RESEARCH ARTICLE

# The influence of transparency, accountability, community participation, and information technology on the management of village funds

## Miftahul Khairi ✉, Iqlima Azhar iD, Nasrul Kahfi Lubis

Department of Accounting, Faculty of Economics, Universitas Samudra, Langsa, Indonesia

### ABSTRACT

This study aims to determine the effect of transparency, accountability, community participation and information technology on the management of village funds. This research was conducted in Kuala Simpang City, Aceh Tamiang Regency, Aceh Province, Indonesia. This type of research is descriptive quantitative. Sample selection using purposive sampling method with a total sample of 45 respondents. The data collection method used a questionnaire with an interval scale. The data analysis method used in this study is multiple linear regression analysis. The results of the study can be concluded that partially the variables of transparency, community participation and utilization of information technology have a significant positive effect on the management of the village fund. While the accountability variable partially has no significant effect on the management of the Village Fund. The test results simultaneously variable transparency, accountability, community participation and utilization of information technology have a significant effect on the management of the village fund.

## 1. Introduction

Every year the central and local governments continue to implement various programs to generate and encourage the ability of rural communities. This is motivated by the phenomenon that occurs, namely the existence of funds to fund a larger amount of village administration accompanied by adequate financing and infrastructure assistance must be needed to strengthen village autonomy towards village independence. So the government issued a policy, namely the Village Fund Allocation to support all sectors in the village community (Syafaruddin et al., 2019).

There are problems that arise in village funds as in the use of the Village Fund Allocation budget, not everything goes according to good financial management

procedures. The use of the Village Fund Allocation must also provide more benefits to the greatest extent by prioritizing the main activities of development and empowerment of rural communities that are urgent to implement, and are more needed and related to the interests of most rural communities (Tahir, 2018). The amount of Village Fund Allocation in Kuala Simpang City Sub-district from 2020 to 2023 based on data from the Aceh Tamiang Regent Regulation can be seen in Table 1.

Table 1. Village Fund Allocation in Kuala Simpang (in rupiah)

| Name of villages | Village Fund Allocation | | | |
| --- | --- | --- | --- | --- |
| | 2020 | 2021 | 2022 | 2023 |
| Kota Kuala Simpang | 243.746.000 | 342.365.720 | 372.384.836 | 363.979.519 |
| Kota Lintang | 380.289.000 | 567.623.149 | 378.384.836 | 358.195.519 |
| Bukit Tempurung | 343.921.000 | 394.169.720 | 357.491.768 | 344.131.519 |
| Perdamaian | 335.340.720 | 335.340.720 | 317.045.564 | 294.067.519 |
| Sriwijaya | 355.128.461 | 340.199.720 | 311.596.052 | 294.067.519 |

It can be seen in Table 1 that the village funds of Kuala Simpang City have decreased and increased every year. With the ups and downs of village funds, this makes it difficult to allocate village funds properly, with the amount of village funds constantly changing and unstable. The instability of the Village Fund Allocation in Kota Lintang where in 2021 there was a fairly high increase of IDR 187,334,149. Then in the following 2 years the allocation of village funds in Kota Lintang decreased. This instability will hamper the management of the Village Fund Allocation for the use of the budget that has been set.

## 2. Literature Review

### 2.1. Agency theory

Agency theory is the relationship between principal and agent. In a democratic government, the relationship between governments can be described as an agency relationship. In this case, the village government functions as an (agent) who is authorized to carry out certain obligations in the interests of the community as a party (principal) (Kuswanti & Kurnia, 2020).

According to Astria, (2011) agency theory explains the relationship between 2 parties, the first owner (principal) and the second management (agent), where the agent is authorized to be responsible for carrying out tasks. The existence of different goals between the principal and the agent will cause agency problems. In public sector organizations, the principal is the public, while the agent is the government.

## 2.2. Villages fund

According to the Minister of Home Affairs Regulation Number 20 of 2018 concerning Village Financial Management Guidelines, the Village Fund Allocation comes from the regency/city APBD which comes from the portion of the Central and Regional Financial Balance Fund received by the Regency/city for villages of at least 10% (ten percent). According to Nurcholis, (2011) Village Fund Allocation is a fund sourced from the district APBD which is allocated with the aim of equalizing financial capacity between villages to fund village needs in the context of organizing government and implementing development and community services.

Village fund management variables are measured by indicators adopted from Ultafiah, (2017), namely the planning stage, implementation stage, administration stage, reporting stage, and accountability stage.

## 2.3. Villages fund

According to the Minister of Home Affairs Regulation Number 20 of 2018 concerning Village Financial Management Guidelines, the Village Fund Allocation comes from the regency/city APBD which comes from the portion of the Central and Regional Financial.

## 2.4. Transparancy

According to Sembiring (2020) explains transparency, namely where the government must fulfill the rights of the public in obtaining information so that it can facilitate observation by the public, which means that government agencies must be open in implementing a program in providing information about their organization.

According to Coryanata, (2012) transparency is built on the basis of the free flow of information, all government processes, institutions and information that needs to be accessed by the public, and also the information available must be sufficient to be understood. Transparency is not only limited to the availability of information and that information can be accessed by the public, but must also be presented (published) in a timely manner. Information that is published in a timely manner will certainly be more useful and influential in making the best public decisions with the administration of government agencies, especially those related to regional financial management (Ritonga & Syahrir, 2016).

Kristianten, (2006) states that transparency can be measured through several indicators, namely the availability and accessibility of documents, clarity and completeness of information, openness of processes, and a regulatory framework that ensures transparency.

## 2.5.  Accountability

According to Arifiyadi (2008) accountability is the obligation of individuals or authorities entrusted with managing public resources and those concerned with them can then answer matters concerning their accountability. Accountability is closely related to instruments for control activities, especially in terms of achieving results in public services and delivering them transparently to the public. Accountability is a form of accountability obligation of a leader or an organization that has the right and authority to be asked for information related to performance to account for village government programs, village expenditures and revenues and has an efficient way of making decisions (Purba et al., 2022).

According to Solihin (2007), the minimum indicators of accountability are (1) conformity between implementation and standard implementation procedures, (2) the existence of sanctions set for errors or omissions in the implementation of activities, and (3) the existence of measurable outputs and outcomes.

## 2.6.  Community participation

Based on Government Regulation No. 45/2017 articles 1 and 2 concerning Community Participation in the Implementation of Local Government, it explains that participation is the role of the community to channel their aspirations, thoughts and interests in the implementation of local government. The community has the right to participate in the preparation of regional regulations and regional policies that regulate and burden the community.

According to Dewi et al., (2013) community participation is a right that the community has to take part in decision making in the stages of the development process, starting from the beginning of planning, implementation, supervision and environmental preservation. Here the community is not only a recipient of facilities and benefits, but as a subject of sustainable development.

According to Atiningsih & Ningtyas (2019) the community participation variable is measured using the following indicators: (1) involvement in village program decision making, (2) proposing a budget plan, (3) providing an assessment of budget implementation, and (4) being involved in monitoring and reporting.

## 2.7.  Information technology utilization

According to Primayana et al., (2014) information technology is a technology used to manage data, process, obtain, compile, store and manipulate data in various ways to produce information that can be quality, relevant, accurate and timely which can be used

for personal, business and government purposes, to strategic information for decision making.

According to Hamzah (2009) the use of information technology includes data processing, information processing, management systems and work processes that are used electronically, as well as the utilization of an advancement in information technology for public services that can be accessed easily and cheaply by the community in each region. Information technology includes computers (mainframe, mini, micro), software, databases, networks (internet, intranet), electronic commerce and other types related to technology. Information technology, apart from being computer technology (hardware and software) for processing and storing information, also functions as a communication technology for information dissemination.

Utilization of information technology in accounting according to Jurnali & Supomo, (2002) explains that the use of information technology can be measured using indicators, namely: internet network, computer network utilization, use of application software, computerized recording process, and integrated accounting and managerial reports.

## 3. Methods

This research was conducted in 5 villages in Kota Kuala Simpang Sub-district, Aceh Tamiang District. This type of research is descriptive quantitative. This study uses data sourced from primary data. Primary data is data obtained by researchers directly from respondents through answers to questionnaires that have been distributed.

The sampling technique in this study used purposive sampling technique. Purposive sampling is a sampling technique with certain considerations and criteria (Sugiyono, 2014). The sample in this study was determined by meeting the following criteria: (1) Some village officials and community representatives who work in the village office in Kuala Simpang City, and (2) Have a minimum working period of approximately 6 months.

The data analysis method used in this research is descriptive statistical analysis method using SPSS (Statistical Package for the Social Science), multiple linear regression analysis and hypothesis testing.

## 4. Results
### 4.1. Descriptive statistics

Based on Table 1, the results of the descriptive statistical test can be seen in the transparency variable (X1) of 45 respondents obtained a minimum value of 4, a maximum value of 19, a mean value of 15.1556 and a standard deviation value of

2.52222. The accountability variable (X2) of 45 respondents obtained a minimum value of 3, a maximum value of 15, a mean value of 11.9111 and a standard deviation value of 2.11941. The public participation variable (X3) of 45 respondents obtained a minimum value of 4, a maximum value of 20, a mean value of 15.1778 and a standard deviation value of 2.86268. The information technology utilization variable (X4) of 45 respondents obtained a minimum value of 5, a maximum value of 25, a mean value of 20.7111 and a standard deviation value of 2.95129. And the Village Fund Allocation Management variable (Y) of 45 respondents obtained a minimum value of 5, a maximum value of 24, a mean value of 19.5333 and a standard deviation value of 3.09398.

Table 2. Descriptive statistics

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Transparency | 45 | 4,00 | 19,00 | 15,1556 | 2,52222 |
| Accountability | 45 | 3,00 | 15,00 | 11,9111 | 2,11941 |
| Community participation | 45 | 4,00 | 20,00 | 15,1778 | 2,86268 |
| Information technology utilization | 45 | 5,00 | 25,00 | 20,7111 | 2,95129 |
| Village fund allocation | 45 | 5,00 | 24,00 | 19,5333 | 3,09398 |
| Valid N (listwise) | 45 |  |  |  |  |

## 4.2. Multiple linear regression test results

The results of the regression equation formed in this multiple regression analysis test are as follows:

Table 3. Partial test results

| Model | Unstandardized Coefficients | | standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
|  | B | Std. Error | Beta |  |  |
| (Constant) | ,662 | 1,478 |  | ,448 | ,657 |
| Transparency | ,457 | ,137 | ,372 | 3,322 | ,002 |
| Accountability | ,009 | ,121 | ,006 | ,078 | ,938 |
| Community participation | ,278 | ,137 | ,257 | 2,026 | ,049 |
| Information technology utilization | ,368 | ,132 | ,351 | 2,778 | ,008 |

Note: Dependent variable is village fund allocation

The value of the constant (a) in the regression equation model is 0.662. The constant value can be interpreted that, if transparency, accountability, community participation and utilization of information technology remain or are equal to 0, then the management of the Village Fund Allocation will be 0.662.

The value of the transparency regression coefficient (b1), in the regression equation model is 0.457. This means that there is a positive or unidirectional influence between transparency and the management of the Village Fund Allocation. If transparency increases and other variables remain constant, then the management of the Village Fund Allocation will increase by 0.457. The partial test results of the transparency variable (X1) significance value of 0.002 < a (0.05), so transparency has a significant positive effect on the management of the Village Fund Allocation.

The value of the accountability regression coefficient (b2), in the regression equation model is 0.009. This means that there is a positive or unidirectional influence between accountability and the management of the Village Fund Allocation. If accountability increases and other variables remain constant, then the management of the Village Fund Allocation will increase by 0.009. The partial test results of the accountability variable (X2) significance value of 0.938> a (0.05) then accountability has no significant effect on the management of the Village Fund Allocation.

The value of the regression coefficient of community participation (b3), in the regression equation model is 0.278. This means that there is a positive or unidirectional influence between community participation and the management of the Village Fund Allocation. If community participation increases and other variables remain constant, then the management of the Village Fund Allocation will increase by 0.278. The partial test results of the community participation variable (X3) significance value of 0.049 < a (0.05), so community participation has a significant positive effect on the management of the Village Fund Allocation.

The value of the regression coefficient of information technology utilization (b4), in the regression equation model is 0.368. This means that there is a positive or unidirectional influence between the utilization of information technology and the management of the Village Fund Allocation. If the utilization of information technology increases and other variables remain constant, then the management of the Village Fund Allocation will increase by 0.368. The partial test results of the information technology utilization variable (X4) significance value of 0.008 < a (0.05), then the utilization of information technology has a significant positive effect on the management of the Village Fund Allocation.

Table 4. Simultaneous test results

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 352,010 | 4 | 88,002 | 50,876 | ,000[b] |
| Residual | 69,190 | 40 | 1,730 | | |
| Total | 421,200 | 44 | | | |

a.   Dependent Variable: Y

b.   Predictors: (Constant), X4, X2, X1, X3

Based on Table 4, the ANOVA or F test results obtained an F value of 50.876 with a significance value of 0.000. Because the significance value of 0.000<a (0.05), simultaneously the variables of transparency, accountability, community participation and utilization of information technology have a significant effect on the management of the village fund allocation.

## 5. Conclusion

The analysis results indicate that transparency, accountability, community participation, and the utilization of information technology together have a significant influence on the management of village fund allocation in the case study conducted in Kuala Simpang city. Individually, transparency, community participation, and the utilization of information technology have a significant positive effect on the management of village fund allocation, while accountability does not show a significant effect.

## Conflict of interest

The authors declare that there is no conflict of interest regarding the publication of this paper.

## ORCID

Iqlima Azhar  https://orcid.org/0000-0003-4509-519X

## References

Arifiyadi, T. (2008). *Konsep Tentang Akuntabilitas dan Implementasinya Di Indonesia*. Grasindo.

Atiningsih, S., & Ningtyas, A. C. (2019). Pengaruh Kompetensi Aparatur Pengelola Dana Desa, Partisipasi Masyarakat dan Sistem Pengendalian Internal Terhadap Akuntabilitas Pengelolaan Dana Desa (Studi Pada Aparatur Pemerintah Desa Se-Kecamatan Banyudono Kabupaten Boyolali). *Jurnal Ilmu Manajemen Dan Akuntansi Terapan (JIMAT)*, *10*(1), 2015–2019.

Coryanata, I. (2012). Akuntabilitas, Partisipasi Masyarakat dan Transparansi Kebijakan Publik Sebagai Pemoderasi Hubungan Pengetahuan Dewan Tentang Anggaran dan Pengawasan Keuangan Daerah. *Jurnal Akuntansi Dan Investasi*, *12*(2), 110–125.

Hamzah, A. (2009). *Pengaruh Ekspektasi Kerja dan Faktor Sosial Terhadap Pemanfaatan Sistem Informasi Keuangan Daerah (Studi Empiris Pemerintahan Kabupaten Pulau Madura)*. Simposium Nasional Sistem Teknologi Informasi. Universitas Gadjah Mada.

Jurnali, T., & Supomo, B. (2002). Pengaruh Faktor Kesesuaian Tugas-Teknologi dan Pemanfaatan TI Terhadap Kinerja Akuntan Publik. *Jurnal Riset Akuntansi Indonesia*, *5*(2), 214–228.

Kristianten. (2006). *Transparansi Anggaran Pemerintah*. Rineka Cipta.

Kuswanti, A. P. E., & Kurnia. (2020). Pengaruh Akuntabilitas, Transparansi ADD, Kebijakan Desa dan Partisipasi Masyarakat Terhadap Kesejahteraan Masyarakat. *Jurnal Ilmu Dan Riset Akuntansi*, *9*(2), 1–22.

Nurcholis, H. (2011). *Pertumbuhan dan Penyelenggaraan Pemerintahan Desa*. Erlangga.

Purba, S., Saragih, R., & Sembiring, T. M. B. (2022). Pengaruh Kompetensi dan Sistem Pengendalian Internal Terhadap Akuntabilitas Pemerintah Desa Dalam Mengelola Alokasi Dana Desa. *AKUA: Jurnal Akuntansi Dan Keuangan*, *1*(1), 122–129.

Ritonga, I. T., & Syahrir, S. (2016). Mengukur Transparansi Pengelolaan Keuangan Daerah Di Indonesia: Berbasis Website. *Jurnal Akuntasi & Auditing Indonesia*, *20*(2), 110–126.

Sembiring, R. P. S. (2020). Pengaruh Akuntabilitas dan Transparansi Pengelolaan Keuangan Daerah Terhadap Kinerja Pemerintah Kota Medan. *Jurnal Universitas Medan Area*.

Solihin, D. (2007). *Indikator Governance dan Penerapannya dalam mewujudkan Demokratisasi di Indonesia*. BAPPENAS.

Sugiyono. (2014). *Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif dan R&D*. Alfabeta.

Syafaruddin, A. R. A., Kamase, J., & Mursalim. (2019). Pengaruh Kompetensi Aparatur, Sistem Pengendalian Internal dan Pemanfaatan Teknologi Informasi terhadap Akuntabilitas Pemerintah Desa dalam Pengelolaan Alokasi Dana Desa di Kabupaten Takalar. *Jurnal Ekonomi, Manajemen dan Akuntansi*, *14*(1), 9–16.