Assessing the Impact of Internal Control, Accounting Systems, and Organizational Commitment on Financial Accountability through Financial Information Quality

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INTRODUCTION

As per the mandate of the 1945 Constitution of the Republic of Indonesia in article 22E, the General Election Commission (KPU) is responsible for organizing the General Elections (Pemilu) in Indonesia. Elections serve as a fundamental tool of democracy. The process of holding elections is to directly elect Members of Parliament, as well as the President and Vice President. Following the implementation of the reform, there has been a noticeable enhancement and growth in the level of public trust towards elections. The level of public trust in election outcomes is heavily impacted by the democratic conduct of election organizers. To achieve this objective, as required by Law Number 15 of 2011 on the Implementation of Elections, the KPU’s explanation is guided by a set of principles. These principles include independence, honesty, fairness, legal certainty, orderliness, public interest, openness, proportionality, professionalism, accountability, efficiency, and effectiveness in conducting General Elections.

Accountability is a fundamental principle in the conduct of General Elections. It is closely tied to the responsibility of the General Election Commission (KPU) in providing reports, conducting audits, and other related activities (Sukarno & Muhadar, 2022). Exhibiting a strong sense of accountability will effectively showcase the principles of good governance and
professionalism among government officials. This, in turn, will contribute to bolstering public trust in the General Election Commission (KPU) and the overall electoral process in Indonesia. Accountability refers to the responsibility of presenting and reporting all actions and activities in alignment with the given mandate or trust to higher authorities or superiors (Laxamana & Firdaus, 2023). The notion of accountability, which entails the nuanced responsibility of achieving goals in an effective, efficient, and economical manner, aligns with the concept of a comprehensive audit. This approach allows for comprehensive conclusions to be drawn regarding the economy, efficiency, and effectiveness of government administration (Suyuthi et al., 2019).

A specific measure to promote transparency and accountability in financial management involves submitting government financial accountability reports that adhere to the principles of timeliness and are prepared in accordance with generally accepted government accounting standards (Herawati & Nopianti, 2017). In order to achieve organizational goals through effective and efficient activities, it is imperative to enhance the implementation of the government's internal control system at the General Election Commission, Provincial General Election Commission, and Regency/City General Election Commission. This will ensure the reliability of financial reporting, security of State assets, and compliance with regulations (Hasniani, 2024).

Hence, the General Election Commission has issued General Election Commission Regulation Number 8 of 2023 regarding the implementation of the Government's Internal Control System in the General Election Commission, Provincial General Election Commission, and Regency/City General Election Commission, as a substitute for the outdated General Election Commission Regulation Number 17 of 2012. As per the advancements in the strategic environment, institutional modifications, and alterations in statutory provisions. As society advances and individuals seek greater knowledge and a robust governing body, the need for fiscal transparency and accountability emerges as a crucial aspect of promoting effective governance. The realization of transparency and accountability in state finances is achieved through a series of five stages in state financial management and accountability. The five stages include planning and budgeting, budget implementation, accounting, reporting and budget accountability, internal supervision, and examination by an independent external auditor (Setyawan & Gamayuni, 2020).

As a regional public institution, KPUD plays a crucial role in regional head general elections, legislative general elections, and presidential elections. Therefore, it is imperative for KPUD to adhere to the principles of Good Governance while fulfilling its responsibilities. It is imperative that the KPUD ensures the implementation of Good Governance in all its activities, including the technical execution of elections, administrative tasks, and financial/budget management. This article will discuss one of the key aspects of Good Governance, which is accountability. As stated by Darise in Arifianty & Virlayani (2017), accountability is demonstrated through the responsibility of an individual or work unit to effectively manage and oversee resources and implement entrusted policies, with the aim of accomplishing predetermined objectives. The purpose of this study is to investigate the impact of the internal control system, accounting system, and organizational commitment on the financial management accountability of the KPU in North Penajam Paser Regency.

METHODS

The methodology employed in this study is a quantitative approach. The selection of samples is typically conducted in a random manner, utilizing research instruments for data collection and data analysis that is quantitative and statistical in nature. The purpose of this analysis is to test pre-established hypotheses. This quantitative methodology is employed in order to gather data through the use of validated instruments and measurement results. The study examines the impact of internal control, accounting system, and organizational commitment on financial management accountability of the North Penajam Paser Regency KPU. It focuses on five variables that are central to the research. The research method employed in this study is a descriptive survey methodology. The research was conducted at the North Penajam
Paser Regency General Election Commission Office, located on Jalan Province Km 9, in Nipah-Nipah Village, North Penajam Paser Regency.

RESULTS AND DISCUSSION

Table 1. SPSS output results and interpretation

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Q</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>104,685</td>
<td>14,672</td>
<td>7,135</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>Internal Penge</td>
<td>.051</td>
<td>.105</td>
<td>.079</td>
<td>.485</td>
</tr>
<tr>
<td>Accounting System</td>
<td>-.222</td>
<td>.138</td>
<td>-.281</td>
<td>-1,609</td>
</tr>
<tr>
<td>Commit. Organization</td>
<td>1,101</td>
<td>.307</td>
<td>1,158</td>
<td>3,590</td>
</tr>
<tr>
<td>Z</td>
<td>-3,819</td>
<td>.812</td>
<td>-1,609</td>
<td>-4,704</td>
</tr>
</tbody>
</table>

Source: Primary Data processed 2024

Based on the data, it can be concluded that the Internal Control variable does not have a significant impact on the Quality of Financial Information (Y). This is supported by a significance value of 0.632, which is greater than the accepted threshold of 0.05. (Rejected) Based on the obtained significance value of 0.119 (<0.05), it can be concluded that the accounting system variable does not have a significant impact on the Quality of Financial Information (Y). (H5 declined) The significance value of the Organizational Commitment variable is 0.001, indicating a significant effect on the Quality of Financial Information (Y) as it is below the threshold of 0.05. (H6 approved) Based on the obtained data, it has been determined that the Financial Management Accountability variable holds a considerable level of significance with a value of 0.001 (<0.05). Therefore, it can be concluded that the Financial Management Accountability variable has a substantial impact on the Quality of Financial Information (Y). (Accepted).

Table 2. Determinant coefficients of Model II Regression

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.709 a</td>
<td>.502</td>
<td>.429</td>
<td>2,491</td>
</tr>
</tbody>
</table>

Source: Primary Data, 2024

The R square value is 0.502, indicating that the aforementioned factors - internal control variables, accounting systems, organizational commitment, and financial management accountability - collectively contribute to 50.2% of the quality of financial information. Meanwhile, the value of e1 can be determined by utilizing the formula: e2 = √1-0,502) =0.705.

H5: There is no influence of the Accounting System on the quality of Financial Information at the General Election Commission Office

According to the findings in table 4.7, it is evident that the value of 0.001 is less than the significance level of 0.05. This indicates that there is a clear and meaningful relationship between Organizational Commitment and the Quality of financial information at the General Election Commission Office. Therefore, it can be inferred that the hypothesis has been validated.

H6: There is an influence of Organizational Commitment on the quality of Financial Information at the General Election Commission Office

According to table 4.7, the data indicates that the Financial Management Accountability (Z) has a statistically significant impact on the quality of Financial Information (Y) at the General Election Commission Office. Therefore, it can be inferred that the hypothesis has been validated.
H₈: Internal Control (X1) has a significant effect on Financial Management Accountability (Z) through the Quality of Financial Information (Y).

It is widely recognized that the direct impact of X2 on Z is calculated to be 0.063, based on the equation (-0.251) Z. Furthermore, the indirect impact of X2 on Z, mediated by Y, can be calculated by multiplying the beta coefficient of X2 on Y (-0.281) with the beta coefficient of Z on Y (-1.609), resulting in a value of 0.452. Therefore, the overall impact of X1 on Z can be determined by adding together the direct and indirect influences, which results in a total of 0.515. According to the calculation results, it is evident that the indirect influence of X2 on Z (0.063) is smaller in magnitude compared to the direct influence of X2 on Z (0.515). Therefore, it can be inferred that the impact of Internal Control (X2) on Financial Management Accountability (Z) through the Quality of financial information (Y) is not statistically significant.

Based on the research results, it shows a value of 0.001>0.05, this means that the Accounting System has a direct and significant effect on Financial Management Accountability at the General Election Commission Office. Because the Accounting System has a very positive influence in increasing Financial Management Accountability, if the Accounting System is not utilized as well as possible then financial management will have a direct or significant impact on Financial Management Accountability at the General Election Commission Office. Based on the purpose of the accounting system, it can be concluded that the purpose of the accounting system is to provide information to the General Election Commission Office so that it can improve the Financial Management system which is in accordance with a good internal control system.

This finding is in line with research by Juhmani (2017). The results of this research illustrate that the correlation coefficient is 0.738, which means there is a positive direction and a strong level of influence between the regional financial accounting system on the accountability of regional financial reports. Suprihastini et al. (2017) Research results show that regional financial management has a positive relationship but does not have a significant effect on the quality of regional financial reports, while the regional financial accounting system has a significant effect on the quality of regional government financial reports. This shows that the better the regional financial accounting system, the more the financial reports produced will also improve

Based on the research results, it shows a value of 0.632>0.05, this means that Organizational Commitment has no direct and significant effect on financial management accountability at the General Election Commission Office. Accountability is a concept that is closely related to accountability and openness, and when implemented well, can improve the performance and effectiveness of an organization. However, in some organizations there are some reasons or obstacles that make some situations not appear immediate or significant. This finding is not in line with research by Wardani et al. (2023) that village apparatus competency has a significant effect on accountability in village fund management in Samosir Regency. Transparency has a significant effect on Village Fund Management Accountability in Samosir Regency. Organizational Commitment has a significant effect on Village Fund Management Accountability in Samosir Regency.

Based on the research results, it is known that the indirect influence of X1 on Z (0.865) is greater than the direct influence of X1 on Z (0.033). So it is concluded that indirectly Internal Control (X1) influences Financial Management Accountability (Z) through the Quality of financial information (Y). Internal Control monitors accountability and accountability. By becoming more efficient, the General Election Commission Office tends to be more responsible in managing its finances. High accountability can lead to more effective financial management, which in turn contributes to the quality of Financial Information. This finding is in line with research by Azlim (2012) that the implementation of Good Governance and Government Accounting Standards simultaneously influences the quality of SKPD financial information in Banda Aceh City.
CONCLUSION

From the analysis and discourse, the following conclusions can be drawn: Internal Control (X1) has no significant effect on the Quality of Financial Information (Y) at the General Election Commission Office where the p value is 0.119 > 0.05. The Accounting System (X2) has a direct and significant effect on the Quality of Financial Information (Y) at the General Election Commission Office where 0.001 < 0.05. Organizational Commitment influences the Quality of financial information (Y) at the General Election Commission Office where the p value is 0.001 < 0.05. Internal Control has a direct and significant effect on Financial Management Accountability at the General Election Commission Office where the p value is 0.006 < 0.05. The Accounting System has a direct and significant effect on Financial Management Accountability at the General Election Commission Office where the p value is 0.001 > 0.05. Organizational Commitment (X3) has no significant effect on Financial Management Accountability (Z) at the General Election Commission Office where the p value is 0.632 > 0.05. Quality of Financial Information (Y) has a significant effect on Financial Management Accountability (Z) at the General Election Commission Office where the p value is 0.001 < 0.05. Internal Control (X1) influences Financial Management Accountability (Z) through the Quality of Financial Information (Y) where 0.865 > 0.033. The accounting system influences financial management accountability (Z) through the quality of financial information (Y) where 0.063 > 0.515. Organizational Commitment influences Financial Management Accountability (Z) through Financial Information Quality (Y) where 0.727 > The value is -1.136.

REFERENCES


