

CHAPTER V

CONCLUSION, RESEARCH LIMITATION, SUGGESTION AND IMPLICATION

A. Conclusion

This study aims to examine the effect of human resource competence, internal control systems, information technology, and understanding on accrual-based accounting on the quality of financial statements. This research was conducted in the Local Government of Bantul Regency.

Based on testing and analysis that has been done, the conclusions of this study are:

1. Human resource competence does not have a significant positive effect on the quality of financial statements. This finding is in line with previous research conducted by Purba (2017) which reveals that human resource competency does not significantly affect the quality of financial statements. The human resources on financial statements do not affect the quality of financial statements because good human resources will not necessarily produce good quality financial statements.
2. Internal control system has a significant positive effect on the quality of financial statements. This finding is in line with the results of previous research conducted by Ramadhani et al. (2018) which show that the the internal control system has a positive effect on the quality of financial

statements. The internal control system on financial statements has an impact on the quality of the financial statements. Further, it is protected from undesirable things such as fraud or mistakes made by human resources and computer systems.

3. Information technology has no significant positive effect on the quality of financial statements. This finding is in line with previous research conducted by Riandi (2017) which finds that information technology has no effect on the quality of financial statements. The information technology on financial statements does not affect the quality of financial statements because good and adequate information technology will not necessarily produce quality financial statements.
4. Understanding on accrual-based accounting does not have a significant positive effect on the quality of financial statements. This finding is in line with previous research conducted by Rahmah and Zulkifli (2018) which reports that the application of accrual-based government accounting standards has no effect on the quality of financial statements. The understanding of accrual-based accounting on financial statements does not affect the quality of financial statements because the application of government accounting standards is still not optimal and understanding on accrual-based accounting is still limited.

B. Limitation

This study has several limitations:

1. The samples used are only 30 OPD out of 54 OPD in Bantul Regency.
This happens due to limited human resources and time constraint.
2. This research can be supplemented by conducting interviews with the parties concerned and analyzing the questionnaire written by other researchers so the respondents can understand the questionnaire items better.
3. This study is only tested through quantitative data in the form of a questionnaire distributed to respondents. Therefore, the results of the study are not shown in detail regarding the quality of financial statements.
4. Research with a questionnaire instrument can sometimes cause bias because the answers from the respondents sometimes do not reflect the real situation.
5. The selection of research objects is only done at one location of the Regional Apparatus Organization (OPD) and at only the scope of the district, namely, Regional Device Organization (OPD) Bantul Regency.
6. The independent variables in this study are limited, i.e. human resource competence, internal control system, information technology, understanding on accrual-based accounting, which have little influence in explaining the dependent variable.

C. Suggestions

In regards to the limitations of this research, it is suggested that in future research:

1. The survey method should be supplemented with interviews or oral questions. Therefore, the answers obtained through the questionnaire become more objective.
2. Future researcher can measure the quality of financial statements from the findings of the Audit Board of the Republic of Indonesia (BPK).
3. Future researcher might need to consider using a broader research object with a Province scope.
4. The object of further research should be a wider scope of work units because a wider work unit is expected to enable different classifications.

D. Implication

The implication of this research is that the Regional Device Organization (OPD) of Bantul Regency can improve the quality of financial statements by paying attention to the aspects of the internal control system. It is expected that the Bantul Regency government will be more careful and reliable in checking accounting data so that there are no errors and fraud in recording financial statements.