Reporting Standards, Organizational Commitment and Performance Accountability

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Abstract: The purpose of this study was to analyze the effect of the quality of financial reports, internal control, the use of information technology on performance accountability as a standard reporting with organizational commitment as moderating. The population of this study is financial managers and planning managers who have duties and responsibilities in financial management and planning which directly or indirectly affect performance accountability in 6 work units of the Central Statistics Agency in Java Province. Collecting data by distributing 84 questionnaires to financial managers and planning managers. The sampling technique used the census method where the entire research population was used as the research sample. The data analysis method was carried out using PLS-SEM with the help of the Smart PLS program. The results of this study prove that the quality of financial reports and internal control have a significant positive effect on performance accountability, while the use of information technology does not affect performance accountability. Organizational commitment as a moderating variable is not able to moderate the influence of the quality of financial reports, internal control, and the use of information technology on performance accountability.

Keywords: Quality of Financial Statement, Internal Control, Information Technology, Organizational Commitment, Performance Accountability

1. Introduction

Realizing good government is a public sector obligation, not least the central government. The lack of interest between the people and the government in accordance with the theory of agency theory where the principal in this case the people are less informed to assess the behaviour of the government as an agent so as to cause a lack of trust of the people to the government (Eisenhardt, 1989). Good government accountability can be used as a tool to reduce asymmetric information and increase people's trust in the government.

Based on the phenomenon in the EVALUATION BPS SAKIP in 2016 to 2018 in BPS East Java Province, BPS Central Java Province, BPS West Java Province, BPS Banten Province, and BPS DIY province increased with an average value of 1.60. However, in the period 2018 to 2020 in BPS East Java Province, BPS Central Java Province, BPS West Java Province, BPS Banten Province, and BPS DIY province decreased with an average value of (1.72). The decrease in SAKIP value indicates a decrease in the reliability of performance reports submitted by the work unit which includes performance planning documents, performance measurement and performance reporting.

Transparency and accountability of state financial management within the Central Government are realized in improving the quality of financial statements. In 2019, the Central Statistics Agency obtained a fair opinion without exception to the Financial Report by BPK, but there is a record of the achievement of WTP BPS, namely the need to pay attention to the implementation, the planning of work payments in BPS is still not in accordance with the rules. (accessed: Agus Joko Pramono Member II BPK, 06 June 2019 on www.bps.go.id). To maintain compliance with the regulations and the quality of government agency performance accountability data, a control or supervision from internal government agencies is required to implement performance accountability of government agencies. In addition, internal control is expected to ensure that all activities carried out can achieve the expected objectives through the government agency performance accountability system. One of the successes of the implementation of Good Governance in government is inseparable from the influence of technological factors as a support.

In order to realize transparency and accountability of government administration, in addition to good quality of financial statements, adequate utilization of information technology and internal control, another important factor
is the organization's commitment. The commitment of the organization is defined as the association of employees to maintain the membership of the organization / entity in which the employee works.

2. Methods

The data used in this study is primary data. The data collection method used in this study is field research. The population in this study is employees of the Central Bureau of Statistics of The Province of Java who have a relationship in managing financial statements and performance accountability reports, directly becoming a sample of research using census methods that are as many as 84 respondents. Dependent variables in this study are Performance Accountability (Y), while independent variables in this study are the quality of financial statements, internal control and utilization of information technology. The data analysis used in this study is the Partial Least Square (PLS) approach.

3. Results

Based on the results of statistical tests using Smart PLS 3.0 can be seen the results as follows:

**Table 4.1 Composite Reliability Value**

<table>
<thead>
<tr>
<th>Variable</th>
<th>CompositeReliability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Report Quality</td>
<td>0.902</td>
<td>Reliable</td>
</tr>
<tr>
<td>Internal Control</td>
<td>0.913</td>
<td>Reliable</td>
</tr>
<tr>
<td>Utilization of Information Technology</td>
<td>0.833</td>
<td>Reliable</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>0.868</td>
<td>Reliable</td>
</tr>
<tr>
<td>Performance Accountability</td>
<td>0.878</td>
<td></td>
</tr>
</tbody>
</table>

Based on the results of the outer model test, which includes convergent validity test, discriminant validity test, and reliability test, it can be concluded that all indicators used in measuring each variable have been valid and reliable, so that it has met the criteria for further testing to be carried out.

**Table 4.2 T-StatisticsValue**

<table>
<thead>
<tr>
<th>Independent</th>
<th>Dependent</th>
<th>Patch Analysis</th>
<th>T Statistic</th>
<th>P Values</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Report Quality</td>
<td>Accountability Performance</td>
<td>0.219</td>
<td>2.062</td>
<td>0.040</td>
<td>Accepted</td>
</tr>
<tr>
<td>Internal Control</td>
<td>Accountability Performance</td>
<td>0.539</td>
<td>5.926</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Utilization of Information Technology</td>
<td>Accountability Performance</td>
<td>0.097</td>
<td>0.843</td>
<td>0.400</td>
<td>Rejected</td>
</tr>
<tr>
<td>KO * KLK</td>
<td>Accountability Performance</td>
<td>0.075</td>
<td>0.679</td>
<td>0.497</td>
<td>Rejected</td>
</tr>
<tr>
<td>KO * PI</td>
<td>Accountability Performance</td>
<td>- 0.209</td>
<td>1.763</td>
<td>0.078</td>
<td>Rejected</td>
</tr>
<tr>
<td>KO * PTI</td>
<td>Accountability Performance</td>
<td>0.112</td>
<td>0.997</td>
<td>0.319</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

The results of the test of the effect of the quality of financial statements on performance accountability showed that the quality of financial statements had a positive and significant effect with a coefficient of 0.219 with a statistical t value of 2.062 and a p-value of 0.040. This result illustrates that the quality of BPS financial statements in Se-Java province has a positive and significant impact on performance accountability. Thus the relationship between the quality of financial statements and performance accountability is quite strong and significant, this study concluded the dominant indicators in shaping the application of accrual-based accounting standards are KLK1 (relevant) and KLK2 (Reliable). This shows that the financial managers in the task force of the Provincial Statistical Central Agency in Java have presented financial statements that can reflect the actual and timely situation. In agency theory, the quality of financial statements is included in bonding costs which is one of the efforts in addressing information asymmetry. With the increasing quality of financial statements presented by BPS, it will improve performance accountability. The results of this study are in line with those conducted by Natawibawa (2019), Heide et al (2015); Austin et al (2017); and Lys et al (2015).

The Effect of Internal Control on Performance Accountability

The results of the internal control influence test on performance accountability showed that internal control positively influenced the quality of financial statements (Y) of 0.539 with a statistical t value of 0.593 and p-value of 0.000. Because the statistical t value is greater than 1.96 and the p-value < 0.05, internal control has a significant effect on performance accountability. This result illustrates that the internal control of BPS Se-Java province has a positive and significant influence on performance accountability. This shows that the greater the involvement and concern of leaders in realizing performance accountability, the higher the performance accountability of government agencies in the Central Statistics Agency of The Province in Java. Of the overall variables studied, internal control is the largest contribution to performance accountability. Respondents' answers showed that supervision from the leadership as well as clear operational standards are needed by BPS in improving performance accountability. In agency theory, Internal Control is included in cost monitoring which is one of the efforts in overcoming information asymmetry. With the increasing Internal Control conducted by BPS leadership, it will improve performance accountability. The results of this study are in line with Adekunle et al (2020); Bayer et al (2018); Kewo et al (2017); Hardiningsih (2020); Ningtyas (2019); Aziz (2015).

The Effect of Information Technology Utilization on Performance Accountability

The test results of the influence of information technology utilization on performance accountability showed that the utilization of information technology had a positive and insignificant effect with a coefficient of 0.097 with a statistical t value of 0.843 and a p-value of 0.400. Because the statistical t value is less than 1.96 and the p-value > 0.05. This result illustrates that the utilization of information technology in BPS Se-Java province has no significant effect on performance accountability. This result shows that the utilization of information technology has no effect on performance accountability in BPS provinces throughout Java, this is because the existence of information technology is only as a means and infrastructure in supporting the achievement of performance accountability reports, while the achievement of performance accountability is an obligation for each agency. The success of information technology must be in line with the human resources that run it, the condition on BPS human resources ability in operationalizing information technology has not been evenly distributed, especially in financial managers and the compiler of performance accountability reports. The results of this study are in line with research conducted by Putri (2015) which states that Information Technology has no effect on the Performance of Local Government Agencies. Other research conducted by Petrakaki et al (2018); Princess (2015); Damayanti (2017) stated that information technology has no effect on the performance of government agencies. However, this study is not in line with research conducted by Al Shbail et al (2018); Handayani (2020); Telabah (2018); Razi (2017); Mantoko (2019).

Organizational Commitment Capability Moderates The Impact of Financial Report Quality on Performance Accountability

The results of the organization's commitment moderation test to the influence between the quality of financial statements and performance accountability show that organizational commitments cannot moderate the influence between the quality of financial statements and performance accountability. This can be seen from the positive
Based on the answers from respondents of this study can be seen that the commitment of the organization to bps province in Java has been good, but some aspects need to be improved again, namely employees bps province in Java feel the reward is less for its performance, employees are also less able to explain the main tasks and functions of BPS. During 2020 there is no bps task force in Java province that can achieve the predicate WBBM (Clean Free Region Serving), where WBBM is an award given by the Ministry of PANRB to a task force that has committed and guarantees its services satisfactory and clean from corruption. One of the efforts in improving the commitment of each employee is to routinely carry out integrity pacts for each performance implementation, at BPS is still very minimal implementation of integrity pacts by employees. This research is in line with previous research conducted by Cahyani (2015).

Organizational Commitment Capability Moderates The Effect of Internal Control on Performance Accountability

The results of the organization's commitment moderation test to the influence between internal control and performance accountability show that organizational commitment cannot moderate the influence between internal control and performance accountability. This can be seen from the negative patch coefficient of -0.209 with a statistical t value of 1.763 and a p-value of 0.078. Because the statistical t value is less than 1.96 and the p-value > 0.05. This illustrates that the organization's commitment to bps province in Java is not able to moderate the influence between internal control and performance accountability. Organizational commitment in agency cost including residual cost.

In theory, organizational commitment can improve performance accountability, but this theory must also be supported by several factors such as: standard standards in the creation of performance accountability reports, support from leaders, ideal workload, coaching the preparation of performance accountability reports. The above results cannot corroborate the theory that with the commitment of the organization will be able to strengthen or weaken the influence of the quality of financial statements on performance accountability, this can be due to the above factors that can't be met. The above results cannot corroborate the theory that with the commitment of the organization will be able to strengthen or weaken the influence of internal control on performance accountability, this can be due to the above factors that can not be met. This research is in line with previous research conducted by Fara (2018).

Organizational Commitment Capability Moderates the Influence of Information Technology Utilization on Performance Accountability.

The results of the moderation test of the organization's commitment to the influence between the utilization of information technology to performance accountability show that the organization's commitment cannot moderate the influence between the utilization of information technology and performance accountability. This can be seen from the positive patch coefficient of 0.112 with a statistical t value of 0.997 and a p-value of 0.319. Because the statistical t value is less than 1.96 and the p-value > 0.05. This illustrates that the organization's commitment to bps province in Java is not able to moderate the influence between the utilization of information technology and performance accountability. In agency theory, one of the efforts to reduce the asymmetry of information in the relationship between agents and principals is organizational commitment. Organizational commitment in agency cost including residual cost. In theory, organizational commitment can improve performance accountability, but this theory should also be supported by factors such as the completeness of documentation from planning, implementation, to reporting activities. The above results cannot corroborate the theory that with the commitment of the organization will be able to strengthen or weaken the influence of the use of information technology on performance accountability, this can be due to the above factors that can not be met. The results of this study are in line with the results of research conducted by Sukarno (2020).
4. Conclusions

Based on the results of the above research and discussion, it can be concluded as follows:

1. The quality of financial statements has a significant positive effect on performance accountability in the Working Unit at the Central Statistics Agency of The Province in Java.
2. Internal Control has a significant positive effect on performance accountability in the Working Unit at the Central Statistics Agency of The Province in Java.
3. Utilization of information technology has a significant positive effect on Performance Accountability in the Task Force at the Central Statistics Agency of The Province in Java.
4. The Organization's commitment cannot moderate the influence between the quality of financial statements and performance accountability in the Working Unit of the Central Statistics Agency of the Province in Java.
5. Organizational commitment cannot moderate the influence between Internal Control and Performance Accountability in the Working Unit of the Central Statistics Agency of The Province in Java.
6. The commitment of the organization cannot moderate the influence between the Utilization of Information Technology and Performance Accountability in the Working Unit of the Central Statistics Agency of the Province in Java.

References