One of the supporting factors for the quality of financial reports is the implementation of the Regional Government Information System (SIPD), where financial reports are produced from a process that is based on good input, good processes and good output. In this way, it is hoped that the resulting financial reports can meet the expected information and be able to improve the quality of results and the availability of timely financial reports (Mauro, 2021). Research by Syamsuddin (2022), Sutrisna et al., (2022), Mutoharoh&Ifada (2023), Searly et al., (2023), Prasetio et al., (2023), Eliana et al., (2023), Anto &Yusran (2023), Asmiati et al., (2023) show that the use of information technology has an effect on the quality of financial reports.

The Influence of Human Resource Competency on the Quality of OPD Financial Reports

The results of multiple linear regression analysis in the t test on the second hypothesis (H₂) can be seen in Table 3. That Human Resource Competency influences the Quality of OPD Financial Reports by looking at the significance level, which is 0.000. The effect shown by the regression coefficient is significantly positive, meaning that the better the use of Human Resource Competencies, the quality of OPD Financial Reports will improve (H₂ is accepted).

According to Stewardship Theory, executives tend to be motivated to act in the interests of the corporation rather than their own interests. Therefore, the role of human resource competence is very necessary in preparing regional financial reports. Human resource competency plays a very important role in the process of preparing financial reports with quality report results. Human resources directly related to the system will be required to have sufficient accounting skills (Lorson et al., 2023).

The quality of financial reports must be supported by the quality of human resources, meaning that the higher the quality of a financial employee will support an increase in the quality of the financial reports produced. The better the competency of human resources, the better the quality of the report. Human resources who have competence will be able to complete their work efficiently and effectively. The existence of human resource competence will support the timeliness of making financial reports. Good use of the Regional Government Information System (SIPD) is expected to improve the quality of the financial reports produced (Asmiati et al., 2023).

Research by Syamsuddin (2022), Sutrisna et al., (2022), Mutoharoh&Ifada (2023), Searly et al., (2023), Prasetio et al., (2023), Eliana et al., (2023), Anto &Yusran (2023), Asmiati et al., (2023) show that human resource competency influences the quality of financial reports.

6. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

1. The research results show that the implementation of regional government information systems has a positive and significant effect on the quality of regional apparatus organization (OPD) financial reports in Situbondo Regency.
2. The research results show that human resource competency has a positive and significant effect on the quality of regional apparatus organization (OPD) financial reports in Situbondo Regency.

7. RECOMMENDATIONS

1. For future researchers, it would be best to coordinate before distributing the questionnaire so that the intended respondents are in place.

2. It is hoped that future researchers will add samples so that they can reflect the process of preparing OPD financial reports as a whole.

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