

## **CHAPTER IV**

### **RESEARCH RESULT AND DISCUSSION**

#### **A. General Description of Research Object**

In this chapter explain about research description, general description of respondents, descriptive statistics, the result of data quality testing, the result of classic assumption test, and the result of hypothesis testing.

##### **1. Research Description**

This research aims to know the influence of Human Resource Competency (HR), Implementation of Government Account Standard (IGAS), Internal Control System (ICS), and Utilization of Information Technology (IT) towards the Quality of Local Government Financial Statement (QFS) in Gunungkidul Regency. This research using questionnaire with purposive sampling as data collection technique. The researcher give the questionnaire to the designated OPD and taken by the agreement within the period of December, 10<sup>th</sup> 2018 until January, 10<sup>th</sup> 2019.

The total of OPD researched is 32 consist of 19 local government offices, 5 agencies, and 8 sub districts with the amount of 122 questionnaire. This is the distribution of questionnaire:

**Table 4.1**  
**Questionnaire Distribution Result**

<b>No</b>	<b>Name</b>	<b>Distributed Questionnaire</b>	<b>Returned Questionnaire</b>	<b>Percentage (%)</b>
1	Dinas Pendidikan, Pemuda, dan Olahraga	4	4	100
2	Dinas Kesehatan	4	4	100
3	Dinas Sosial	3	3	100
4	Dinas Perhubungan	4	4	100
5	Dinas Penanaman Modal dan Pelayanan Terpadu	4	4	100
6	Dinas Pekerjaan Umum, Perumahan Rakyat, dan Kawasan Permukiman	4	4	100
7	Dinas Kelautan dan Perikanan	4	3	75
8	Dinas Komunikasi dan Informatika	4	4	100
9	Dinas Koperasi, Usaha Kecil dan Menengah	4	4	100
10	Dinas Lingkungan Hidup	4	4	100
11	Dinas Tenaga Kerja dan Transmigrasi	4	4	100
12	Dinas Pariwisata	4	4	100
13	Dinas Pemberdayaan Perempuan, Perlindungan Anak dan KB, Pemberdayaan Masyarakat dan Desa	4	4	100
14	Dinas Perindustrian dan Perdagangan	4	4	100
15	Dinas Perpustakaan dan Kearsipan	4	4	100
16	Dinas Pertanian dan Pangan	4	4	100
17	Dinas Pertanahan dan Tata Ruang	4	4	100
18	Dinas Kebudayaan	4	4	100
19	Dinas Kependudukan dan Pencatatan Sipil	4	3	75
20	Badan Keuangan dan Aset Daerah	4	4	100
21	Badan Perencanaan Pembangunan Daerah	4	4	100
22	Badan Kepegawaian Pendidikan dan Pelatihan Daerah	4	4	100
23	Badan Kesatuan Bangsa dan Politik	4	2	50
24	Inspektorat Daerah	4	4	100
25	Kecamatan Patuk	4	4	100
26	Kecamatan Nglipar	4	3	75

No	Name	Distributed Questionnaire	Returned Questionnaire	Percentage (%)
27	Kecamatan Ngawen	4	4	100
28	Kecamatan Karangmojo	4	4	100
29	Kecamatan Semanu	4	4	100
30	Kecamatan Wonosari	2	2	100
31	Kecamatan Paliyan	1	1	100
32	Kecamatan Playen	4	3	75
<b>Total</b>		<b>122</b>	<b>116</b>	<b>116</b>
<b>Questionnaire that can be processes</b>				<b>113</b>
<b>Return Rate</b>				<b>95 %</b>

*Source: Primary Data Processed, 2019*

From the table above, each OPD in Gunungkidul Regency with the amount of 27 that completely return the questionnaire, 4 OPD such as Dinas Kelautan dan Perikanan, Dinas Kependudukan dan Pencatatan Sipil, Nglipar Sub district and Playen Sub district only return 75% of the total questionnaire and 1 OPD that is Badan Kesatuan Bangsa dan Politik return 50% of the total questionnaire.

There are 116 questionnaire that can return with the rate of 95% and 3 of them cannot be process because the questionnaire not filled by the respondent. So only 113 of the total questionnaire that can be processed until the end of research. In the data processed, respondent's answer in each OPD will be on average means that the average represents the answer of the OPD itself. So the total of the data processed in SPSS is 32.

## 2. General Description of Respondent

Respondents in this study are employees who carry out the accounting function or financial administration in the OPD of Gunungkidul Regency. The general description of respondent include gender, age, education level, educational background, length on the office, length on the current position, and position. There are following general description of 113 respondent:

**Table 4.2**  
**Respondent's Data**

Sample		Frequencies	Percentage
Gender	Male	53	46,9 %
	Female	60	53,1 %
<b>Total</b>		<b>113</b>	<b>100 %</b>
Age	<20	1	0,7 %
	20-35	26	23,1 %
	36-50	60	53,1 %
	>50	26	23,1 %
	Not Filled	0	0
<b>Total</b>		<b>113</b>	<b>100 %</b>
Education Level	Diploma	10	8,9 %
	Bachelor	82	72,6 %
	Master	6	5,3 %
	Doctor	0	0
	Other	4	3,5 %
	Not Filled	11	9,7 %
<b>Total</b>		<b>113</b>	<b>100 %</b>
Educational Background	Accounting	18	15,9 %
	Management	20	17,7 %
	Agriculture	0	0
	Other	69	61,1 %
	Not Filled	6	5,3 %
<b>Total</b>		<b>113</b>	<b>100 %</b>
	<1 year	6	5,3 %

<b>Sample</b>		<b>Frequencies</b>	<b>Percentage</b>
Based on The Length in The Office	1-5 years	22	19,5 %
	6-10 years	26	23 %
	>10 years	45	39,8 %
	Not Filled	14	12,4 %
<b>Total</b>		<b>113</b>	<b>100 %</b>
Based on The Length in the Current Position	<1 year	9	8 %
	1-5 years	17	15 %
	6-10 years	40	35,4 %
	>10 years	36	31,9 %
	Not Filled	11	9,7 %
<b>Total</b>		<b>113</b>	<b>100 %</b>
Position	Head of Division	5	4,5 %
	Head of Sub Division	27	23,9 %
	Staff	70	61,9 %
	Not Filled	11	9,7 %
<b>Total</b>		<b>113</b>	<b>100 %</b>

*Source: Primary Data Processed, 2019*

The total of respondent in this research is 113. From Table 4.2, the total of male respondent are 53 people (46,9%) smaller than female respondent that are 60 people (53,1%).

Based on the age information, the total respondents with <20 years old is 1 with percentage 0,7%, 20-35 and >50 years old are 26 with the percentage 23,1% each, 36-50 years old with the percentage 53,1%, and no one unfilled the question.

Based on the level education, total respondents that graduated from diploma are 10 with the percentage 8,9%, bachelor are 82 with the percentage 72,6%, master are 6 with the percentage 5,3%, no one that graduated from

doctor, 4 people with the percentage 3,5% fill other, and 11 people or 9,7% unfilled this question.

Based on the educational background, total respondents that graduated from accounting major are 18 with the percentage 15,9%, management are 20 with the percentage 17,7%, agriculture is 0, other majors are 69 with the percentage 61,1% and 6 respondent with the percentage 5,3% unfilled the question. Other educational background can be seen on the Table 4.3.

**Table 4.3**  
**Other Educational Background**

<b>Educational Background</b>	<b>Frequencies</b>	<b>Percentage</b>
Social and Politics	27	23,91 %
State Administration	6	5,3 %
Development Economics	5	4,43 %
Education	4	3,54 %
Mathematics	3	2,66 %
Government Science	10	8,86 %
Computer Science	1	0.89. %
Law	4	3,54 %
Technique	5	4,43 %
Senior High School	4	3,54 %
<b>Total</b>	<b>69</b>	<b>61.1%</b>

*Source: Primary Data Processed, 2019*

Based the length in the office, the respondent that <1 year length in the office are 6 with the percentage 5,3%, 1-5 years are 22 with the percentage 19,5%, 6-10 years are 26 with the percentage 23%, >10 years are 45 with the percentage 39,8%, and the respondents who not filled this question are 14 with the percentage 12,4%.

Based on the length in the current position, the respondent that <1 year length in the current position are 9 with the percentage 8%, 1-5 years are 17 with the percentage 15%, 6-10 years are 40 with the percentage 35,4%, >10 years are 36 with the percentage 31,9%, and the respondents who not filled this questions are 11 with the percentage 9,7%.

Based on the position, the respondents that become head of division are 5 with the percentage 4,5%, head of sub division are 27 with the percentage 23,9%, staff are 70 with the percentage 61,9%, and 11 respondent with the percentage 9,7% not filled the question.

## B. Descriptive Statistics Test

Descriptive statistics in this research are to describe the data obtained and presented in the table as a tool to make conclusions. The table include minimum value, maximum value, mean, and standard deviation.

**Table 4.4**  
**Descriptive Statistics Test Results for Independent Variable**

	<b>N</b>	<b>Min.</b>	<b>Max.</b>	<b>Mean</b>	<b>Std. Deviation</b>
Human Resource Competency	32	59	84	69,27	5,479
Implementation of Government Accounting Standard	32	81	135	109,03	10,372
Internal Control System	32	35	50	41,06	2,770
Utilization of Information Technology	32	34	45	38,69	3,702
Valid N (listwise)	32				

*Source: Primary Data Processed, 2019*

Based on the Table 4.4 about descriptive statistics for independent variable, human resource competency ( $X_1$ ) have minimum value 59 while the maximum is 84. In the other side the mean of this variable is 69,27 and standard deviation is 5,749. The second about implementation of government accounting standard ( $X_2$ ) have minimum value 81 while the maximum value is 135. In the other side, mean of this variable is 109,03 and standard deviation is 10,372. The third variable is internal control system ( $X_3$ ) have minimum value 35 and maximum value is 50. In the other side the mean of this variable is 41,06 and the standard deviation is 2,770. The last independent variable ( $X_4$ ) is utilization of information technology that have minimum value 34 and maximum value is 45. In the other side the mean of this variable is 38,69 and the standard deviation is 3,702.

**Table 4.5**  
**Descriptive Statistics Test Results for Dependent Variable**

	<b>N</b>	<b>Min.</b>	<b>Max.</b>	<b>Mean</b>	<b>Std. Deviation</b>
QFS1	32	4	5	4,47	0,507
QFS2	32	4	5	4,31	0,471
QFS3	32	4	5	4,56	0,504
QFS4	32	4	5	4,66	0,483
QFS5	32	4	5	4,44	0,504
QFS6	32	4	5	4,31	0,471
QFS7	32	4	5	4,47	0,507
QFS8	32	4	5	4,47	0,507
QFS9	32	4	5	4,44	0,504
QFS10	32	4	5	4,41	0,499
Quality of Local Government Financial Statement	32	40	50	44,53	3,827
Valid N (listwise)	32				

*Source: Primary Data Processed, 2019*



Table 4.5 about descriptive statistics for dependent variable used to know the number of minimum value, maximum value, mean, and standard deviation each question by respondent's answer. 1<sup>st</sup> question have minimum value 4 and maximum value is 5. In the other side the mean of this question is 4,47 and standard deviation is 0,507. 2<sup>nd</sup> question have minimum value 4 and maximum value is 5. In the other side the mean is 4,31 and the standard deviation is 0,471. 3<sup>rd</sup> question have minimum value 4 and maximum value is 5. In the other side the mean is 4,56 and standard deviation is 0,504. 4<sup>th</sup> question have minimum value 4 and maximum value is 5. In the other side the mean is 4,66 and standard deviation is 0,483. 5<sup>th</sup> question have minimum value 4 and maximum value is 5. In the other side the mean is 4,44 and standard deviation is 0,504. 6<sup>th</sup> question have minimum value 4 and maximum value is 5. In the other side the mean is 4,31 and standard deviation is 0,471. 7<sup>th</sup> question have minimum value 4 and maximum value 5 with mean 4,47 and standard deviation 0,507. 8<sup>th</sup> question have minimum value 4 and maximum value 5 with mean 4,47 and standard deviation 0,507. 9<sup>th</sup> question have minimum value 4 and maximum value 5 with mean 4,44 and standard deviation 0,504. Last question have minimum value 4 and maximum value 5. In the other side the mean is 4,41 and standard deviation is 0,499. The total minimum of the quality of local government financial statement is 40 and the maximum value is 50. In the other side the mean of the total is 44,53 with standard deviation 3,827.

To find out the number of respondents and the percentage of answer each statement of the questionnaire according to options available on the dependent variable, the following results can be shown in the table 4.6.

**Table 4.6**  
**Descriptive Statistics Results for the Each Answer**  
**of The Dependent Variable**

Questions	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	N	%	N	%	N	%	N	%	N	%
QFS1	0	0	0	0	0	0	17	53%	15	47%
QFS2	0	0	0	0	0	0	22	69%	10	31%
QFS3	0	0	0	0	0	0	14	44%	18	56%
QFS4	0	0	0	0	0	0	11	34%	21	66%
QFS5	0	0	0	0	0	0	18	56%	14	44%
QFS6	0	0	0	0	0	0	22	69%	10	31%
QFS7	0	0	0	0	0	0	17	53%	15	47%
QFS8	0	0	0	0	0	0	17	53%	15	47%
QFS9	0	0	0	0	0	0	17	53%	15	47%
QFS10	0	0	0	0	0	0	19	59%	13	41%

*Source: Primary Data Processed, 2019*

In Table 4.5 shown the result of descriptive statistics based on the respondent's option from each question in dependent variable. For the 1<sup>st</sup> question, the total of respondent that strongly disagree, disagree, and neutral are 0 or 0% each, then for agree is 17 or 53% and strongly agree is 15 or 47%. The 2<sup>nd</sup> question, the total of respondent that strongly disagree, disagree and neutral are 0 or 0% each, then for agree is 22 or 69%, and strongly agree is 10 or 31%. For 3<sup>rd</sup> question, the total of respondent that strongly disagree, disagree, and neutral are 0 or 0% then for agree is 14 or 44% and strongly agree is 18 or 56%. For the 4<sup>th</sup> question, the total of respondent that strongly disagree, disagree, and

neutral are 0 or 0% each, then for agree is 11 or 34% and strongly agree is 21 or 66%. For the 5<sup>th</sup> question, the total of respondent that strongly disagree, disagree and neutral are 0 or 0% each, then for agree is 18 or 56% and strongly agree is 14 or 44%. For the 6<sup>th</sup> question, the total pf respondent that strongly disagree, disagree, and neutral are 0 or 0% each, then for agree is 22 or 69% and strongly agree is 10 or 31. The 7<sup>th</sup> question, the total of respondent that strongly disagree, disagree, and neutral are 0 or 0% each, then for agree is 17 or 53% and strongly agree is 15 or 47%. Next in the 8<sup>th</sup> question, the total of respondent that strongly disagree, disagree, and neutral is 0 or 0%, then for agree is 17 or 53% and strongly agree is 15 or 47%. For 9<sup>th</sup> question, the total of respondent that strongly disagree, disagree, and neutral are 0 or 0%, then for agree is 17 or 53% and strongly agree is 15 or 47%. The last question, the total of respondent that strongly disagree, disagree, and neutral are 0 or 0%, then for agree is 19 or 59% and strongly agree is 13 or 41%.

**Table 4.7**  
**Average Respondent Answer Frequency Distribution**

Y	Quality of Local Government Financial Statement									
	Questions									
Mean	1	2	3	4	5	6	7	8	9	10
		4,47	4,31	4,56	4,66	4,44	4,31	4,47	4,47	4,44
X <sub>1</sub>	Human Resource Competency									
	Questions									
Mean	1	2	3	4	5	6	7	8	8	10
	4,25	4,09	4,03	4,00	3,84	4,00	4,00	4,00	4,03	4,09
	11	12	13	14	15	16	17			
	3,97	4,22	4,22	4,28	4,13	4,31	4,25			

<b>X<sub>2</sub></b>	<b>Implementation of Government Accounting Standard</b>									
	Questions									
Mean	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
	4,06	4,13	4,13	4,06	4,00	4,06	3,97	4,13	3,97	4,22
	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
	4,25	3,94	4,00	3,84	3,81	4,09	4,16	3,97	4,00	3,97
	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>			
	4,00	4,06	4,03	3,94	4,00	4,16	4,09			
<b>X<sub>3</sub></b>	<b>Internal Control System</b>									
	Questions									
Mean	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
	4,38	4,28	4,06	3,97	3,94	4,00	4,00	4,16	4,22	4,06
<b>X<sub>4</sub></b>	<b>Utilization of Information Technology</b>									
	Question									
Mean	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	
	4,50	4,38	4,38	4,41	4,03	4,06	4,47	4,03	4,34	

Source: Primary Data Processed, 2019

Table 4.7 show the result of descriptive statistics based on the average distribution of respondents answers from each question instrument in each variable. This distribution used to know the most optional chosen by the respondents.

### C. Data Instrument Quality Testing

#### 1. Validity Test

Validity test used to know the ability of the test to measure the instrument tested. Data will be valid if the data appropriate with what should be measured. The validity of the data processed by SPSS can be seen by the total value of Correlate Bivariate of Pearson. The data can be said valid if r count greater than r table and the significance value is not more than 0,05.

R table for this research is 0,3494. The amount of R table can be seen from r table product moment with 5% signification degree of freedom (df) = n-2. The total sample (n) in this research are 32, so that the df value can be calculated as follows:  $32-2 = 30$ . R count in this research using amount of SPSS calculation.

Based on the data on the Table 4.8 in appendix showed that the r count of each indicator are more than r table. If all of r count higher than r table, so all of items in this research are valid.

## 2. Reliability Test

Reliability test is to measure that the instrument in research questionnaire can be use in another research more than once. The instrument tested can be said reliable by looking the value at Cronbach Alpha.

**Table 4.9**  
**Reliability Test Result**

Variable	Cronbach Alpha Value	Information
Quality of Local Government Financial Statement	0,925	Perfect Reliable
Human Resource Competency	0,934	Perfect Reliable
Implementation of Government Accounting Standard	0,971	Perfect Reliable
Internal Control System	0,830	High Reliable
Utilization of Information Technology	0,923	Perfect Reliable

*Source: Primary Data Processed, 2019*

Based on the Table 4.9, the value for quality of local government financial statement, human resource competency, implementation of government accounting standard, and utilization of information system are

more than 0,9. It means that the variables are perfect reliable. About internal control system variable, the value is between 0,7 and 0,9 means that high reliable. All of questions in this research are reliable and can be used in the future with the same subject research.

#### D. Classic Assumption Test

##### 1. Normality Test

Normality test used to determine whether the data is distributed normally or not. The data is normal when the Asymp. Sig. (2 tailed) is more than alpha 0.05. Based on the table 4.10 the Asymp. Sig (2 tailed) is  $0,920 > 0,05$ . It means that the data normally distributed.

**Table 4.10**  
**Normality Test Result**

	Kolmogorov-Smirnov Z	
Unstandardized Residual	Asymp. Sig (2 tailed)	Information
	0,920	Normal

*Source: Primary Data Processed, 2019*

##### 2. Multicollinearity Test

Multicollinearity test used to test whether any linear relation between independent variables in the regression model. Any multicollinearity or not can be seen from the value of tolerance and Variance Inflation Factors (VIF). The result of this research can be seen in the Table 4.11.

Based on table below, all of the tolerance value each independent variables more than 0,1. Beside that the VIF value also show the number that

less than 10. It means that every independent variables and regression model are free from multicollinearity.

**Table 4.11**  
**Multicollinearity Test Result**

Variable	Collinearity Statistic		Information
	Tolerance	VIF	
Human Resource Competency	0,411	2,433	No Multicollinearity
Implementation of Government Accounting Standard	0,259	3,862	No Multicollinearity
Internal Control System	0,350	2,854	No Multicollinearity
Utilization of Information Technology	0,538	1,857	No Multicollinearity

*Source: Primary Data Processed, 2019*

### 3. Heteroscedasticity Test

Heteroscedasticity is a test to find out whether there is any inequality variance from residual for all observations. This test is to determine any deviation or not from classic assumption in regression model. Regression model free from heteroscedasticity when significance value more than alpha (0,05) using Park test. Based on Table 4.11, all of the significance value > 0,05. It means all of variables in regression model are free from heteroscedasticity.

**Table 4.12**  
**Heteroscedasticity Test Result**

<b>Variable</b>	<b>Sig.</b>	<b>Information</b>
Human Resource Competency	0,454	Homocedasticity
Implementation of Government Accounting Standard	0,953	Homocedasticity
Internal Control System	0,802	Homocedasticity
Utilization of Information Technology	0,873	Homocedasticity

*Source: Primary Data Processed, 2019*

## **E. Hypothesis Testing**

### **1. Multiple Linear Regression**

Multiple linear regression used to test the influence of independent variable towards dependent variable. This test in this research used to test the influence of human resource competency ( $X_1$ ), implementation of government accounting standard ( $X_2$ ), internal control system ( $X_3$ ), and utilization of information technology ( $X_4$ ) towards the quality of local government financial statement ( $Y$ ). This the output from multiple linear regression test.

**Table 4.13**  
**Multiple Linear Regression Test Result**

<b>Variable</b>	<b>Unstandardized Coefficient</b>
	<b>B</b>
(Constant)	6,403
HR	0,494
IGAS	-0,160
ICS	-0,060
IT	0,611

*Source: Primary Data Processed, 2019*



This the equation from multiple regression test result:

$$Y = 6,043 + 0,494 \text{ HR} - 0,160 \text{ IGAS} - 0,060 \text{ ICS} + 0,611 \text{ IT} + e$$

The explanation of this equation above as follows:

The constant with the amount of 6,043 show that value of the quality of local government financial statement is 6,043 if HR, IGAS, ICS, and IT is zero (0) assuming that the value of the other variable is constant.

HR regression coefficient is 0,494 it means that every increases in HR of one unit will affect the increases in the quality of local government financial statement assuming other variable are constant.

IGAS regression coefficient is -0.160 it means that every decreases in IGAS of one unit will affect the decline in the quality of local government financial statement assuming other variable are constant.

ICS regression coefficient is -0.060 it means that every decreases in ICS of one unit will affect that decline in the quality of local government financial statement assuming other variable are constant.

IT regression coefficient is 0.611 it means that every increases in IT of one unit will affect the increases in the quality of local government financial statement assuming other variable are constant.

## **2. Coefficient Determination Test**

Coefficient determination test with adjusted R square measurement used to test the ability of independent variable explain the dependent variable. The

scale of this measurement is 0-1. More the value close to the 1, the ability of the independent variable to explain the dependent variable is higher.

**Table 4.14**  
**Coefficient Determination Test Result**

<b>Mode</b> <b>1</b>	<b>R</b>	<b>R</b> <b>Square</b>	<b>Adjusted</b> <b>R Square</b>	<b>Std. Error of</b> <b>The Estimate</b>	<b>Durbin-</b> <b>Watson</b>
1	,753	,568	,504	2,696	1,915

*Source: Primary Data Processed, 2019*

Based on the Table 4.14 show that the adjusted R square is 0,504 or 50,4%. The amount means that independent variable contribute 50,4% to explain the dependent variable then the remaining is 49,6% represent from another variable outside the model.

### 3. F test

F test is used to test the influence of the human resource competency ( $X_1$ ), implementation of government accounting standard ( $X_2$ ), internal control system ( $X_3$ ), and utilization of information technology ( $X_4$ ) towards quality of local government financial statement ( $Y$ ). The following is a table of F test result:

**Table 4.15**  
**F Test Result**

<b>Model</b>	<b>F</b>	<b>Sig.</b>
Regression	8.863	,000

*Source: Primary Data Processed, 2019*

Based on Table 4.15 the significant value of F test result is 0,000 which is  $< 0.05$  and for F calculation is 8,863. So because the significant calculation

lower than significant value, the independent variable simultaneously influence towards local government financial statement.

#### 4. T test

T test used to test whether any influence each independent partially towards dependent variable. The determination of this test is when the sig. < alpha (0,05) means that hypothesis have the significant influence or accepted. Beside that the positive or negative direction can be seen by the value of B each independent variable.

**Table 4.16**  
**T Test Result**

<b>Hypothesis</b>	<b>B</b>	<b>Sig.</b>	<b>Conclusion</b>
H <sub>1</sub> (HR)	0,494	0,001	Accepted
H <sub>2</sub> (IGAS)	-0,160	0,092	Rejected
H <sub>3</sub> (ICS)	-0,060	0,841	Rejected
H <sub>4</sub> (IT)	0,611	0,002	Accepted

*Source: Primary Data Processed, 2019*

The following are the explanation of the table above:

- a. The influence of human resource competency towards quality of local government financial statement

Based on the Table 4.16, the result of hypothesis test show that there is any influence of human resource towards quality of local government financial statement. It is proved by regression coefficient value (B) is 0,494 and the significance value is 0,001 which is less than  $\alpha$  0,05. So, the human resources competency positively influence towards quality of local government financial statement.

- b. The influence of implementation of government accounting standard towards quality of local government financial statement

Based on the Table 4.16, the result of hypothesis test show that there is no influence of implementation of government accounting standard towards quality of local government financial statement. It is proved by regression coefficient value (B) is -0,160 and the significance value is 0,092 which is more than  $\alpha$  0,05. So, the implementation of government accounting standard does not positively influence towards quality of local government financial statement.

- c. The influence of internal control system towards quality of local government financial statement

Based on the Table 4.16, the result of hypothesis test show that there is no influence of internal control system towards quality of local government financial statement. It is proved by regression coefficient value (B) is -0,060 and the significance value is 0,841 which is more than  $\alpha$  0,05. So, internal control system does not positively influence towards quality of local government financial statement.

- d. The influence of utilization of information technology towards local government financial statement

Based on Table 4.16, the result of hypothesis test show that there is any influence of utilization of information technology towards quality of local government financial statement. It is proved by regression

coefficient value (B) is 0,611 and the significance value is 0,002 which is less than  $\alpha$  0,05. So, internal control system positively influence towards quality of local government financial statement.

## **F. Discussion**

### **a. The influence of human resource competency towards quality of local government financial statement**

Human resource competency has positive significant influence towards quality local government financial statement. It is proved by the significance level on the Table 4.16 is 0,001 lower than  $\alpha$  0,05. This result not in line with the previous research conducted by Triyanto (2017). On the other hand, this research in line with previous research conducted by Armel (2017), Adhitama (2017), and Nurais (2017).

Government as public sector organization must pay attention to public interest. Society need the clean government as an effort to make good government governance. So, the human resource in government not only complement the structural but also has competency to fulfill the public interest mainly in transparency of financial statement.

Armel (2017) stated that the involvement of human resource in financial accounting system is about their competence including knowledge and skill that can make financial statement quality. In this research, the measurement of human resource competency are knowledge, skill, and attitude. The average answer of this variable items are agree. It means that through the

human resource competency, the presentation of financial statement will be appropriate with the standard. So, the human resource competency needed to prepare financial statement that achieve quality level. The higher level of human resource competency, the level of financial statement quality of the local government also higher.

**b. The influence of implementation of government accounting standard towards local government financial statement**

Implementation of government accounting standard has no significant influence towards quality of local government financial statement. It is proved by significant level on the Table 4.16 is 0,092 which is more than  $\alpha$  0,05. This result not in line with previous research conducted by Armel (2017), Nurais (2017), and Gumelar (2017). On the other side, this research in line with previous research conducted by Inapty and Martiningsih (2016).

Nirwana and Haliah (2018) stated that inconsistent material content with the regional conditions can make the difficulties in implementing the regulations. Beside that the frequently changing in regulation also make the implementation not run well. Government often have not been optimally implemented the previous regulations but another regulations are issued. This make confusion and inconvenience for the local government which leads to the non-functioning of regulation as how it is intended to be.

This result in line with conditions in the field where many financial employees are not from an accounting education background. It is show from

the data on the Table 4.3 that half of respondent are not come from financial background. Those financial employees does not very understand about the SAP and prepare financial statement only follow the previous format. So, the higher level of implementation of government accounting standard, the level of financial statement quality of local government will not influence.

**c. The influence of internal control system towards local government financial statement**

Internal control system has no significant influence towards quality of local government financial statement. It is proved by significant level on the Table 4.16 is 0,841 which is more than  $\alpha$  0,05. This result not in line with the previous research conducted by Armel (2017), Sanjaya (2017), and Triyanto (2017). On the other side, this research in line with the previous research conducted by Nurais (2017) and Gumelar (2017).

Government run their activities use the system that can hold the continuity of the government process from any deviation. The system as known as internal control system. Internal control system is system that can help the government achieve their goals including the quality of financial statements. Beside that the internal control system also can help the system of the government suitable with the regulation applied

The measurement of this variable is control environment, risk assessment, activity of control, information and communication, and monitoring. The average answer of this variable is neutral until agree. It

means that respondent assume that the OPD in Gunungkidul Regency has good internal control system. In fact, the internal control system has no significant influence towards quality of local government financial statement. It can be happen because internal control system on Local Government Department in Gunungkidul Regency only formality. The internal control system already exist, but not implemented well by the government. So that, the higher level of internal control system, the level of financial statement quality of local government will not influence.

**d. The influence of utilization of information technology towards quality of local government financial statement**

Utilization of information technology has positive influence towards quality of local government financial statement. It is proved by the significance level on the Table 4.16 is 0,002 lower than  $\alpha$  0,05. This result in line with previous research conducted by Sari (2016), Armel (2017), and Triyanto (2017).

In this study, the measurement of this variable is computer and internet networking. In this era information technology is important things to help organization achieve their goals. Government use the information technology to input, save, and process the data. The use of information technology can accelerate the employee duties to do government process.

The existence of information technology in government sector can help the employees to do their work timely. Not only the employees, the users also



helped to get the information likes financial information. It can make the users mainly users who use the financial statement as a reference for decision making easy to get the information. So, the higher level of utilization of information technology, the level of financial statement quality of local government also higher.