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AN ANALYSIS OF VILLAGE FINANCIAL MANAGEMENT: THE IMPROTANCE OF REGULATIONS, VILLAGE FINANCIAL MANAGER COMPETENCIES AND COMMITMENT TO TASK IN KABUPATEN KONAWA SELATAN

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ABSTRACT

This study aims to examine and analyze the variables that affect village financial management in Konawe Selatan village government especially in the aspects of village financial manager competence, commitment to tasks, and regulation. Data was collected by using questionnaires and documentation. The populations in this study were the Village Head, Village Secretary, Village Treasurer and Kasi/Kaur which numbered 1,344 people. The sampling technique by proportional stratified random sampling so that the overall number of respondents totaled 308 people. The analysis used multiple linear regression analysis with interaction test (Moderated Regression Analysis-MRA). The results showed that the competence of village financial managers had a positive and significant effect on village financial management while commitment to the task had a positive and not significant effect on village financial management. The MRA test results indicate that regulation cannot moderate the village financial manager competency variables and commitment to the task of village financial management. The adjusted R-Square value shows that the contribution of village financial manager competency variables, commitment to duties and regulations on village financial management variables is 47.5% and 52.5% of village financial management variables are influenced by other factors outside the model. Therefore, to improve village financial management in the Village Government in Kabupaten Konawe Selatan, it is necessary to consider village financial manager competencies in aspects of skills and experience, commitment to tasks on responsive aspects of change and sense of responsibility, and regulation on aspects of ease of implementation and understanding.

Keywords : Regulation, Competence; Commitment; Village Financial Management.

I. INTRODUCTION

The authority instructed by Law Number 6 of 2014 gives authority to the village government in managing the regional finances at the lowest level, which is a

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manifestation of the fulfillment of village rights and the obligation to give satisfaction to villages to carry out village autonomy to grow and develop following the growth of the village itself based on diversity, participation, original autonomy, democratization and community empowerment. Along with the issuance of the village law, the central government provides additional funds to villages outside the allocation of village funds that have been received by the village each year, namely village funds. With the village funds received by the village from the central government starting in 2015, village income has increased considerably, so that the village is required to be more accountable in managing its finances. The provision of funds to such a large village certainly requires great responsibility.

In 2015, village funds have been allocated by the central government amounting to 20.7 trillion for 74.093 villages, in 2016 amounting to 46.9 trillion for 74.754 villages, while in 2017 there was a substantial increase of 60 trillion for 74.954 villages scattered throughout Indonesia (source: djpk.depkeu.go.id). In addition to village funds, there are other village income such as village fund allocation, revenue sharing from local tax/retribution, and financial assistance from the provincial/district/city government.

Kabupaten Konawe Selatan is one of the second-level regions in Southeast Sulawesi Province which also receives funding from the Central Government and is the district that receives the largest village funding among other districts in Southeast Sulawesi Province. This is because the number of villages in Kabupaten Konawe Selatan is more than the other districts, which amounts to 336 villages. The average number of Village Fund Allocation and Village Funds received per village in South Konawe Regency is 2015 amounting to IDR 402.451.182, 2016 amounting to IDR 807.097.277, and in 2017 amounting to IDR 968.078.936.

Table 1. Allocation of funds received by villages in Kabupaten Konawe Selatan

Source of funds	2015	2016	2017
Allocation of village funds	45.568.975.000	73.000.000.000	72.942.000.634
Village Fund	89.654.622.000	198.184.685.000	252.332.522.000
Total	135.223.597.000	271.184.685.000	325.274.522.634
Average of each village	402.451.182	807.097.277	968.078.936

Source: Community and Village Empowerment Agency Kabupaten Konawe Selatan (2018) (processed)

The amount of funds received per village is very large. Supposedly with the amount of funds received, the implementation of village development can run quickly. However, the fact is that the allocation of funds received does not describe what it should be. Since the allocation of funds from the central government sourced from the state budget through the district/city, the village development in Kabupaten Konawe Selatan is still relatively slow. Within two years (2015 and 2016) after the village received village fund allocation from the central government, the village development index in South Konawe District had not seen an increase. The success rate of village development is still relatively low. However, in 2017 the village development index in

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Kabupaten Konawe Selatan has illustrated a considerable increase. The research (Pandey & R, 2015) resulted in the conclusion that the competence of the Village Head was still not maximized as a driver and driver, as well as supporting government programs in order to increase the success of Village Development.

The results of the interview with the Head of the Village Community Empowerment Service Office of Kabupaten Konawe Selatan, village development can proceed quickly requires a strong commitment and competence of village officials, especially the Village Head in implementing the Village Budget. He said that all the villages really had vision for the future. However, there are still villages whose commitment is questionable. Until now the problem is still resolving problems in each village related to the commitment or bias of the management of the Village Budget. In the implementation of the APBDesa management, there are still village delays in conveying accountability for the funds used, thus impacting on the smooth flow of village funds in the next stage. While the timeliness of submitting the APBD realization report is the obligation of the village government, especially the Village Head, to deliver in a timely manner to the Bupati through the Camat and must be sent to the Konawe Selatan Village Community Empowerment Office. Based on the Regulations of South Konawe Regent Number 3 of 2017 article 38 (paragraph 1) concerning Guidelines for Village Financial Management in Konawe Selatan District.

The implementation of the APBDesa management according to the Head of the Village Community Empowerment Service Office of Kabupaten Konawe Selatan, which must be owned by human resources, is intellectual capital, namely competence and commitment. These two things are much related; it is not enough to just measure competence but must be committed. People who are committed so strongly to building but are not supported by competence, have no ability, it means nothing. Conversely, people who have high competence but no commitment will also have no impact.

Based on the description above, the researchers were motivated to analyze village financial management, on regulatory aspects, village financial manager competencies and tasks commitment. The independent variable in this study was indeed very interesting to do more in-depth research, because the competence of village government administrators whose majority have a low level of knowledge, experience and skills, has been given the mandate to manage village funds which is quite fantastic so that it is need a high commitment in managing the village funds. In addition, the existence of regulations was very important in budgeting because regulations were useful for regulating the use of funds when needed, so that the implementation of programs would ultimately have an impact on public services and the government can run smoothly as planned. The regulations issued by both the central government and regional governments in the form of legislation would affect the commitment and competence of employees to carrying out in accordance with existing rules. With the regulation as a guideline for work, employee competencies were needed to understand and to make decisions (Putri, 2011).

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II. THEORITICAL STUDY

Agency Theory

Halim and Abdullah (2006) reveal that principal-agent theory analyzes contractual arrangements between two or more individuals, groups, or organizations. One of the parties (principal) makes a contract, both implicitly and explicitly, with another party (agent) in the hope that the agent would act the work as desired by the principal (in this case there is delegation of authority). Lupia & McCubbins (2000) state delegation occurs when a person or group of people (principal) chooses another person or group (agent) to act in accordance with the interests of the principal (Halim and Abdullah, 2006).

Gilardi (2001) and Strom (2000), suggest that agency relations were chains of delegation, namely the delegation from the community to their representatives in parliament, from parliament to government, from the government as a whole to a minister, and from the government to bureaucracy (Halim & Abdullah, 2006). According to Lane (2000: 12-13) agency theory can be applied in public organizations. He stated that modern democracies were based on a series of principal-agent relations (Halim & Abdullah, 2006). Bergman & Lane (1990) in Halim & Abdullah (2006) stated that the framework of principal agent relations was a very important approach for analyzing public policy commitments. Agency in village financial management was shown in 3 (three) relationships, namely:

- a. Relations between the regional head as principal and village head as agents. This is shown in Permendagri Number 113 of 2014 article 3 (paragraph 1) and article 37, where the Village Head was the holder of the power of village financial management. The Village Head was obliged to submit a report to the Regent/Mayor through the Head of District, namely the Semester Realization Report for APBDesa Implementation, Realization Report for APBDesa Implementation at the end of each fiscal year and Realization of Village Fund Usage Report every semester.
- b. Relationship between village heads as principals and village officials as agents. This is shown in Permendagri Number 113 of 2014 article 3 (paragraph 3), where the village head in implementing village financial management is assisted by PTPKD, which consists of the Village Secretary, Section Head and Treasurer.
- c. Relations between the people as principals and village heads as agents. This is indicated in Article 40 of Permendagri No. 113 of 2014 which states that the realization report and accountability report for the realization of the APBDesa are informed to the public in writing and with information media that are easily accessible to the public, including bulletin boards, community radio, and other information media. The article shows that the Village Government has an obligation to publicly announce the accountability of the use of the Village Budget.

The Relationship of Village Financial Management Competence to Village Financial Management

The government has stipulated several government regulations as guidelines for implementing the Law No. 6 of 2014. Government regulations issued include

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Government Regulation Number 43 of 2014 concerning Implementation Guidelines for Law Number 6 Year 2014 which have been amended in Government Regulation Number 47 of 2015 hereinafter referred to as PP No. 47 of 2015. The government regulation is the basis for the stipulation of Minister of Home Affairs Regulation No. 113 of 2014 as the Village Financial Management Guidelines, hereinafter referred to as Permendagri No. 113 of 2014. The mechanism regulated in the Permendagri, in general adopting the mechanism of financial management of regional governments which is regulated hereinafter referred to as Permendagri No. 13 of 2006 concerning Guidelines for Regional Financial Management.

Government policies established through various regulations above indicate that the government seeks to provide clear guidelines and guidance for village finance managers, so that the management implemented can provide optimal results. Related to this, IAI-KSAP (2015) stated that village financial management is not only concerned with the availability of supporting regulations and facilities, but the most important thing is the existence of human resources who have competency and reliable commitment. The successful implementation of village government duties, especially in village financial management according to the IAI-KSAP (2015), is strongly influenced by the education level of village officials who are currently mostly relatively low (Satriajaya, 2018).

The Factors that influence financial management both local government and village level are inseparable from competence and commitment of human resources to direct financial governance well implemented and fulfill the principles of financial management, namely accountable and transparent, participatory and carried out in an orderly and budget discipline. The competency of a good village apparatus will certainly support the Village Fund Financial Management, and vice versa, if the competency of a low village apparatus is certain to cause the Village Fund Financial Management to be hampered because there are still mistakes in the drafting process (Arief Indrajaya, 2017).

Arief Indrajaya's research (2017) shows that competence influences the management of village financial statements. The same result was stated by Nur Afiah (2010) which shows that the results of apparatus competency have a significant effect on the principles of local government governance. That is, the better the competencies possessed by the village apparatus, the better the management of village financial statements. This contradicts Sugeng's research (2014) showing that apparatus competency does not affect regional financial management.

The Relationship of Commitments to Tasks for Village Financial Management

Mowday et al. (1979) argued that organizational commitment is a relative strength of employees in identifying their involvement in parts of the organization (Fitriana, 2015). Organizational commitment is one of the factors that influence village financial management because organizational commitment comes from each individual to take actions that can have a positive impact on the organization. Therefore, it is expected that with a high commitment from the Village Head and village officials, it can improve the quality of Village Financial Management (Rulyanti, 2016).

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Regional financial management has a huge influence on the fate of an area because the region can be a strong and powerful region and able to develop its greatness or become powerless depending on how to manage its finances (Halim, 2012). Regional management that is carried out economically, efficiently, and effectively or fulfills economic value (value for money) as well as participation, transparency, accountability and justice will encourage economic growth which in turn reduces the number of unemployed and reduces poverty (Halim, 2012).

Research conducted by Zalni (2013) examined the effect of employee commitment and the implementation of the government's internal control system (SPIP) on regional financial management, where the results obtained showed that employee commitment had a significant positive effect on regional financial management. The better the commitment of employees, the more effective regional financial management carried out by the government. This shows that employees have a high commitment where the employees believe that the work is not a burden or obligation but a means of working and developing themselves, because an employee will play a role in determining the good and bad management of regional finance that is effective and efficient. The same thing is shown by Fitriana's research (2015) where organizational commitment has an effect on Village Financial Management.

Halim's research (2012) shows that organizational commitment has a positive and significant effect on regional financial management, where organizational commitment is shown by the attitudes, behavior, and perceptions of employees in implementing financial management, starting from budgeting, administration, reporting and accountability. This is contrary to the research of Baihaqi and Damayanti (2016), where the results of the study indicate that organizational commitment did not affect the effectiveness of financial management. This shows that organizational commitment has not been able to develop government financial management properly.

The Relationship of Village Financial Management Competence to Village Financial Management with Regulations as Moderating Variables

Regulations relating to village financial management, one of which is Permendagri No. 113 of 2014, can be a good guideline for parties involved in financial management in each village. Indirectly, the individuals involved in managing village finance must understand every regulation and policy issued by the government. Their competence in this matter is very necessary to realize village financial management based on transparent, accountable, participatory principles and carried out in an orderly and budgetary discipline. Whether the regulations/ policies issued by the government are in accordance with the needs of the community and the conditions of each region, can be easily understood by local government officials. Especially, the regulations often change that will make it difficult for each individual to understand them so that it will affect the management of village finances by each village. With the regulation as a guideline for work, employee competencies are needed to understand and to make decisions (Putri, 2011).

Djadja (2009) due to changes in regulations in the field of state/regional financial management, has carried out an analysis of HR development policies specifically related to regional financial management. From the analysis shows that the

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local financial management HR has not been managed properly. Rahayu (2007) conducted a research on phenomenological studies of the process of regional budgeting in regional work units. The results show that the ability and motivation of the regional apparatus are still low, resulting in: resistance behavior, in the form of reluctance by apparatus to changes in budgeting policies that are still found in the field, and inefficient and ineffective behavior of budget compilers. In line with Rahayu, Utari's research (2009) found several constraints and obstacles in performance-based budgeting, among others, the SKPD structure has not provided sufficient space for integrated planning and budgeting, the budget team has not been fully involved at every stage of planning, lack of knowledge, understanding and motivation of employees to implement the performance budget optimally, and limited regional budgets.

Setiawan's research (2014) shows that the competency variable and compliance with regulations indicate that competence is proven to have a positive and insignificant effect on regulatory compliance. Putri Research (2011) shows the results that the regulation in this case the regulatory variable cannot produce modernization competencies on budget quality, mean that the moderation between competence and regulation does not have a significant effect on the quality of the budget.

The Relationship between Commitments to Tasks to Village Financial Management with Regulations as Moderating Variables

The legislation issued by the Central Government and the Regional Government regarding village financial management is a necessity for village government officials to be responsible for managing their finances in accordance with these regulations. In understanding the rules and laws, an accurate and good understanding is needed, so that the information and financial reports produced are also qualified and accountable (Sunartin, 2016). This is a form of commitment of the village apparatus in terms of carrying out their duties.

Permendagri No. 113 In 2014 that it is expected to be a guideline to eliminate opportunities for irregularities in village financial management. However, various discretion, both regulation and government authority, are precisely various opportunistic behaviors. This means that there are regulatory weaknesses that are used for the benefit of certain individuals. This is in line with the opinion of Yilmaz, Ozer, & Gunluk (2014) which states that political and commitment budgetactors influence the output of budgeting. So, it is needed in tight budget control through regulation will have a negative impact on performance and tight budget control is not effective on performance. However, referring to the opinion of Ozer & Yilmaz (2014), the optimization of budget management controls must go through more appropriate regulations to minimize the occurrence of various irregularities in the implementation of village financial management.

Nordiawan & Hertianti (2010) stated that all public sector organizations (including villages) must have clear regulations because they manage public funds that affect the lives of many people. The intended regulation is a detailed regulation in accordance with the characteristics of the public sector organization. However, from the various public sector accounting standards currently available, there is no specific regulation regarding village accounting that is truly complete and clear. The commitment and

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skills of the implementing apparatus to implement the mandate of the regulation as a form of policy is an important element, because it is related to the principle that general policy implementation is a public problem solving (Satriajaya, 2018).

If an individual commit to a specific goal, this will affect their actions and influence the consequences of their performance (Suartana, 2010). Employees who have organizational commitment are characterized by a strong belief in the values and goals of the organization, that are willing to increase efforts for the benefit of the organization and have a strong desire to remain in the organization.

Mamelo (2016), Ferina (2016) and Fajri (2015) which states that village government readiness is needed in implementing village fund management. One thing that needs to be prepared by the village government is commitment. The existence of organizational commitment is expected to be able to support the management of village funds so that they are able to carry out program activities well. The success of accountable management of village funds is carried out by the government as a manifestation of the commitment of the village government in managing village financial management, especially ADD.

III. RESEARCH METHODOLOGY

The population in this study were all village apparatus totaling 1,344 people consisting of the Village Head as the holder of the village financial management authority and the technical implementer of village financial management (PTPKD) consisting of the Village Secretary, Section Chief/Kaur and Village Treasurer in 336 Villages in the District Konawe Selatan.

The method of determining the sample in this study used Slovin formula by sampling using proportional stratified random sampling technique. So that the total sample selected in this study amounted to 308 people. The types of data in this study were primary data and secondary data. The data collection techniques in this study were questionnaires and documentation. In this study, the authors used multiple linear regression analysis with interaction tests (Moderated Regression Analysis-MRA). The hypothesis proposed is as follows:

- H₁ : The competence of village financial managers has a significant and positive effect on village financial management.
- H₂ : The commitment to the task of significant and positive impact on the management of village finances.
- H₃ : Regulations moderate the competence of village financial managers for village financial management.
- H₄ : Regulations moderate the commitment to the task of managing village finance.

IV. RESULTS

Factor Analysis Test

Factor analysis test is a test that is used to see which factors of the indicators that exist in a dominant variable affect the formation of these variables. Based on the test results of factor analysis to test include Kayser-Meyer-Olkin Measure of Sampling

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Adequency (KMO MSA) to indicators of variables, here are the results of the factor analysis can be seen in the following table:

Table 2. Recapitulation of Comparative Analysis of Test Results of Factors and The Average Respondent's Answers

Variables	Indicators	Mean	PCA	KMO MSA	Sig.
Village Financial Management Competence (X ₁)	Education (X _{1.1})	4,03	0,477	0,855	0,000
	Training (X _{1.2})	3,73	0,729		
	Experience (X _{1.3})	3,41	0,835		
	Knowledge (X _{1.4})	3,81	0,865		
	Skills (X _{1.5})	3,27	0,705		
	Capability (X _{1.6})	3,79	0,809		
Commitment to Tasks (X ₂)	Respond to change (X _{2.1})	3,74	0,502	0,798	0,000
	Responsibility (X _{2.2})	3,84	0,768		
	Loyalty (X _{2.3})	4,12	0,858		
	Concern (X _{2.4})	4,21	0,818		
	The spirit of self-development (X _{2.5})	4,25	0,813		
Regulation (Z)	Availability of regulations (Z ₁)	4,19	0,807	0,873	0,000
	Socialization (Z ₂)	4,05	0,852		
	Understanding (Z ₃)	3,97	0,851		
	Availability of regional regulation support for central regulation (Z ₄)	4,09	0,774		
	Ease of implementation (Z ₅)	3,71	0,569		
Village Financial Management (Y)	Response to regulation (Z ₆)	4,10	0,815	0,881	0,000
	Planning (Y ₁)	4,09	0,857		
	Implementation (Y ₂)	4,15	0,892		
	Administration (Y ₃)	4,12	0,852		
	Reporting (Y ₄)	4,04	0,908		
	Accountability (Y ₅)	4,08	0,901		

Source: Primary data processed (2018)

The Results of Hypotheses and MRA Tests

Results of Hypotheses and MRA Tests Based on Table 2 is known that adjusted R² (*R-Square*) = 0.475. This shows that variations in village financial management (Y) can be explained by the variables of village financial management competencies (X₁) and commitment to tasks (X₂) of 0.475 or 47.5%, while 52.5% is explained by other variables not explained in this research.

The value of t_{counts} the village financial manager competency variable (X₁) of 4.900 with a t_{table} value of 1.968 is at the 0.05 significance level. This means that the first hypothesis is accepted, this means that the competence of village financial managers (X₁) has a significant effect on village financial management (Y). The results of the analysis also obtained correlation coefficient value of 0.271 because the value of

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correlation coefficient (r) is positive, so it can be stated that the financial manager competency variable (X_1) has a positive effect on village financial management (Y).

The t_{counts} of the commitment variable on the task (X_2) is 1.362 and the t_{table} is 1.968 at the 0.05 significance level. This means that the second hypothesis is rejected, this means commitment to the task (X_2) has no significant effect on village financial management (Y), with correlation coefficient of 0.089, meaning that the correlation coefficient (r) is positive, it can be stated that the commitment variable to the task (X_2) has a positive effect on village financial management (Y).

Table 3. Hypothesis Test Results

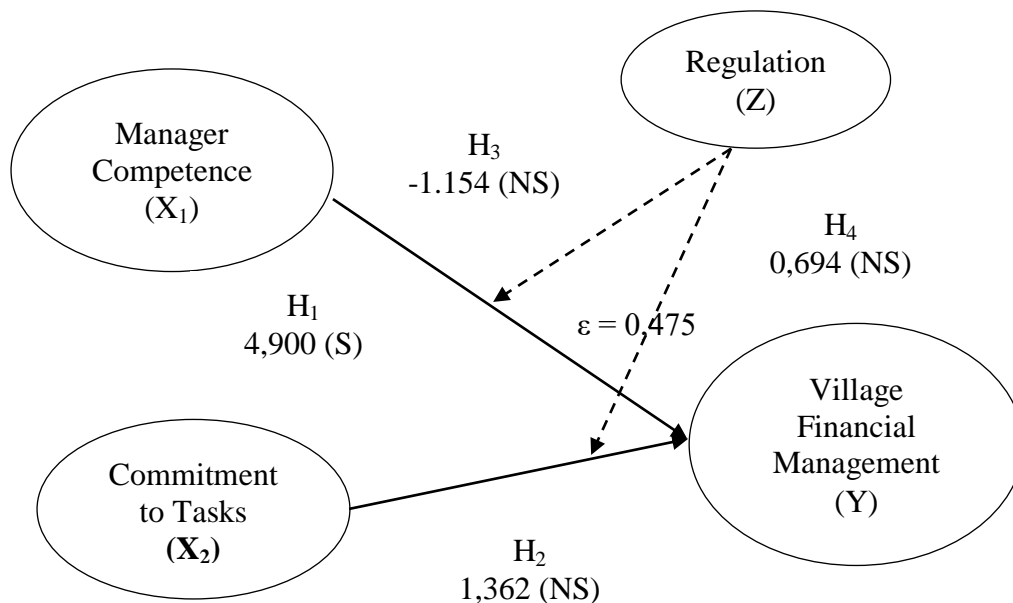
Variables	Coeff	t_{counts}	Sig	Description	
Competence	0,271	4,900	0,000	Positive and significant	H ₁ Accepted
Commitment	0,089	1,362	0,174	Positive and Not Significant	H ₂ Rejected
Regulation	0,428	7,070	0,000		
KomptReg	-,1154	-1,133	0,258	Negative and Not Significant	H ₃ Rejected
KomitReg	0,694	1,089	0,277	Positive and Not Significant	H ₄ Rejected
F	92,828				
Sig F	0,000	$t_{0,05} = 1,968$			
Adj. R Square	0,475				

The third and fourth hypothesis testing use *Moderated Regression Analysis*. The results of calculation of hypotheses 3 and 4 are shown in table 2 above. The magnitude of the coefficient of determination is indicated by the *Adjusted R Square* value indicating the regression coefficient of the interaction variable between competency with regulation (X_1Z) of -1.154 and significance value of 0.258 above $\alpha = 0.05$ means that the regulation variable is not able to moderate the influence of competency variables on village financial management in the Government Villages in Kabupaten Konawe Selatan, so this result rejects hypothesis 3. Regression coefficient of interaction variable between commitment and regulation (X_2Z) is 0.694 with a significance value of 0.277 above $\alpha = 0.05$, which means that the regulation variable is not able to moderate the influence of commitment variables on village financial management in Kabupaten Konawe Selatan, so this result rejects hypothesis 4.

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Scheme 1. Research Analysis Result

Description:

- S = Significant
- NS = Non-Significant
- = Effect of independent variables on the dependent variable
- - - - -> = Effect of independent variables on the dependent variable through moderating variables

Based on the test results of the direct influence between the regulation variables on village financial management variables, this shows that regulation has a positive and significant effect on village financial management where the $t_{count} > t_{table}$ ($7.070 > 1.968$) with regression coefficient is positive (0.428) and has a significance level < 0.05 . This means that the position of the regulation variables as independent variables can have a significant impact on the variable management of village finances and cannot function as a moderating variable because of his position cannot clarify or moderate the relationship of independent variables with the dependent variable.

Effect of Village Finance Manager Competence on Village Financial Management

The results of hypothesis testing indicate that the competence of village financial managers partially has a positive and significant effect on village financial management. This means that the better the competency of the village apparatus in the Kabupaten Konawe Selatan, the better the village financial management will be.

The process of analyzing the six competency indicators, namely education, training, experience, knowledge, skills, and abilities, shows that the six indicators can form a village financial manager competency variable. However, not all can make a significant

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contribution. By looking at the value of PCA (principal component analysis) showing that knowledge is the most dominant indicator describing the competency variable of village financial managers followed by experience indicators and seeing the mean value, the most dominant indicator describing the competency variable of village financial managers is education indicators followed by indicators of knowledge. This shows, even though the village apparatuses have the required education and have knowledge related to village financial management, their experience is still lacking and do not have special skills in the field of financial management, it can affect the performance of village financial managers in managing village finances well. Therefore, the Village Government in Kabupaten Konawe Selatan needs to consider increasing village financial manager competencies in aspects of skills and experience.

The research is in line with Arief Indrajaya's research (2017) which shows the results that competence influences the management of village financial statements and Nur Afiah's research (2010) which shows the results that apparatus competencies have a significant effect on the principles of local governance. The same results were stated by Tambunan (2016), Safwan (2014), and Rafar (2015). However, it contradicts the results of Sugeng's research (2014) which shows that the competency of regional government officials partially does not affect regional financial management.

Effect of Commitment to Tasks on Village Financial Management

The results of hypothesis testing indicate that commitment to the task partially has no effect on village financial management. This shows that commitment to the task has not been able to improve village financial management properly.

The process of analyzing the five indicators namely responsiveness to change, sense of responsibility, loyalty, caring, and the spirit of self-development shows that the five indicators can form a commitment variable to the task. By looking at the value of PCA (principal component analysis) shows that loyalty is the most dominant indicator describing the commitment variable in the task followed by concern indicators, but there is a difference by looking at the mean value, where the most dominant indicator describing the commitment variable is the spirit of self-development followed by indicators of concern. However, based on the results of the analysis of respondents' answers indicates that the indicators of responsiveness to change and a sense of responsibility have the lowest average value in describing the commitment to the task. Therefore, the Village Government in Kabupaten Konawe Selatan should consider its commitment in carrying out its duties as an element of village administration so that it is required to improve its performance in order to realize and achieve good village financial management on responsive aspects of change and responsibility.

The results of this study are in line with the research of Baihaqi and Damayanti (2016) which shows that organizational commitment does not affect the effectiveness of financial management. This means that organizational commitment has not been able to develop government financial management properly. However, the results of this study contradict the research conducted by Azhar (2007), Fitriana (2015), Halim (2012), Zalni

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(2013), Tambunan (2016), and Rulyanti (2016) which showed that commitment affected regional financial management.

Effect of Village Finance Manager Competence on Village Financial Management in Moderating Regulatory Variables

The results of hypothesis testing indicate that regulation cannot moderate the relationship between village financial manager competencies to village financial management in the Village Government in Kabupaten Konawe Selatan. This means that the availability of existing regulations is not able to contribute significantly in improving the competence of village officials to realize village financial management properly. Village officials still have not been able to understand and implement various forms of regulations issued by the central government and regional governments, so that this affects the performance of village officials in realizing the achievement of good village financial management. In addition, because the regulations that often change, it will make it difficult for each individual to understand them so that they will affect village financial management. Thus, village officials in Kabupaten Konawe Selatan will have competency if supported by the availability of regulations from both the central and regional levels which are continuously socialized by the local government so that they are well understood by village officials, it will improve and realize good village financial management.

The regional government in Kabupaten Konawe Selatan needs to support the improvement of financial management in each village. It is the duty and responsibility of the regional government in making policies and or regulations to support central regulations so as to facilitate the implementation of village financial management. In addition, regional governments must routinely disseminate these regulations and provide trainings that can support the capabilities of village officials in carrying out their duties which are their responsibility, especially in managing village finances. It is evident that so far village officials in Kabupaten Konawe Selatan still lack training related to village financial management, so their knowledge is still low. Some respondents say that experience alone is not able to improve the competence of village officials, because there are changes at any time. So to increase the knowledge of the village apparatus, there must be a lot of training in capacity building, workshops, workshops or technical guidance so that knowledge is always upgraded. During this time the socialization of regulations is still very poorly done. If there are changes to regulations or new regulations/policies, there is still a lack of meetings with local governments to discuss more intensely related to these regulations/policies. This then affects the desires of the village apparatus in accepting the changes that have taken place so that it indirectly impacts on village parental competence in carrying out their duties and responsibilities.

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Effect of Commitment to Tasks on Village Financial Management in Moderating Regulatory Variables

The results of hypothesis testing indicate that the regulation cannot moderate the relationship between commitment to the task of village financial management in the Village Government in Kabupaten Konawe Selatan. This shows that, regulation is not able to provide encouragement to village financial managers to commit to financial management in accordance with existing rules (regulations). Changing regulations and/or lack of regional regulations are disseminated to the village government, which is one of the reasons for the low response of village officials to the regulation, which has affected their commitment to carrying out their duties.

The commitment and skills of the implementing apparatus to implement the regulation mandate in this case relating to village financial management as a form of policy becomes an important element, because this is related to the principle that general policy implementation is a public problem solving (Satriajaya, 2018). If an individual commits to a specific goal, this will affect his actions and influence the consequences of his performance (Suartana, 2010: 181). The existence of organizational commitment is expected to be able to support the management of village funds so that they are able to carry out program activities well. The success of accountable management of village funds is carried out by the government as a manifestation of the commitment of the village government in managing village financial management. Therefore, the availability of regulations that are well socialized to the village government makes it easier for village officials to carry out their duties in managing village finances well. Mamelolo (2016), Ferina (2016), and Fajri (2015) stated that village government readiness was needed in implementing village fund management. One thing that needs to be prepared by the village government is commitment.

Village officials in carrying out their duties to plan, implement, administer, report and account for village finances well so that the Village Budget implementation can run well and can finance government administration, implementation of development, community development, and community empowerment in each village in Konawe District The South certainly needs to understand and understand the regulations on village financial management properly. Therefore, a commitment is needed to study the regulation so that it is able to carry out its role in carrying out the tasks assigned to it so that good village financial management can be achieved.

V. CONCLUSION

Based on the results of the research and discussion that has been described, the conclusions in this study are as follows: (1) Competence of village financial managers has a positive and significant effect on village financial management; (2) Commitments to tasks have a positive and not significant effect on village financial management; and (3) Regulations cannot moderate to the variables of village financial manager competency and commitment to the task of village financial management.

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Suggestion

Suggestions for this study are as follows: (1) For the Government of South Konawe District it is expected to support the achievement of village financial management well and be able to provide regular training such as village apparatuses capacity building training and technical guidance to village governments especially village financial managers to improve their knowledge related with village financial management. In addition, the South Konawe District Government is also expected to carry out ongoing socialization of policies/regulations that support village financial management (2) For Village Governments in Kabupaten Konawe Selatan, to realize the achievement of village financial management properly it is necessary to consider village financial management competencies in the skills aspects and experience, commitment to tasks on responsive aspects of change and a sense of responsibility, and regulation on aspects of ease of implementation and understanding. (3) For researchers who are interested in reviewing and re-examining this research, it is recommended to further deepen and expand research indicators, or be able to add other variables that are thought to have a direct or indirect influence on village financial management, such as style leadership and organizational culture. In addition, the next researcher can find other variables to get better results, such as the motivation variable moderating competency and commitment variables.

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