

IMPROVING THE QUALITY OF VILLAGE FUND FINANCIAL REPORTING DURING THE COVID-19 PANDEMIC: FACTORS FOR SUCCESSFUL USE OF THE VILLAGE FINANCIAL SYSTEM

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Abstract

This study aims to determine the determining factors for the successful implementation of the village financial system (Siskeudes) in improving the quality of village fund financial reporting during the Covid-19 pandemic (Village Case Study in Sorong Regency). The records analysis method in this look at uses evaluation with the Partial Least square (PLS) technique. PLS is part or variant-based totally Structural Equation Modeling (SEM) version. The results confirmed that the implementation of the village financial device had a fine effect at the nice of village fund economic reviews. person involvement, top management help, training and training could not mild the connection between the implementation of the village economic device and the high-quality of village monetary reviews, even as consumer hobby and generation usage should mild the relationship and between the software of the village economic machine to the first-rate of village monetary reviews.

Key Words: *Siskeudes; quality; financial reports; village funds.*

1. INTRODUCTION

During the current Covid-19 pandemic, of course, it will have an impact on the focus on the use of village funds, where there are three main focuses based on the policy issued by the Minister of Villages for the Development of Disadvantaged Regions and Transmigration regarding the handling of Covid-19, namely village cash work-intensive programs, use of village funds for handling of Covid-19 as well as direct village cash assistance. In every region, they are refocusing on the use of village funds as a result of the Covid-19 pandemic, including villages in the Sorong district. The Head of the Regional Office of the Directorate General of Treasury for West Papua Province, Muhdi, previously stated that the allocation for transfers of village funds and funds for the Provincial Government and districts/cities throughout West Papua for 2020 as a whole is IDR 21.08 trillion, an increase of 1.3 percent from 2019.

In fact, there are many public complaints related to budget allocations that are not in accordance with the needs of the priority scale and do not reflect the economic, efficiency, and effectiveness aspects. (Mardiasmo, 2009). This is in line with the report on public complaints submitted by the inspectorate of the city of Sorong regarding the alleged misuse of village funds, and the truth was found according to community findings.

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In implementing the village financial system application (SISKEUDES), it is hoped that villages throughout Indonesia will be able to apply the village financial system application (SISKEUDES) to assist in financial management both under normal conditions and during the COVID-19 pandemic, avoiding fraud and misuse of village fund allocations. Klaimana Village, East Sorong sub-district, West Papua district, is one of the villages that has implemented a village financial system (SISKEUDES), but due to the current COVID-19 pandemic, refocusing village funds has certainly become a challenge for village fund managers in implementing financial management, which will have an impact on the quality of village fund financial reports.

The use of information technology in a village organization will assist villages in implementing village financial management effectively and efficiently. There are several factors that can support the implementation of a financial information system so as to produce quality financial report output, namely user involvement in designing the system, user training and education programs, top management support, user interest and utilization of information technology, this has been supported by research results such as research Oktaviani & Dendi (2018) who found that training and education and the use of information technology influenced the relationship between Siskeudes implementation and financial reports, Pardani & Damayanthi, (2017) suggested that top management has an important role in the development stage up to the level of success of the accounting information system including in this case the performance of Siskeudes. However, there are differences in research results that state that the level of user understanding does not have a positive effect on system implementation, and that top management support, data quality, user understanding level, and system implementation partially do not have a positive effect on the quality of financial reports (Eka et al., 2021).

Given the existence of research gaps and the importance of implementing the village financial system (SISKEUDES) for the future, the researchers are interested in conducting research on " Improving The Quality Of Village Fund Financial Reporting During The Covid-19 Pandemic: Factors For Successful Use Of The Village Financial System."

2. LITERATURE STUDY

User

User agreement is more emphasized in the design and development of accounting information systems. Opportunities given to users of accounting information systems to become participants will be their responsibility, which will further improve the performance of the AIS. The complexity of being a participant is demonstrated through real personal intervention from the user of the information system; confusion includes how the role of the user is in the process of designing the information system.

Education and Training Program

System user training is training held by agencies to introduce the system to employees. Through training, it is expected that employees can gain more knowledge and it can lead to increased performance. With training and education, system users can gain the ability to identify information requirements as well as the seriousness and limitations of the

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system and the capabilities acquired can lead to increased performance (Eka et al, 2017; Sasra, 2015).

Top Management Support

Top management's responsibility in systems development is to provide guidance regarding the success of all information systems activities. Top management is in charge of setting up strategy, planning activities in general, and directing the running of the company. Leaders are also tasked with socializing the development of information systems used by their agencies so that they can motivate users to participate in system development in their agencies (Susetyo & Suherman, 2016).

User Interest

The village economic system (Siskeudes) requires records to be input into the device to supply the expected output. Ajzen (1980) shows that the goal to carry out or no longer carry out positive behaviors is influenced through basic determinants: the primary is associated with attitudes (mind-set in the direction of behavior), and the other is associated with social affects, namely subjective norms.

Utilization of Information Technology

Usage of data technology, along with the usage of laptop era and conversation generation in dealing with the village monetary gadget, can enhance the processing of transactions and different data, in addition to the timeliness and accuracy of calculations and the preparation of stories and other outputs. similarly, the development of records technology that meets the desires of village government governance is visible as very useful in producing first-class economic reviews. With the assist of the Siskeudes application that supports the implementation of sports or work, the presentation of village government economic reviews may be more green and timely (Oktaviani et al., 2018).

Quality of Financial Statements

Financial statements are records of company activity and transactions that are summarized for one year (Baridwan, 2004). The company report describes the financial condition and results of operations for a certain period (Harahap, 2006). So, the financial report is a record of numbers that contain information on the condition of the company's performance.

Hypothesis Formulation

1. H1: There is an influence between the implementation of the village financial system and the financial reports of village funds.
2. H2: User involvement strengthens the relationship between the implementation of the village financial system and the village fund financial reports.
3. H3: Training and education programs strengthen the relationship between the implementation of the village financial system and the financial reports of village funds.
4. H4: Top management support strengthens the relationship between the

- implementation of the village financial system and the village fund financial reports.
5. H5: Ask users to strengthen the relationship between the implementation of the village financial system and the village fund financial reports.
 6. H6: The use of information technology strengthens the relationship between the implementation of the village financial system and the financial reports of village funds.

3. RESEARCH METHODS

The research techniques used are descriptive qualitative research within the first year and quantitative methods inside the 2nd year. This observe will examine the suitability of implementing the village economic system (Siskeudes) at the first-class of village fund economic reviews and the fulfillment factors for imposing SISKEUDES in improving the satisfactory of village fund monetary reporting all through the COVID-19 pandemic. The implementation of this studies turned into completed in East Sorong District, West Papua Regency, that's the object of this studies, with the intention to achieve the required facts within the shape of number one and secondary records.

Population and Sample

The populace is a generalized place along with difficulty objects that have sure qualities and traits decided with the aid of researchers to be studied and then conclusions drawn (Sugiyono, 2016). The populace in this look at are village officers in Sorong Regency. The sampling method in this take a look at used a purposive sampling technique wherein sampling was based on installed criteria, particularly officials who apprehend and are concerned in SISKEUDES, together with village heads, village secretaries, economic workforce, treasurers, and village assistants. Sampling became executed in several districts in Sorong Regency, specifically Mega District, Aimas District, and Mariat District.

Data collection technique

In obtaining the data in this study, research uses several methods, namely:

1. Interview
Interviews are a series of questions and answers given orally and in direct discussions with related parties (Sekaran, 2017). In this research, the writer interviewed related parties, such as the Klamana Village office apparatus.
2. Observation
Observation, namely the activity of seeing, recording, analyzing, and interpreting behavior, actions, or events in a planned manner (Sekaran, 2017), In this writing, visiting researchers collect and record the actual conditions in the field.
3. Documentation
Documentation is the collection of data regarding matters or variables in the form of notes, documentation, books, and newspapers, some of which support the research process (Sekaran, 2017). In this study, we collected data in the form of village financial applications, village history, village vision and mission, and village structure.

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4. Questionnaire

Questionnaires are data collection techniques through forms containing questions submitted in writing to a person or group of people to get answers, responses, or information needed by researchers (Mardalis, 2008). In the measurement, each respondent was asked for his opinion regarding a statement on a rating scale from 1 to 5.

Respondent Perception Measurement Scale (Likert Scale 1–5) In this study, to make it easier for respondents to answer the questionnaire, the rating scale is as follows: Scale 1: Strongly Disagree, Scale 2: Disagree, Scale 3: Neutral, Scale 4: Agree, Scale 5: Strongly Agree.

Data analysis technique

On this look at, statistics analysis used the partial least squares (PLS) approach. PLS is part- or variation-based totally structural equation modeling (SEM) model. in step with Ghozali (2006), PLS is an opportunity technique that shifts from a covariance-based SEM technique to a variation-based one.

Structural Model or Inner Model

The inner model (inner relation, structural model and substantive theory) describes the relationship between latent variables based on substantive theory. The structural model was evaluated using the R-square for the dependent construct, the StoneGeisserQ-square test for predictive relevance and the t test and the significance of the structural path parameter coefficients.

Measurement model or outer model

The internal version (inner relation, structural version and great idea) describes the connection between latent variables based on sizeable concept. The structural model changed into evaluated the usage of the R-square for the structured assemble, the StoneGeisserQ-square take a look at for predictive relevance and the t test and the significance of the structural route parameter coefficients.

Framework

The use of statistics technology in a village business enterprise will assist villages in enforcing village financial control effectively and efficiently. There are several factors that can guide the implementation of financial information structures if you want to produce exceptional financial file output, particularly user involvement, person training and schooling packages, top control aid, user hobby, and usage of data technology. A summary of the relationship between the theories that underlie research and empirical studies can be seen in Figure 1 with the conceptual framework model:

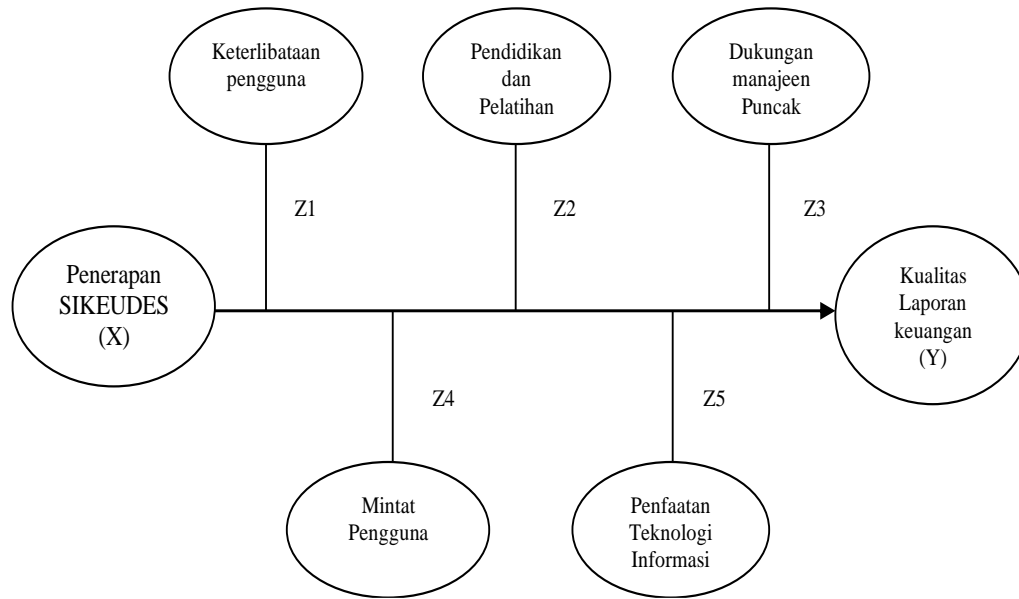


Figure 1: Conceptual Framework

4. RESULTS AND DISCUSSION

Description of the Research Object

Research data was collected by distributing 80 questionnaires from three districts, consisting of 18 villages in Sorong district. The respondents in this study were officials who understood and were involved in SISKEUDES, such as village heads, village secretaries, financial staff, treasurers, and village assistants.

Data Analysis

Measurement Model (Outer Model)

Size version trying out should be executed with the purpose of verifying indicators and latent variables. The dimension model is used to test its validity and reliability. The average variance extracted (AVE) cost may be used to evaluate convergent validity. The AVE price of every construct is greater than zero.5, so it is able to be concluded that every one constructs meet the convergent validity criteria. in the meantime, a assemble is declared reliable if it has a composite reliability fee above 0.70. The SmartPLS output outcomes show that every one constructs have a composite reliability fee above 0.70. So, it may be concluded that the assemble has properly reliability.

Model Struktural (Inner Model)

Checking out the inner model or structural version is completed to look the relationship between the constructs, the significance fee, and the R-square of the studies model. The structural model is evaluated the usage of the R-square, that's a goodness-of-match model test. Assessing the model with PLS begins through looking on the R-square for every based latent variable.

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Table 1: R-Square results

	R-square	R-square adjusted
Y	0.358	0.254

Source: Processed data, 2022

The table above shows the R-square value for variable Y obtained at 0.254. These results indicate that 25.4% of the Y variable can be influenced by variables X and Z, while 0.746% is influenced by other variables outside the one being studied.

Discussionthere is an influence between the implementation of the village financial system and the quality of village fund financial reports.

The results of the analysis that has been carried out using SmartPLS show that the application of the village financial system has a positive and significant effect on financial performance, with a T statistic count of 0.001 0.05. This shows that the implementation of the village financial system was able to improve the quality of village fund financial reports in Sorong Regency during the pandemic. The purpose of creating a village financial system is to make it easier for village officials to report the use of village fund allocations, with the village financial system also making the same report format easier for village officials and interested parties to understand the contents of the report. Input transactions for each activity accompanied by supporting evidence makes the resulting data more transparent, so that financial reports are more accountable. In addition, the village financial system makes the work carried out by village officials more effective and efficient.

The results of this study are in line with research conducted by Mahdia et al. (2021), which shows that the implementation of village financial system applications and transparency has a positive and significant effect on the quality of village government financial reports in Curio sub-district. Research from Teguh et al. (2022) found the same results: the implementation of the village financial system application had a positive effect on the quality of government financial reports in villages in Pakem sub-district, Sleman district.

User involvement strengthens the relationship between the implementation of the village financial system and the quality of village fund financial reports.

The results of the analysis show that H2 is rejected, which indicates that the perceptions of village officials involved in using Siskeudes feel that user involvement does not strengthen the relationship between the implementation of the village financial system and the quality of village fund financial reports. This is possible because village officials as application users are not given a chance to get involved and provide input and suggestions related to the development of the Siskeudes application, so that user involvement is considered to have no effect on the implementation of the village financial system and the quality of financial reports.

The results of the research are in line with research conducted by Eka et al. (2021), where the involvement of users of the Siskeudes application has no effect on the quality of financial reporting. Yunita's (2012) analysis of the factors that influence the performance of the accounting information system at minimarkets in the West Jakarta Region shows that user involvement has no significant effect on the performance of the accounting information system. So from the two research results above, it shows that user involvement has no impact on the accounting information system or the quality of financial reports. However, there are different research results where, according to Erna et al. (2020), in their research entitled "Factors influencing Siskeudes Performance in Improving the Quality of Village Fund Financial Reports," they found that the perceptions of users of the SISKEUDES system in Ubud District, Gianyar Regency, have the perception that involvement of users in the system development process by members of the organization or members of the target user group is high in terms of user influence in the development of SISKEUDES.

Training and education programs strengthen the relationship between the implementation of the village financial system and the quality of village fund financial reports.

The results of the analysis show H3 Rejected, which indicates that the perceptions of village officials involved in using Siskeudes feel that training and education programs do not have an impact on the implementation of the village financial system and the quality of village fund financial reports. This is possible because not all village officials have an educational level and have a high level of knowledge, understanding, and ability to solve problems in using Siskeudes and village financial reports. Besides that, the programs provided by the government are not always able to improve the performance and understanding of village officials in utilizing the Siskeudes application. The Sorong district government needs to be reviewed because the training and education provided are considered formalities that must be carried out by the government apparatus regardless of the effectiveness of the results of the training.

The results of this study are in line with research conducted by Vinne et al. (2018), which found that education and training have no effect on the performance of financial reports, but there are different research results where the competence of human resources obtained from training and education can strengthen the effect of implementation strategies on the quality of financial reports (Oktaviani et al., 2018).

Top management support strengthens the relationship between the implementation of the village financial system and the quality of village fund financial reports.

The results show H4 is rejected, which indicates that village officials involved in using Siskeudes provide a perception of top management support factors that are unable to moderate the relationship between the implementation of the village financial system and the quality of village fund financial reports. In other words, even though the involvement of top management support will have an impact on the success of the use of the village financial system, this is not enough to be able to support the effect of implementing Siskeudes itself on improving the quality of village financial reports. If there is increasing top management support as reflected by computer proficiency, high expectations for system use, involvement in planning information system operations, attention to performance, and rating the use of

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the system, this cannot strengthen the relationship between the use of Siskeudes and improving the quality of village financial reports.

The results of this study are in line with research conducted by Oktaviani et al (2018) with the title "Implementation of the Village Financial System and the Quality of Village Government Financial Reports in Kuningan District," with the results of top management support and system quality not strengthening the influence of village financial system implementation on the quality of village government financial reports.

User interest strengthens the relationship between the implementation of the village financial system and the quality of village fund financial reports.

The results of the analysis show that H5 is accepted, which indicates that village officials involved in using Siskeudes perceive that asking users can strengthen the relationship between the implementation of the village financial system and the quality of village fund financial reports. This is in accordance with the Technology Acceptance Model (TAM) theory, which is a model that was compiled by Davis (1989) to explain the acceptance of technology to be used by technology users. According to Davis, the behavior of using information technology (IT) begins with perceptions of its usefulness and ease of use.

The use of information technology strengthens the relationship between the implementation of the village financial system and the quality of village fund financial reports.

The results of the evaluation show that H6 is regular, which suggests that village officers worried in using Siskeudes perceive the use of era as strengthening the relationship between the implementation of the village economic device and the pleasant of village fund financial reviews. The benefits of facts generation can now be felt in various fields, together with using generation in handling village budget. The technology most customarily used is laptop media and the internet network; with out this media, the Siskeudes utility can't be used optimally. because of this the use of generation can support the impact of village monetary gadget implementation at the first-class of economic reviews. The right use of facts generation can expedite the siskeudes implementation procedure performed by way of village officers, and the smooth implementation of siskeudes can affect the fine improvement of the ensuing village financial reviews.

The consequences of this have a look at are in line with studies conducted with the aid of Oktaviani et al. (2018), which determined the equal outcomes: the usage of statistics era strengthens the relationship between the implementation of the village financial system and the high-quality of village fund monetary reports. This observe is also regular with what turned into stated via Indriasari et al. (2008): that using records era has a large nice impact at the high-quality of neighborhood government economic reports. records era can offer benefits in the place of job due to the fact it can save time and make it less difficult to work, so that point could be extra powerful and efficient and work may be completed quickly.

5. CONCLUSIONS

From the outcomes of the observe, it can be concluded that the usage of siskeudes can enhance the first-class of village monetary reviews; in different words, there's an effect of enforcing the village economic system on the first-rate of village fund financial reports, but consumer involvement, schooling applications, and top control support cannot moderate the relationship among the usage of the village economic system and the first-rate of village monetary reports, whilst consumer interest and using information technology can slight the relationship among the use of the village monetary device and the first-class of village monetary reviews.

For the local government, especially the Sorong district, to be more intensive in providing training and education for village officials who are involved in using the SISKEUDES application, and besides that, so that the use of the Siskeudes application is more optimal, it is necessary to have monitoring and evaluation activities related to the use of the Siskeudes application.

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