

The Effect of Human Resource Experience on the Quality of SKPD Financial Statements with the Government's Internal Control System as a Moderating Variable

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Abstract. *The purpose of this study is to test the influence of human resource experience on the quality of SKPD financial statements with the government's internal control system as a moderating variable. This type of research uses explanatory with the use of a quantitative approach. The population in this study is 38 Regional Apparatus Work Units (SKPD) that have general functional positions in the preparation of financial statements in the West Java Provincial Government. The method of determining the sample is the census method so that the entire population is used as a research sample. The data in this study are primary data and data collection techniques using questionnaires. Hypothesis testing uses the Moderation Regression Model with the help of the Statistical Product and Service Solution (SPSS) version 25 program. The results of this study prove that human resource experience has a positive and insignificant influence on the quality of SKPD financial statements, and the government's internal control system is unable to increase the influence of human resource experience on the quality of SKPD financial statements. It is hoped that there will be improvements in government apparatus, as well as leaders to always provide support and evaluation of employees and experience in creating a supportive work environment to improve the quality of SKPD financial reports through education and training.*

Keywords: *Human Resource Experience, Government Internal Control System, Quality of SKPD Financial Statements*

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INTRODUCTION

Ensuring the integrity of financial statements is crucial for upholding public trust, promoting accountability and transparency in the use of public funds, and enabling sound decision-making. It is imperative that financial statements adhere to government accounting regulations to ensure their accuracy and reliability. Government Regulation Number 71 of 201 provides a comprehensive explanation of the criteria for ensuring the quality of information. This regulation aims to ensure that the government financial statements are valuable and beneficial, characterized by their relevance, reliability, comparability, and understandability. Frequently, issues arise concerning the quality of financial reports that are being extensively debated. The prevalence of cases concerning the subpar quality of financial reports from local governments in Indonesia remains a subject that necessitates further in-depth study. The government is actively working towards transforming various aspects of state welfare, with a particular focus on enhancing the management of state financial statements to ensure their reliability, accountability, and transparency (Anto & Yusran, 2023) (Government Regulation (PP) Number 71 of 2010

regarding Government Accounting Standards, 2010; Hariani & Fakhrorazi, 2021; Yuliusman & Zulma, 2023).

Management has the potential to alter their financial statement disclosures, particularly in relation to subjective estimates, if they have concerns that the auditor may provide unfavorable feedback regarding certain aspects of the financial statements. It is stated that financial statements have the objective of providing a range of information pertaining to finance, financial performance, and cash flow statements. The party responsible for managing finances and generating financial statements that do not adhere to monetary accounting standards results in suboptimal quality of the financial statements (Reid et al., 2019; Halim & Kusufi, 2017; Susanto & Rambano, 2022).

According to the audit conducted by the Audit Board (BPK) of the Republic of Indonesia Representative of West Java Province, it has been determined that the Regional Government Financial Statements (LKPD) of the West Java Provincial Government for the 2022 Fiscal Year (FY) have received a Fair Opinion Without Exception. The WTP opinion attained by the Regional Government of West Java Province has been consistently achieved for 12 consecutive times starting from the 2011 Fiscal Year (FY). The opinion on WTP obtained by the Regional Government of West Java Province does not provide a guarantee of being free from any findings. One of the findings of the audit of the LKPD of West Java Province is the inadequate SPI in the management of regional finances and assets. There have been consistent findings and unresolved recommendations from the previous year.

Financial statements of local governments serve as official declarations made by local government leaders. Their purpose is to provide information to various parties, including stakeholders, about the financial condition of local governments. Financial statement audits seek to assess the credibility of financial statements in accordance with widely accepted accounting principles. In order to ensure the protection of financial statement users, it is imperative that third parties, specifically independent auditors, assess the caliber of financial statements produced by local governments. The Audit Board of the Republic of Indonesia is a recognized organization responsible for conducting audits of regional and community financial management and accountability (Yuliusman & Zulma, 2023; Prihantoro & Kuntadi, 2022; Anto & Yusran, 2023).

According to the regulations stated in Government Regulation Number 8 of 2006, specifically Article 33, the evaluation of LKPD is conducted by the Government Internal Supervisory Apparatus (APIP). This evaluation aims to ensure that the information presented in the financial statements is accurate, reliable, and valid. It is only after this evaluation that the regional head can sign a statement of responsibility and submit the LKPD to the BPK. After conducting a review of the financial statements of the Regional Apparatus Work Unit (SKPD) of the West Java Provincial Government for the fiscal years 2020, 2021, and 2022, the Regional Inspectorate has identified several significant concerns. These concerns are outlined in the table below.

Table 1. Results of the Review of the Regional Inspectorate of West Java Province

It	Description	Review Results for Fiscal Years 2020, 2021 and 2022
1.	Budget Realization Report (LRA)	<p>Fiscal Years 2020, 2021 & 2022:</p> <p>The correction of the review results of the accounts in the Budget Realization Report is due to, among other things:</p> <ol style="list-style-type: none"> 1) Earnings that have not been recorded; 2) Expenditure accountability from grants that have not been recorded; 3) Reclassification of spending.
2.	Report on Changes in the Surplus Budget Balance (LPSAL)	<p>Fiscal Years 2020, 2021 & 2022:</p> <p>The presentation of the amount in the Report on Changes in the Surplus Budget Balance (LPSAL) has been in accordance with</p>

		Government Regulation Number 71 of 2010 concerning Government Accounting Standards (SAP).
3.	Balance	Fiscal Years 2020, 2021 & 2022: 1) Changes in inventory accounting policies and reclassification of inventory accounts to other accounts or vice versa; 2) Reclassification from a fixed asset account to another asset account or vice versa and the non-issuance of a fixed asset grant from the Regency Government;
4.	Operational Report (LO)	Fiscal Years 2020, 2021 & 2022: 1) Addition of unrecorded revenue; 2) Additional expenses in the form of building/building maintenance from capital expenditure that is not capitalized in fixed assets; 3) Unbilled December electricity/telephone/water bills; and 4) Advantages/disadvantages of depreciation of fixed assets
5.	Cash Flow Statement (LAK)	Fiscal Years 2020, 2021 & 2022: The initial balance of Cash at the Regional General Treasurer (BUD) and the Regional Public Service Agency (BLUD) presented in the initial Balance Sheet as of January 1 is in accordance with the final balance of Cash at the Regional General Treasurer (BUD) and the Regional Public Service Agency (BLUD) as of December 31 and according to the Report on the Results of the Audit of the Financial Audit Agency of the Republic of Indonesia (BPK RI) on the Regional Government Financial Statements (LKPD) of West Java Province.
6.	Equity Change Report (LPE)	Fiscal Years 2020, 2021 & 2022: The correction of the review results to the change in equity was influenced by changes in revenue/expenses in the operating statement and corrections to the receipt/delivery of fixed assets that have not been recorded.
7.	Notes on Financial Statements (CaLK)	Fiscal Years 2020, 2021 & 2022: Notes on the Financial Statements (CaLK) have been presented based on Government Regulation Number 71 of 2010 concerning Government Accounting Standards.
8.	Report on Internal Control System	Fiscal Year 2020: 1) There are still many corrections to the Regional Apparatus Financial Statements (unreviu) which are dominated by fixed asset accounts. This shows the inaccuracy of fixed assets/BMD administration; 2) The 2020 Education Office Financial Report (unreviewu) was prepared late. The results of the review found that the 2020 Education Office Financial Statements (unreviewu) until the end of the review period had not been completed (only completed on March 19, 2021).
		Fiscal Year 2021: At the Education Office: 1) There is still a cash balance in the Treasury due to excess expenditure realization exceeding the budget ceiling; 2) The management of inventory in 846 schools is still manual, making it difficult to combine the realization and calculation of the remaining inventory as of December 31, 2021. Financial statements are prepared manually except for the Budget Realization Report (LRA), this is because the Regional Government Information System (SIPD) is inadequate.
		Fiscal Year 2022:

		<ol style="list-style-type: none"> 1) The existence of cash balances in the Expenditure Treasurer of the West Java Provincial Education Office which is caused by payment errors for capital expenditure on equipment and machinery paid through 2 (two) SP2D to 2 (two) different companies; 2) Financial statements are prepared manually except for the Budget Realization Report (LRA), this is because the Regional Government Information System (SIPD) is inadequate.
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Source: Review Report (LHR) on the Financial Statements of the Regional Government of West Java Province for the 2020, 2021 and 2022 Fiscal Years.

Based on the findings presented in table 1.1, it is evident that the financial statements of the SKPD of West Java Province for the Fiscal Years (FY) 2020, 2021, and 2022 have yielded unsatisfactory outcomes. The author asserts that financial statements are a result of the field of accounting, and can be influenced by both internal and external factors. Prior research has conducted numerous studies on the variables impacting the accuracy and reliability of financial statements, with a particular focus on the expertise of human resources (Bahri, 2016). (Atika et al., 2019; Damayanti & Pratiwi, 2022; Dewi & Yuniasih, 2021; Maghfiroh et al., 2022) The Internal Control System, as stated in Permendagri No. 4 of the Year Guidelines for the Implementation of Review of Regional Financial Statements Article 1 (10), is outlined in the Regulation of the Minister of Home Affairs Number 4 of 2008 concerning Implementation Guidelines Review Regional Government Financial Statements.

"An internal control system is a process influenced by management that is designed to instill confidence in the effectiveness, efficiency, compliance with laws and regulations, and the reliability of regional financial presentation." The internal control system is a process consisting of a series of steps or activities that are consistently performed by leaders and employees. Its purpose is to instill a sufficient level of confidence in the achievement of organizational goals through effective and efficient operations, as well as financial reliability. (Sumaryati et al., 2020)

Work experience is a measure of an employee's knowledge and skills, determined by their length of service and level of expertise. Experienced employees possess a deep understanding of how to handle and resolve issues that may arise, enabling them to seamlessly integrate into their work and minimize errors. Their mastery of their field and prior encounters with similar challenges contribute to their ability to navigate obstacles effectively. An employee with extensive work experience will possess a deeper understanding and comprehension of the tasks at hand (Handoko, 2014; Dewi & Yuniasih, 2021).

According to the study's findings, the implementation of the Internal Control System had a notable and beneficial impact on the quality of financial statements. The implementation of the Internal Control System has the potential to enhance the accuracy and reliability of financial reports. The effectiveness of the internal control system directly impacts the accuracy and reliability of the financial reports generated. Nevertheless, the study's findings indicate that the internal control system does not impact the quality of financial reports produced by local government entities. Thus, additional investigation is required to determine if the internal control system can enhance the correlation between human resource experience and LKPD quality (Sukma & Hidayah, 2023; Sumaryati et al., 2020).

The study's findings indicate that work experience has a notable and favorable impact on the quality of financial reports. The quality of financial reports improves as employees gain more work experience in compiling financial statements. Based on the study of employees with extensive work experience, they are more likely to receive substantial work benefits, which in turn facilitates their ability to produce high-quality financial reports (Damayanti & Pratiwi, 2022; Dewi & Yuniasih, 2021; Novia & Sujana, 2021).

This study suggests that the variable of the internal control system is anticipated to enhance the correlation between human resource experience and LKPD quality. Considering the

sluggish improvement in the quality of financial reports, the significance of financial supervisors and the efficacy of the government's internal controls cannot be overstated. In relation to the matter of control, the government has recently released Government Regulation Number 60 of the Government Internal Control System (SPIP) (Government Regulation (PP) Number 60 of 2008 regarding the Government Internal Control System, 2008)

In light of the research gap and the prevailing phenomenon in the Regional Government of West Java Province, the researcher intends to undertake additional research to address this gap. Further investigation into the quality of SKPD financial statements in West Java Province is imperative. Therefore, the researcher intends to conduct a study titled "The Impact of Human Resources Experience on the Quality of SKPD Financial Statements, with the Government Internal Control System as a Moderating Variable."

The objective of this study is to investigate the impact of human resource experience on the quality of the financial statements of West Java Provincial SKPD. Additionally, it aims to examine the role of the government's internal control system in enhancing the influence of human resource experience on the quality of these financial statements.

This study is anticipated to contribute further knowledge and insights pertaining to the research topic. Furthermore, one is expected to make valuable contributions to the ongoing scientific advancements in the field of economics, with a particular focus on accounting and its impact on the quality of government financial statements.

METHODS

This study aims to investigate the factors affecting the quality of financial reports, specifically focusing on the impact of human resource experience and the role of the internal control system as a moderator. This study employs an explanatory research design, utilizing a quantitative methodology. This study aims to investigate the potential relationship between the independent variable, which is human resource experience, the moderation variable, which is the government internal control system, and the bound variable, which is the quality of local government financial statements.

The focus of this study is the West Java Regional Apparatus Work Unit (SKPD)

The study focuses on a sample of 38 Regional Apparatus Work Units (SKPD) that hold general functional positions in the preparation of financial statements. The data sources in this study were acquired through the dissemination of questionnaires and surveys. The data collection conducted in this study involves the use of primary data. The primary data serves as a means to gather information from respondents regarding a specific topic known to them. The questionnaire utilized in this study is a closed questionnaire, which has been supplied by the researcher.

The questionnaire in this study was assessed using an interval scale with a five-point Likert scale employed by researchers to gather data on human resource experience, internal control, and the quality of SKPD financial statements. The data analysis technique commences with a thorough examination of data quality through validity and reliability testing. This is followed by an in-depth analysis of descriptive statistics, as well as a rigorous evaluation of classical assumptions such as multicollinearity and heteroscedasticity. Subsequently, a comprehensive assessment of model feasibility is conducted, utilizing R² and F models. The technique then proceeds to a meticulous moderation regression test, culminating in a hypothesis test.

RESULTS AND DISCUSSION

Multicollinearity Test Results

Table 2. Multicollinearity Test Results

Coefficients ^a								
Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	24,602	5,434		4,527	,000		
	Experience HR	,025	,089	,035	,285	,777	,943	1,060
	SPIP	,252	,043	,710	5,862	,000	,943	1,060

a. Dependent Variable: Quality of SKPD Financial Statements

Source: Primary data processed with SPSS 25, 2024

The test results in table 4.10, multicollinearity show that all independent variables (government internal control system and *HR Experience*) have a *tolerance* value greater than 10% (0.10) and a VIF value less than 10 so it can be concluded that multicollinearity does not occur.

Heteroscedaity Test Results

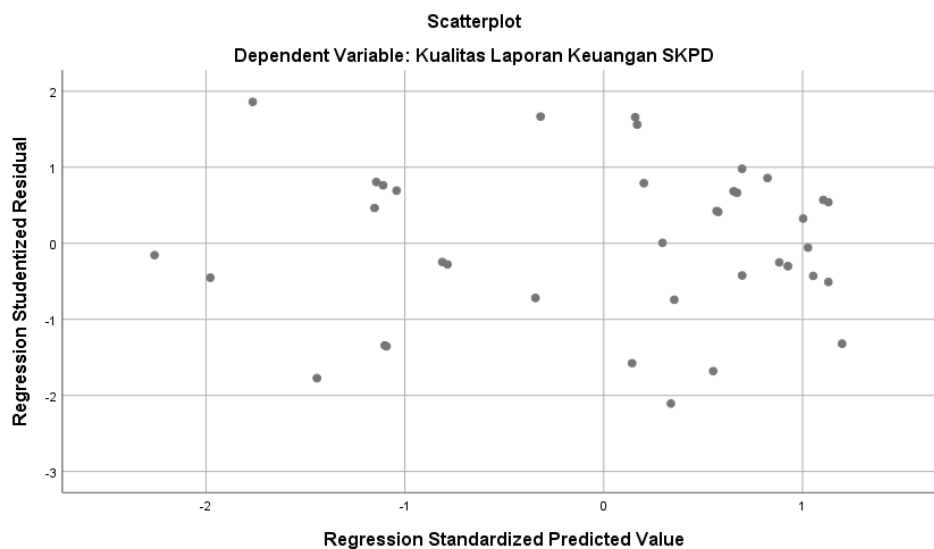


Figure 1. Scatterplot

As can be seen in figure 4.1, the distribution of points on the *scatterplot* of regression is spread out in an unreadable pattern above and below the number 0 on the Y axis so that there is no heteroscedasticity problem.

Determination Coefficient Test Results (R²)

Table 3. Results of the Determination Coefficient Test of the Equation Model 1

Model Summary ^b				
Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,719a	,516	,489	2,950
a. Predictors: (Constant), SPIP, <i>Experience HR</i>				
b. Dependent Variable: Quality of SKPD Financial Statements				

Source: Primary data processed with SPSS 25, 2024

Based on table 4.11, the *Adjust R Square value* for regression model 1 is 0.489, it can be interpreted that the independent variable (*Experience*) and moderation variable (SPIP) can explain the dependent variable (quality of SKPD financial statements) of 48.9% while the rest is explained by other factors in the study.

Table 4. Results of the Determination Coefficient Test of the Equation Model 2

Model Summary ^b				
Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,729a	,532	,490	2,945
a. Predictors: (Constant), <i>Experience</i> SDM*SPIP, SPIP, <i>Experience</i> HR				
b. Dependent Variable: Quality of SKPD Financial Statements				

Source: primary data processed, 2024

Based on table 4.12, the *adjusted R square* value for regression model 2 is 0.490, it can be interpreted that the *moderating variable* (government internal control system) is able to increase the influence of the independent variable (*Experience* HR) on the dependent variable (quality of SKPD financial statements) by 49% while the rest is explained by other factors in the study.

Test Results F Model

Table 5. Test Results F Model

ANOVA ^a						
Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	325.091	2	162.546	18.684	.000b
	Residual	304.488	35	8.700		
	Total	629.579	37			
a. Dependent Variable: Quality of SKPD Financial Statements						
b. Predictors: (Constant), <i>Human Resources Experience</i> , Government Internal Control System						

Source: Primary data processed with SPSS 25, 2024

It can be seen in table 4.13 based on calculations with the help of SPSS software that a significant value of F is obtained in regression model 1 and regression model 2 of $\alpha = 0.000 < 0.05$, so it is concluded that all X variables are able to affect variable Y together and at the same time show that the regression model built is declared feasible to use.

Moderation Regression Model

Table 6. Results of Model 1 Moderation Equation

Coefficients ^a								
Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	24,602	5,434		4,527	,000		
	<i>Experience</i> HR	,025	,089	,035	,285	,777	,943	1,060
	SPIP	,252	,043	,710	5,862	,000	,943	1,060
a. Dependent Variable: Quality of SKPD Financial Statements								

Source: Primary data processed with SPSS 25, 2024

Regression between *HR Experience* and the quality of SKPD's financial statements. Based on the regression calculation between human resource experience and the quality of SKPD's

financial statements with the assistance of the SPSS program (Table 4.14), the regression equation model 1 is:

$$Y1 = 24.602 + 0.025 K + 0.252 SPIP$$

The results of the simple regression equation mentioned above provide an understanding that: (a) The constant value of 24,602 is a positive value, which can be interpreted that if the quality of SKPD's financial statements is constant or fixed, then *the human resource* experience has a positive value; (b) B1 (value of human resource experience regression coefficient) has a positive value of 0.025, which means that if human resource *experience* increases, then the quality of SKPD's financial statements will increase.

Table 7. Results of Model 2 Moderation Equation

		Coefficientsa				
Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-17,363	40,270		-,431	,669
	Experience HR	1,104	1,030	1,501	1,072	,291
	SPIP	,607	,339	1,705	1,787	,083
	Experience SDM*SPIP	-,009	,009	-1,963	-1,052	,300

a. Dependent Variable: Quality of SKPD Financial Statements

Source: Primary data processed with SPSS 25, 2024

Regression between the government's internal control system in moderating *the experience* of human resources on the quality of SKPD financial reports. Based on the regression calculation between *human resource* experience on the quality of SKPD financial statements and the moderation of the government control system, with the help of the SPSS program (Table 4.15), the regression equation model 2 is:

$$Y2 = -17,363 + 1,104 E + 0.607 SPIP - 0,009 E*SPIP$$

The results of the multiple regression equation mentioned above provide an understanding that: (a) The constant value of -17.363 has a negative value, which can be interpreted that if the quality of SKPD's financial statements is constant or fixed, then and the experience of human resources is negative; (b) B2 (the value of the regression coefficient of the government's internal control system in moderating *human resource* experience) has a negative value of -0.009, which means that if the *human resource* experience increases, the quality of SKPD's financial statements will decrease.

Results of the Hypothesis t-Test

Table 8. Results of the t-Test of Equation Hypothesis 1

		Coefficientsa					Collinearity Statistics	
Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	24,602	5,434		4,527	,000		
	Experience HR	,025	,089	,035	,285	,777	,943	1,060
	SPIP	,252	,043	,710	5,862	,000	,943	1,060

a. Dependent Variable: Quality of SKPD Financial Statements

Source: Primary data processed with SPSS 25, 2024

The explanation of each hypothesis is as follows: (a) Hypothesis 1: The effect of *human resource* experience on the quality of SKPD financial statements.

The results of hypothesis 1 testing: the t-value of 0.285 and the t-table 2.030 were obtained Because the t-value of the t-calculated < t table, $0.285 < 2.030$ with a significance level of $0.777 >$ from $\alpha = 0.05$ and a positive coefficient value of 0.025 thus H_0 was accepted and H_a was rejected, meaning that *human resource* experience has a positive and insignificant influence on the quality of SKPD's financial statements. Thus it can be concluded that H_1 is rejected.

The hypothesis testing in this study tests the *experience* of human resources on the dependent variables of the quality of SKPD financial statements directly or with the government's internal control system as moderating. The results of hypothesis testing are:

Table 9. Results of the t-Test of Equation Hypothesis 2

Coefficients ^a					
Type	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-17,363	40,270		-.431	,669
Experience HR	1,104	1,030	1,501	1,072	,291
SPIP	,607	,339	1,705	1,787	,083
Experience SDM*SPIP	-,009	,009	-1,963	-1,052	,300

a. Dependent Variable: Quality of SKPD Financial Statements

Source: Primary data processed with SPSS 25, 2024

The explanation of each hypothesis is as follows: (a) Hypothesis 2: The government's internal control system in improving the influence of HR experience on the quality of SKPD financial statements

The results of hypothesis 2 testing: the t-value of -1.052 and the t-table of 2.030 were obtained. Because the t-value calculated < t table, $-1.052 < 2.030$ obtained with a significance level of $0.300 >$ from $\alpha = 0.05$ and a negative coefficient value of -0.009 thus H_0 is accepted and H_a is rejected, meaning that the government's internal control system is not able to increase the influence of experience on the quality of SKPD's financial statements. Thus it can be concluded that H_4 is rejected.

The Effect of Human Resources Experience on the Quality of SKPD Financial Statements

The results of hypothesis 1 testing: the t-value of 0.285 and the t-table 2.030 were obtained Because the t-value of the t-calculated < t table, $0.285 < 2.030$ with a significance level of $0.777 >$ from $\alpha = 0.05$ and a positive coefficient value of 0.025 thus H_0 was accepted and H_a was rejected, meaning that *human resource* experience has a positive and insignificant influence on the quality of SKPD's financial statements. Thus it can be concluded that H_1 is rejected.

Human resources consisting of local government employees will have an impact and impact on the quality of the local government financial statements produced, in accordance with *stakeholder theory* which defines *stakeholders* as parties who can influence or be influenced by an entity. However, the results of this study are not in line with *stakeholder theory* which says that with employees who have high experience, they are able to produce good quality financial reports that are useful for *stakeholders*. Meanwhile, this study proves that high experience does not affect the quality of the financial reports produced.

In line with research that shows that (Bhegawati & Novarini, 2021; Rengganis & Mirayani, 2022) *human resource* experience has a negative and significant influence on the quality of financial statements. The results of the study show that the higher the experience of human resources, the lower the quality of the financial reports produced.

According to him, the quality of the financial statements of Village Credit Institutions (LPD) is not influenced by experienced employees. Because it has used the financial reporting benchmarks that have been determined, the work experience that LPD managers have based on financial statements presented in accordance with financial accounting standards and in

accordance with regulatory provisions does not affect the quality of financial statements. (Bhegawati & Novarini, 2021) In accordance with the general description of employees with a working period of 1-3 years are the most dominated with a percentage of 57.9%, this indicates that in the range of 1-3 years of working period there are not too many human resources experience at work. Financial statements are a form of accountability for state and regional financial management at all times, in accordance with government regulation No. 8 of 2006 concerning financial reporting and the performance of government institutions so that the role of the government in developing its human resources is very necessary to determine the quality of regional financial reporting. (Susanto & Rambano, 2022).

The results of the hypothesis test show that *HR experience* has a negative influence on the quality of SKPD Financial Statements. Thus, in this study, it was found that in the HR experience variable, there are still problems that are not optimal, especially in the dimension of work experience. In the field of work experience, especially in terms of having been in a position now, it indicates that there are still employees who state that they have never held a position in finance/accounting at the workplace before. This is because SKPD leaders in placing employees have not considered experience in previous positions.

Although the working period dimension has an average value of the dimension above the overall average value, there is an indicator whose average value is below the total average value, which is an indicator of how long a person has worked indicates that there are employees who have not held the position of preparing financial statements for a long time. This is due to the lack of the number of employees with the large number of employee needs in other fields, causing employees who have been placed and experienced in one financial management position to experience rotation/transfer of positions. In the dimension of work experience in the field of finance/accounting, there is an average value of the dimension above the total average value, but there is an indicator whose average value is below the total average value, namely the indicator of work experience in the finance department, which indicates that some employees do not have work experience in the finance department. This is because there is still a lack of employees who have an educational background in the field of finance/accounting in accordance with employee data where there is still a non-accounting educational background.

The Influence of the Government's Internal Control System in Increasing the Influence of Human Resources Experience with the Quality of SKPD Financial Statements

The results of hypothesis 2 testing: the t-value of -1.052 and the t-table of 2.030 were obtained. Because the value of t calculated $< t$ table, $-1.052 < 2.030$ obtained with a significance level of $0.300 > \alpha = 0.05$ and a negative coefficient value of -0.009 thus H_0 is accepted and H_a is rejected, meaning that the government's internal control system is not able to increase the influence of *experience* on the quality of SKPD financial statements. Thus it can be concluded that H_4 is rejected.

Arum & Nuraini (2021) work experience has a positive influence on the quality of financial statements. Efforts to increase employees in the internal control system implemented will be able to maximize the existing mission, which is to produce quality information and financial reports in accordance with government accounting standards. The results of direct testing show that (Sukma & Hidayah, 2023) *human resource experience* has a significant negative effect on the quality of SKPD's financial statements, so that the improvement of employee performance is not affected by the experience of how long someone has worked in the same field. Internal control is not able to improve the relationship between employee work experience and the quality of the financial reports produced, so that a good government internal control system is not able to increase the influence of *experience* on the quality of SKPD financial reports.

According to the existence of a good internal control system in the organization, it encourages employees to compile and present information using the accounting system effectively and in accordance with SAP, making financial reports more qualitative. Confidence in the reliability of the presentation of financial statements, compliance with all existing regulations,

as well as the effectiveness and operational efficiency of superiors and all state civil servants to the public is a guarantee provided by the government with the presence of an internal control system. (Widaryani & Kiswanto, 2020)

The results of the hypothesis test show that the government's internal control system is not able to increase the influence of *human resource* experience on the quality of SKPD financial statements. Thus, in this study, it was found that in the variables of the government's internal control system, there are still dimensions and indicators that are not optimal, especially in the dimension of risk assessment and the dimension of control activities/activities.

The risk assessment dimension indicates that there are still employees who state that the leadership has not conducted a complete and thorough risk analysis of the possibility of violations of the accounting system, and the leadership does not always have a management plan or reduce the risk of violations of accounting systems and procedures. This is because there is still a low commitment of leadership and understanding of risks so that risk identification in the implementation of accounting systems and procedures is not mitigated as a priority risk factor.

In the dimension of control activities/activities, it indicates that there are still employees who state that not all financial transactions before being processed into the system are reviewed by the leadership first, SKPD leaders do not always provide guidance to employees, not all policies and procedures for controlling the management of information systems have been established and implemented properly, not all policies and procedures for physical security of assets have been established and well implemented, not all SKPD leaders have determined and reviewed performance indicators and measures, and not all SKPD leaders and employees have worked in accordance with their duties and functions and understood the objectives of control activities. This is because there is still not optimal communication between superiors and subordinates in the implementation of an applicable policy/rule and the performance plan set by the organization.

Although in the dimension of the control environment has an average value of the dimension above the overall average value, there is an indicator whose average value is below the total average value, namely an indicator of the organizational structure that is in accordance with the needs, indicating that there are employees who consider the organizational structure of the SKPD not to describe the division of authority and responsibility. This is because the separation of duties and functions of each employee is still not optimal in accordance with the set workload; indicators of a healthy policy on human resource development, it indicates that there are employees who consider that SKPD leaders do not take firm action on violations of policies, procedures, or rules. This is because there has been no implementation of measurable rewards and punishments for employees and indicators of good working relationships, it indicates that there are employees who consider that leaders and subordinates do not have a good relationship so they cannot work together properly. This is because there are still standard operating procedures (SOPs) that have not been fully communicated and understood and the uneven involvement of all employees and leaders in planning and assessing organizational performance.

In the information and communication dimension, the average value of the dimension is above the overall average value, but there is an indicator whose average value is below the total average value, namely the information system management indicator, which indicates that there are employees who state that the continuous communication channel has not been fully implemented openly and effectively. This is because information has not been identified, obtained and distributed adequately, in the right form and time so as to support the implementation of duties and responsibilities effectively and efficiently.

In the dimension of internal control monitoring, there is an average value of the dimension above the overall average value, but there is an indicator whose average value is below the total average value, namely the continuous monitoring indicator, this indicates that there are employees who declare the follow-up of the assessment of the quality of internal control, there are still SKPDs that have not made improvements to internal control, due to the lack of clear

planning and structured in the implementation of improvements, there is still a low understanding and sense of responsibility (involvement) of everyone in the organization for the implementation of control activities, and to a lack of precision in the implementation of improvements so as to reduce the effectiveness of control; and separate evaluation indicators, which indicate that there are employees who state that the leadership does not always review and evaluate findings that show weaknesses. This is because information on the weaknesses of the control system is not conveyed to all employees which can cause understanding and concern to make improvements.

CONCLUSION

Based on the results of the research that has been carried out, it can be concluded as follows: (1) Human resource experience has a positive and insignificant influence on the quality of SKPD financial reports. It can be interpreted that the higher the experience of human resources will not affect the quality of the financial statements produced; (2) The government's internal control system is not able to increase the influence of human resource experience on the quality of SKPD financial reports. It can be interpreted that the government's internal control system is not able to improve the relationship between employee work experience and the quality of the financial reports produced, so that a good government internal control system is not able to increase the influence of Experience on the quality of SKPD's financial reports.

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