

## **CHAPTER V**

### **CONCLUSIONS, IMPLICATIONS, LIMITATIONS, AND RESEARCH SUGGESTIONS**

#### **A. Conclusions**

This research aims to examine and obtain empirical evidence regarding accountability, transparency, human resource competence, regulation compliance and the use of information technology towards financial statement quality in village government. This research was conducted in several villages in Bantaeng Regency, South Sulawesi Province. In taking the sampling technique, this research used purposive sampling method which only a few people were directly related to the financial statements being sampled, such as village heads, village secretaries, village treasurers, village supervisors and finance chiefs of village government. The total village sampled in this study were 18 villages with 86 respondents who could be used. Based on the results of the research, it can be concluded that:

Hypothesis 1 accountability significantly does not have a significant effect towards financial statement quality in village government. It is explaining that the fulfillment of village government accountability is not directly proportional towards financial statement quality in village government. The community as part of the stakeholders that should be more demanding accountability from the village government actually give full responsibility to the village government so that the public feels less concerned with village

financial management. In addition, incomplete administrative accountability makes the village government less accountable in carrying out its duties.

Hypothesis 2 transparency significantly does not affect towards financial statement quality in village government. It is explaining that transparency in village government is not directly proportional towards financial statement quality. With the lack of access to publications in the village, making financial statements difficult to publish. This is in line with several previous studies.

Hypothesis 3 human resource competence significantly does not affect towards financial statement quality in village government. It is explaining that the competence of human resources is not directly proportional towards financial statement quality. Respondents were still lacking in indicators of educational background, training and experience. In addition, the lack of supervision and evaluation made human resources in the village government increasingly lack of competence in preparing financial statements.

Hypothesis 4 regulation compliance significantly affects towards financial statement quality in village government. It is explaining that regulation compliance is directly proportional towards financial statement quality. As part of the government structure. Indonesia has regulated in detail the regulations on financial management of the village government. Moreover, the existence of supporting guidelines makes village governments must strictly obey the existing regulations and comply to the principles that set out in the regulation.

Hypothesis 5 the use of information technology significantly affects towards financial statement quality in village government. It is explaining that the use of information technology is directly proportional towards financial statement quality. With the advancement of technology today, it is possible that the village government must also use information technology to prepare financial statements to be better. By using computers, the village government can reduce material errors in financial statements. In addition, special applications in the management of village government finances also provide good benefits in managing finances and preparing financial statements.

#### B. Implications

Based on the results of the research, there are 2 factors that significantly affect the quality of financial statements, compliance with laws and the use of information technology. These two factors are very important for achieving good financial quality in the village government.

For all Bantaeng Regency Government in South Sulawesi Province, this research can be an evaluation material in the process of preparing financial statements. To maximize the quality of financial statements, village governments can begin by increasing accountability in accordance with the principles contained in law no.113 of 2014 concerning village financial management.

Transparency also needs to be maximized not only for the local public but also for the wider public. The importance of publications must be realized by

the village government not only to put up financial statements in certain places but also can build other publications such as newspapers, magazines, social media or village website.

As an important component in carrying out the duties of the village government, the competence of human resources must be maximized. Based on this research, the lack of human resources with appropriate educational backgrounds makes the arrangement of financial statement inadequate. The need of training, experience, and a sense of responsibility can support village government human resources in preparing financial statements.

Regulation compliance should also be maximized in compiling financial statement of village government. When the central government decides that the village government can regulate its own household, it means that the village government must be independent in managing all the matters contained in the government. However, with the existence of a law that regulates it is expected that the law becomes a guideline and limitation for the village government in managing the government.

In this globalization era, the use of information technology is also crucial, where computers and internet networks are supporting in carrying out village government duties. In addition, the central government that issued financial management applications for village governments also increasingly increased the importance of the use of information technology in the financial statement arrangement. Fulfilling the number of computers in the village government is

very necessary to support the arrangement of financial statement and the need for financial information disclosure on the internet to create accountability for village financial management.

### C. Limitations

There are several limitations in this study as follows:

1. This research uses the dependent variable financial statement quality in village government and the research method used is the questionnaire. The lack of related research needs more research to be done so that the results of this study are getting stronger.
2. The research sample was carried out at the regency level so that further research was needed by taking a number of other regencies to be generalized in a wider area.
3. The sample in this study has not involved a broader level of government such as the sub-district government which is the verifier and validator as well as the regional government that serves as the auditor of village government financial statements.
4. The complexity of the task of the village apparatus and the limitations of the time of the study caused the answers given by the village apparatus as the respondents in this study to be uncontrolled whether the respondent's answers were honest or not.

#### D. Suggestions

Based on the results and limitations in this research, there are several suggestions for further research related to financial statement quality including:

1. Further research is expected to do additional range of regions to the research sample, so that the results of the research can be generalized to a wider area.
2. Further research is expected to do additional or replacement of other independent variables that may have an influence towards financial statement quality in village government such as the role of village facilitators.
3. Further research is expected to do additional interview methods in research data collection, so that the data obtained is more detailed.

