

DOI: <https://doi.org/10.63332/joph.v5i6.2568>

## The Quantitative Analysis of Transparency and Accountability of Village Fund Management in Klaten Regency

Sarida Minarni<sup>1</sup>, Paiman Raharjo<sup>2</sup>, Triyuni Soemarono<sup>3</sup>, Khasan Effendy<sup>4</sup>, T.Herry Rachmatsyah<sup>5</sup>

### Abstract

*This study aims to determine the effect of budget target clarity, reporting systems, organizational commitment and society participation in village fund management accountability in Klaten Regency. The sample of this study with 256 respondents. The method of determining the sample using the saturated sample method and data collection using a questionnaire. Data were analyzed using SEM PLS. Based on the results of this study indicate that the budget target clarity, reporting systems, organizational commitment and society participation had a positive effect on the accountability of village fund management in Klaten Regency. This showed that better the budget target clarity, reporting systems, organizational commitment and society participation, the accountability of village fund management in Klaten Regency would be better.*

**Keywords:** Budget, Reporting, Commitment, Participation, Accountability.

### Introduction

Law No. 6 of 2014 concerning Villages will enter its 6th year (2015-2020). In the six-year period, the allocation provided has increased almost 4 times (2015 amounting to IDR 20.7 trillion; 2020 amounting to IDR 72.0 trillion). With the increasing budget provided, it is expected to be a lever for the village economy, which in the future can support the national economy. In the first four years (2015-2018), the implementation of village funds has been felt to benefit the community, especially with the increasing number of rural infrastructure that has been built from Village Funds, including 191.6 thousand km of Village Roads; 1,140.4 km of Village Bridges; 9 thousand Village Market units; 4,175 Village Reservoir units; 24.8 thousand Integrated Health Posts (Posyandu) units; 959.6 thousand Clean Water Facilities; 240.6 thousand MCK units; 9,692 Polindes units, 50.9 thousand PAUD units; and 29.5 million Drainage units. The important thing that can be applied in the management of Village Funds is to involve the community and must provide benefits to the Village community. These benefits can be in the form of improving the quality of life, improving welfare, alleviating poverty, and improving public services. In addition, it is still necessary to implement activities with a self-managed pattern, using local labor, and utilizing local raw materials available in the village. But it should be remembered that in implementing the use of Village Funds, each region must still refer to the needs of the Village, the characteristics of the Village area, and the local wisdom of the Village.

<sup>1</sup> University of Prof Dr Moestopo (Beragama), Jakarta, Indonesia, Email: [sarida@dsn.moestopo.ac.id](mailto:sarida@dsn.moestopo.ac.id)

<sup>2</sup> University of Prof Dr Moestopo (Beragama), Jakarta, Indonesia, Email: [paimanraharjo@dsn.moestopo.ac.id](mailto:paimanraharjo@dsn.moestopo.ac.id)

<sup>3</sup> University of Prof Dr Moestopo (Beragama), Jakarta, Indonesia, Email: [triyuni@dsn.moestopo.ac.id](mailto:triyuni@dsn.moestopo.ac.id)

<sup>4</sup> University of Prof Dr Moestopo (Beragama), Jakarta, Indonesia, Email: [khasan\\_effendy@dsn.moestopo.ac.id](mailto:khasan_effendy@dsn.moestopo.ac.id)

<sup>5</sup> University of Prof Dr Moestopo (Beragama), Jakarta, Indonesia, Email: [herry.rachmatsyah@dsn.moestopo.ac.id](mailto:herry.rachmatsyah@dsn.moestopo.ac.id)



In the future, the utilization of Village Funds needs to be further optimized, especially for village community empowerment activities. Therefore, the Government continues to strive to improve the distribution of division, distribution, utilization, and supervision of Village Funds. In line with that, regional governments and village governments also need to continue to improve village financial governance, starting from the planning stage through the preparation of the RPJMDes and RKPDes; the budgeting stage through the preparation and determination of the APBDes; the implementation stage through the self-management pattern and utilization of local raw materials, and the accountability stage through transparent and accountable financial reports, as well as community participation. The Government understands that community participation and education greatly assist the implementation process of this Village Fund, so that in 2017 the "Smart Book on Village Funds" was compiled with the theme "Village Funds for Community Welfare: Creating Jobs, Overcoming Inequality, and Alleviating Poverty". However, the Government realizes that in its development the dynamics of Village Fund policies change very quickly, so the Smart Book on Village Funds needs to be updated in substance/material to follow the policies that are currently in effect.

Based on the evaluation results of its three-year implementation, the Village Fund has been proven to have produced facilities/infrastructure that are beneficial to the community, including the construction of more than 95.2 thousand kilometers of village roads; 914 thousand meters of bridges; 22,616 clean water connection units; 2,201 boat mooring units; 14,957 PAUD units; 4,004 Polindes units; 19,485 well units; 3,106 village markets; 103,405 drainage and irrigation units; 10,964 Posyandu units; and 1,338 reservoir units in the 2015-2016 period. In addition, villages also have the opportunity to develop the community's economy, through training and marketing of community crafts, development of livestock and fisheries businesses, and development of tourism areas through BUMDes (village-owned business entity).

The key to success in improving the welfare of the community in developing villages is the strong touch of initiation, innovation, creativity and cooperation between village officials and the community in realizing what is a shared ideal. Village development cannot be carried out by village officials alone, but requires support, initiative, and active participation from the community. The achievement of Village Funds so far still requires improvement. Our task to plan, manage, and oversee Village Funds in the future will be increasingly difficult. The government is always trying so that Village Funds can increasingly side with the poor. In addition, the regulations that have been prepared also produce an effective, efficient, and accountable Village Fund management system, so that the Government's goals through the allocation of Village Funds can be realized. For this reason, it is necessary to strengthen the institutional capacity and human resources, both village government officials, the community, and In the implementation of the Village Law, various derivative regulations of laws have been issued to regulate various matters so that village development can run as mandated by the Village Law. These regulations are stated at various levels, starting from government regulations, related ministerial regulations (Regulation of the Minister of Finance, Regulation of the Minister of Home Affairs, and Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration), to complementary regulations issued by the regions. In order for the various implementing regulations of the Village Law to be implemented properly, it is necessary to align the formulation of policies in each ministry, which are aimed at increasing the efficiency, effectiveness, transparency, and accountability of the use of Village Funds. To that end, the Government has drafted a Joint Decree (SKB) of 4 Ministers, namely the Minister of Home Affairs, Minister of Finance, Minister of National Development Planning/Head of

Bappenas, and Minister of Villages, Development of Disadvantaged Regions, and Transmigration. The draft SKB of the 4 Ministers includes strengthening the role and synergy between ministries in planning, budgeting, allocation, implementation, monitoring and evaluation, strengthening supervision of district/city governments, and villages.

## Literature Review

### Transparency

Transparency is a principle of openness that allows the public to know and gain access to the widest possible information about regional finances. With transparency, it can guarantee access or freedom for everyone to obtain information about the implementation of government, namely information about the policy-making process, and its implementation and the results achieved. Meanwhile, according to Government Regulation Number 24 of 2005, it explains that transparency is providing open and honest financial information to the public based on the consideration that the public has the right to know openly and comprehensively about the Government's accountability in managing the resources entrusted to it and its compliance with the Law. Transparency is the implementation of tasks and activities that are open to the public starting from the policy process, planning, implementation, supervision and control that are easily accessible to all parties who need the information. Transparency also means the openness of the organization in providing information related to public resource management activities to stakeholders. Transparency is built based on free information. All government processes, institutions and information need to be accessible to interested parties and the information available must be sufficient so that it can be understood and monitored. According to (Andrianto, 2007), there are several important benefits of budget transparency, namely:

1. Prevent corruption;
2. Easier to identify weaknesses and strengths of policies;
3. Increase government accountability so that the public will be better able to measure government performance;
4. Increase trust in the government's commitment to deciding certain policies;
5. Strengthen cohesion, because public trust in the government will be formed;

Transparency is very important for the implementation of government functions in carrying out the mandate of the people. Considering that the government has the authority to make various important decisions that have an impact on many people, the government must provide complete information about what it is doing. Thus, transparency becomes an important instrument that can save people's money from misuse of money that is not within its authority.

### Principles of Transparency

The principle of transparency in village financial management must meet several elements, namely:

#### a. Open

There is broad access for the community and stakeholders to be involved in the planning, preparation, and implementation of the village financial budget.

**b. Can be known by the wider community.**

The community can easily obtain the widest possible information that is easy and cheap for all groups from the village government, without distinguishing social and economic status about the state of village finances.

**c. Decisions taken involve the community.**

Decisions taken in the preparation of the village fund budget decided in the village-level development planning meeting (Musrempang) involve the community.

**d. There are ideas or aspirations from the village community.**

The village government must accommodate the ideas or aspirations of the village community which are then made into a village decision.

***Transparency Indicators***

Meanwhile, according to Krina (2003: 17), the indicators of transparency are as follows:

1. Provision of clear information.
2. Ease of access to information.
3. Establishing a complaint mechanism if there are regulations that are violated or requests to pay bribes.
4. Increasing the flow of information through cooperation with the mass media and non-governmental institutions.

With the indicators above, we can see that transparency is a very important tool to bridge the needs of the community about the public's curiosity about the running of government in their own area. In Krina (2003: 16-17) mentions that there are several transparency measuring tools, namely:

1. Publication of public policies through communication tools: annual reports, brochures, leaflets, information centers, toll-free telephones, media coverage, public service announcements, websites, bulletin boards, and local newspapers.
2. Information presented: service references, data maintenance, public activity reports, complaint procedures.
3. Handling complaints: city news in mass and local media, notice of response, response time limits, opinion polls & surveys on public policy issues, comments & notes for draft policies & regulations, service users surveys.
4. Regional institutions and organizations: Bawasda, PMD/BPM office, Public Relations office, Kominfo office, Cross-Actor Forum.
5. Community meetings
6. People's forum.

Through Krina's explanation above, it can be understood that the local government should satisfy the curiosity of the community about the running of their local government by providing transparent reports of activities that have been carried out by the local government and also how the local government can find out the aspirations of the community by providing tools for the

community so that the community can participate in controlling the running of their own village government.

### **Village Finance**

A village is a legal community unit that has territorial boundaries that are authorized to regulate and manage government affairs for the interests of the local community based on community initiatives, original rights, or traditional rights that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia. Village finances are all village rights and obligations that can be valued in money and everything in the form of money and goods related to the implementation of village rights and obligations. (Minister of Home Affairs Regulation No. 113 of 2014).

Village finance is all rights and obligations in the context of organizing village government that can be valued in money, including all forms of wealth related to the rights and obligations of the village. Village finance comes from the original village income, APBD, and APBN. The implementation of village government affairs that are the authority of the village is funded from the APBDesa, central government assistance, and regional government assistance. The implementation of regional government affairs organized by the village government is funded from the APBD, while the implementation of central government affairs organized by the village government is funded from the APBN. (Hanif Nurcholis. 2011: 81)

The village government is required to manage village finances in a transparent, accountable, participatory manner and in an orderly and disciplined manner. Transparent means managed openly; accountable means legally accounted for; and participatory means involving the community in its preparation. In addition, village finances must be recorded in a correct bookkeeping system in accordance with the rules of the government's financial accounting system. (Hanif Nurcholis. 2011: 82) All money used in the context of organizing village governance and development is state money and people's money, which must be managed based on applicable laws or regulations, especially:

- a. Law No. 6 of 2014 on Villages
- b. Government Regulation No. 43 of 2014 on Implementing Regulations of Law No. 6 of 2014 on Villages
- c. Government Regulation No. 60 of 2014 on Village Funds sourced from the State Budget
- d. Minister of Home Affairs Regulation No. 113 of 2014 on Village Financial Management. As well as other related regulations, including:
- e. Law on Public Information Disclosure
- f. Regulations issued by the Minister of Villages.
- g. Minister of Home Affairs Regulation No. 114 of 2014 on Village Development Guidelines.

### **Village Autonomy**

Historically, the village was the forerunner of the formation of political and governmental society in Indonesia long before the nation states were formed. Social structures such as villages, indigenous communities and so on have become social institutions that have a very important

position. The village is an autonomous institution with its own traditions, customs and laws and is relatively independent. This is indicated by the high level of diversity, making the village perhaps the most concrete form of the nation.

Village authority includes authority that already exists based on the village's original rights. Authority that has not been implemented by the regions and government by applicable laws and regulations, as well as assistance tasks from the government, provincial government and/or district government.

In financing the implementation of village government, it has been regulated in article 107 concerning village financial sources consisting of original village income, assistance from the district government, provincial government and government as well as sources of income from third parties and village loans. Original Village Income (PAD) includes; village business results, self-reliance and participation as well as mutual cooperation and other legitimate income. Meanwhile, assistance from the district government includes part of the receipt of regional taxes and levies as well as part of the balancing fund from central and regional finances.

The sources of village income as mentioned are regulated and managed in the Village Budget and Income (APBD) which is annually determined by the village head together with the BPD which is then stated in village regulations. (widjaja: 2005. page 4)

Village finances are all village rights and obligations that can be valued in money and everything in the form of money and goods related to the implementation of village rights and obligations. The rights and obligations as referred to give rise to income, expenditure, financing, and management of village finances. (Law no. 6 of 2014 article (71)).

### **Accountability**

The term accountability comes from the English term accountability which means responsibility or a state of being accountable or a state of being asked for responsibility. Accountability is the functioning of all components that drive the running of company activities, according to their respective duties and authorities. Wabster and Waluyo (2007:190) define accountability as a state that can be accounted for, responsible, and accountable. The meaning of accountability itself is: First, can be accounted for, can answer to superiors as humans are responsible to their God for what they have done. Second, has the ability to be accounted for explicitly, and third, something that can be calculated or accounted for.

In terms of accounting, accountability is an activity to produce correct disclosure. The accountability of the disclosure is carried out first to Allah. Accountability is also related to the social role where the law has been implemented and the welfare of the community is the main goal of the institution's activities and these goals have been achieved (Tapanjeh, 2009).

According to the regulation of the minister of cooperatives and small and medium enterprises number 20/Per/M.KUKM/IX/2015 in article 1, accountability is a manifestation of the entity's obligation to be responsible for the success and failure of the implementation of the organization's mission in achieving the goals and targets that have been set through a media of accountability that is carried out periodically.

From the description above, it can be concluded that accountability is the obligation to convey responsibility to interested parties by a person or group of people (organizations) who have received a mandate from the interested parties.

## **Principles of Accountability**

In implementing accountability, it is necessary to pay attention to the principles of accountability, as quoted by LAN and BPKP, namely as follows:

1. There must be a commitment from the leadership and all staff of the agency to manage the implementation of the mission so that it is accountable.
2. It must be a system that can guarantee the use of resources consistently with applicable laws and regulations.
3. It must be able to show the level of achievement of the goals and targets that have been set.
4. It must be oriented towards achieving the vision and mission as well as the results and benefits obtained.
5. It must be honest, objective, transparent and innovative as a catalyst for changes in government agency management in the form of updating methods and techniques for measuring performance and preparing accountability reports.

In addition to these principles, performance accountability must also present an explanation of the deviation between the realization of activities and plans and the success and failure in achieving the targets and objectives that have been set. In implementing this accountability, strong attention and commitment are also needed from the direct superiors of the agencies providing accountability, representative institutions and supervisory institutions, to evaluate the performance accountability of the agencies concerned.

## **Types of Accountability**

Accountability can exist in a transparent and democratic environment and atmosphere and with freedom to express opinions. Therefore, the importance of accountability as a main element of good governance is reflected in various categories of accountability.

Chandler and Planto in Raba (2006:36) distinguish five types of accountability, namely (1) Fiscal accountability - accountability for public funds; (2) Legislative accountability - accountability for complying with the law; (3) Program accountability - responsibility for running a program; (4) Process accountability - responsibility for implementing procedures; (5) Outcome accountability - responsibility for results.

## **Competence Of State Civil Apparatus**

The concept and theory of competence are not new to us, because in fact this concept has existed since the 1960s-1970s. The position of humans as resources in organizations has a very strategic role. Humans as objects and subjects in organizational activities plan, formulate, determine and implement various organizational activities in order to achieve their goals. Human resources in an organization are not only determined by the number or quantity of existing human resources, but also require quality human resources so that organizational goals can be achieved. The quality of human resources can be reflected in the competencies possessed by each individual in the organization. These competencies include Knowledge, Skills and Attitudes.

In Human Resource Management, people who work in management are called managers. Managers are oriented towards work, people, resources and achievements. In order to run and achieve certain goals, managers need a container called an organization. The quality of an

organization is determined by a manager in choosing the right resources and people to be appointed and entrusted to occupy positions in the organization. A manager is tasked with organizing and directing others to achieve organizational goals.

In traditionally structured organizations, managers are often grouped into top managers, middle managers, and first-line managers (usually depicted in the form of a pyramid, where the number of employees is greater at the bottom than at the top).

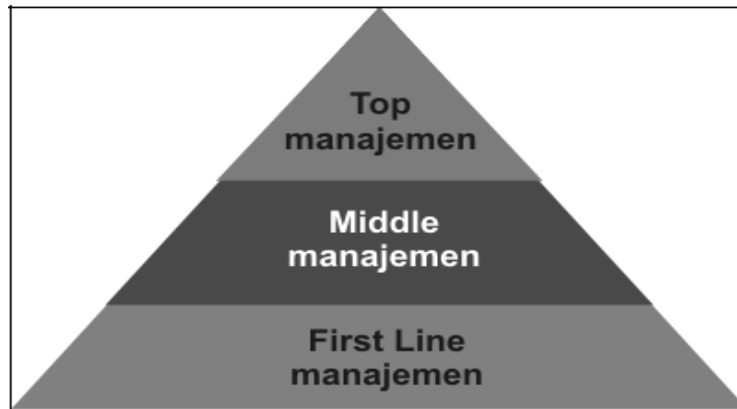


Figure 1. Pyramid of Management Levels

6. First-line management, also known as operational management, is the lowest level of management tasked with leading and supervising non-managerial employees involved in the production process.

7. Middle management includes all management between first-line managers and top management and serves as a liaison between the two.

8. Top management, also known as executive officers, is tasked with planning general company activities and strategies and directing the course of the company.

Robert L. Katz in the 1970s suggested that every manager needs at least three basic skills, namely: Conceptual skills, Humanity skills and Technical skills Technical skills.

#### **a. Conceptual Skills**

Top managers must have the skills to create concepts, ideas, and concepts for the advancement of the organization. These ideas or concepts must then be described in an activity plan to realize the idea or concept. For example, conceptual thinking, commitment to the organization, level of attention to order and decision making are indicators of a manager's behavior that describe his conceptual skills

#### **b. Humanity Skills**

In addition to conceptual skills, managers also need to be equipped with communication skills or humanity skills, also called human skills. Persuasive communication must always be created by managers towards the subordinates they lead. For example, orientation towards service, integrity, cooperation and leadership are some indicators of a manager's behavior in describing humanity skills.

### c. Technical Skills

These skills are generally provisions for managers at lower levels. These technical skills are the ability to carry out a particular job, for example the behavior of using computer programs, repairing machines, making chairs, accounting are technical skills.

Every managerial level must have the three skills above. It's just that at certain levels it requires a different portion of skills. This can be illustrated in the following chart which shows the portion of a manager's skills at different levels.

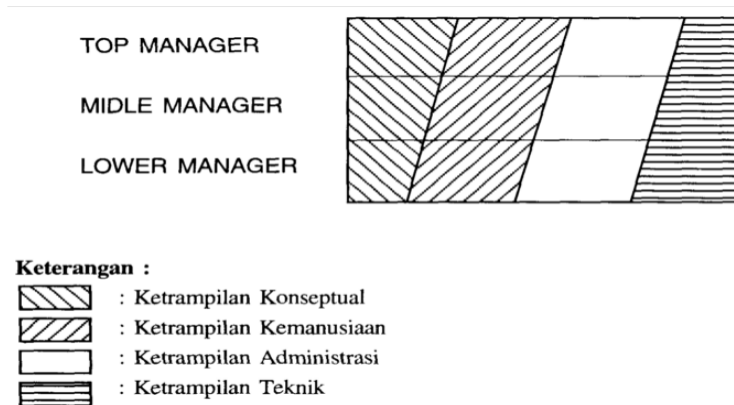


Figure 2. Differences in Each Managerial Level

Each managerial level must have the three skills above. It's just that at certain levels, different portions of skills are required. The higher the position or level of manager, the more conceptual skills are required, and the lower the manager's position, the more technical skills are required. In contrast to communication skills, every manager, whether at the top, middle, or lower levels of management, needs good communication skills.

### The Concept of HR Competence in Organizations

Competence is often used as the main criterion for determining employee work such as professional, managerial or senior manager. Company organizations will promote employees who meet the competency criteria needed and required to a higher level. Competence is an individual's skill and ability to develop and use their potential in responding to changes that occur in the organizational environment or demands of work that describe a performance.

According to Spencer and Spencer as quoted by Moeheriono (2010:3), "a competency is an underlying characteristic of an individual that is causally related to criterion referenced effective and or superior performance in a job situation". "Competency is a characteristic that underlies a person related to the effectiveness of individual performance in his work or the basic characteristics of an individual that have a causal relationship or as a cause and effect with the criteria used as a reference, effective or performing excellently or superiorly in the workplace or in certain situations"

According to Mc. Clelland in Sedarmayanti as quoted by Astuti and Zunaidah (2012:61), is "competency is a fundamental characteristic possessed by a person that has a direct influence on, or can predict excellent performance". In other words, competence is what outstanding performers do more often, in more situations, with better results, than what policy evaluators do.

Mc. Clelland provides an illustration that makes it easier to understand the competence. Competence is put forward as a concept of a combination of skills, personal attributes, and knowledge that is reflected through job behavior, which can be observed, measured and evaluated.

According to Armstrong and Baron as quoted by Wibowo (2012: 88), Competence is a behavioral dimension that is behind competent performance. Often called behavioral competence because it is intended to explain how people behave when they carry out their roles well.

From the opinions expressed above, the competence of the apparatus is more related to the nature or personality of an apparatus which is used as the basis for the ability to carry out all tasks given. Competence is a characteristic of a person related to effective and/or superior performance in a particular work situation. Competence is said to be a basic characteristic because the individual characteristics that are a deep part and inherent in a person's personality can be used to predict various particular work situations. Then it is said to be related between behavior and performance because competence causes or can predict behavior and performance.

### **Village Fund Management**

The village has its own definition according to the development of laws and regulations in Indonesia. In PP Number 43 of 2014 concerning the Implementing Regulations of the Village Law, a village or otherwise referred to as a village, is a legal community unit that has territorial boundaries that are authorized to regulate the interests of the local community, based on local origins and customs that are recognized and respected in the Government system of the Unitary State of the Republic of Indonesia. According to Law Number 6 of 2014, a village is an area occupied by a number of residents as a community unit, including a legal community unit that has the lowest government organization directly under the sub-district head and has the right to organize its own household within the bounds of the Unitary State of the Republic of Indonesia.

Based on Law Number 23 of 2014, a Village is a legal community unit that has the authority to regulate and manage the interests of the local community based on local origins and customs that are recognized in the National Government system and are located in the Regency Area. In other words, a village is an independent government that is within the National Government subsystem within the framework of the Unitary State of the Republic of Indonesia. Since the implementation of regional autonomy, the use of the term village can use other terms according to other names according to the characteristics of local customs, as well as all terms and institutions in the village. This is one of the Government's recognition and respect for local origins and customs. For example, the term village in West Sumatra is called nagari, in Aceh with the term gampong, in Papua and West Kutai, East Kalimantan is called kampung. Based on data from the Central Statistics Agency (BPS), there were 83,931 village-level administrative areas in Indonesia in 2018. This number consists of 75,436 villages (74,517 villages and 919 nagari in West Sumatra) spread throughout Indonesia. In general, the condition of villages in Indonesia has relatively the same characteristics, namely: villages and communities have a close relationship with the natural environment; climate and weather have a major influence on farmers.

### **Village Fund**

In order to support the implementation of village tasks and functions in the implementation of village governance and development in all aspects in accordance with the authority it has, Law

Number 6 of 2014 mandates the Government to allocate Village Funds. The Village Funds are budgeted annually in the APBN which is given to each village as one of the sources of village income. This policy simultaneously integrates and optimizes all budget allocation schemes from the Government to villages that have existed so far.

Village funds are APBN funds allocated for villages transferred through the district/city APBD and prioritized for the implementation of development and empowerment of village communities. Village funds are allocated for villages and traditional villages transferred through the district/city APBD and allocated to each village evenly and fairly. According to Law Number 6 of 2014, the objectives of village funds are as follows (1) improving public services in villages, (2) eradicating poverty, (3) advancing the village economy, (4) overcoming development gaps between villages, and (5) strengthening village communities as subjects of development.

Village income sources consist of:

1. Original Village Income
2. Village Funds sourced from the APBN
3. Part of the District/City PDRD Results
4. Village Fund Allocation from the District/City
5. Financial assistance from the Provincial APBD and District/City APBD
6. Grants and Third Party Donations, and
7. Other legitimate Village income

The government sets the Village Fund in the APBN at 10% of and outside the Regional Transfer Fund in stages. The village fund is calculated based on the number of villages and allocated by taking into account: a) population, b) poverty rate, c) area and d) level of geographical difficulty. The village fund is calculated based on the following proportions and formula weights: 1. 90% portion divided equally (basic allocation) 2. 10% portion based on the formula (formula allocation): a. Village population (25%) b. Village poverty rate (35%) c. Village area (10%) d. Village geographical difficulty level (30%).

### **Village Fund Management**

Management is a series of tasks carried out by an individual or group of people in order to achieve the desired goals. One aspect that must be possessed by village stakeholders, especially village officials, is knowledge and understanding in managing village funds. This aspect must be possessed in order to realize accountability and transparency of village finances.

In Permendagri Number 113 of 2014, Village Financial Management is all activities that include planning, implementation, administration, reporting and accountability of village finances. The principles in managing village finances consist of transparency, participation, accountability, orderliness and discipline in budget use.

In managing village funds, one of the important things that must be implemented is involving the community. By involving the community, the government needs to hold activities using a self-management pattern, which means trying to implement and plan independently by the community using local raw materials and local labor so that the allocation of funds for village development does not flow elsewhere.

In managing village funds, a monitoring mechanism is needed that aims to make village financial management more accountable. To increase the effectiveness of the monitoring mechanism and minimize violations, sanctions will be given to parties who carry out tasks that are not in accordance with applicable provisions.

## **Research Method**

This study uses a quantitative research approach with the implementation of the SEM PLS method, namely SEM (Structural Equation Model) is one of the fields of statistical study that can test a series of relationships that are usually difficult to measure simultaneously. SEM is a multivariate analysis technique that combines factor analysis and regression analysis (correlation), with the aim of testing the relationship between variables in a model, both between indicators and their constructs and the relationship between constructs.

PLS (Partial Least Square) is a structural equation model of SEM based on components or variants. PLS is an alternative approach that shifts from the SEM approach based on covariance to based on variants.

Covariance-based SEM generally tests causality or theory while PLS is more directed at predictive models. However, there are differences between covariance-based SEM and component-based PLS. Namely in the use of structural equation models to test theories or develop theories that aim to make predictions.

This approach allows researchers to collect quantitative data, namely data in the form of numbers and statistics, which can be analyzed objectively and produce quantitative information. This study uses variables, namely: Transparency (X1), Accountability (X2), ASN Competence (Y), and Village Budget Management. The data collection technique used is a questionnaire and uses a Likert scale as a measurement scale. The population in this study was the community in Klaten Regency with a total of 256 people and had a sample of 100 respondents obtained using the Slovin formula.

## **Result and Discussion**

### **Measurement Model Test (Outer Model)**

Evaluation of the measurement model or inner model is carried out to assess the validity and reliability of the model. The research measurement model in PLS-SEM is an outer model consisting of a set of relationships between indicators and latent variables (Hair et al., 2019). Through the algorithm iteration process, the measurement model parameters (convergent validity, discriminant validity, composite reliability, and Cronbach's alpha) are obtained, including the R2 value as a parameter for the accuracy of the prediction model. The following are the results of the measurement diagram (outer model) in this study can be seen in the picture, as follows:

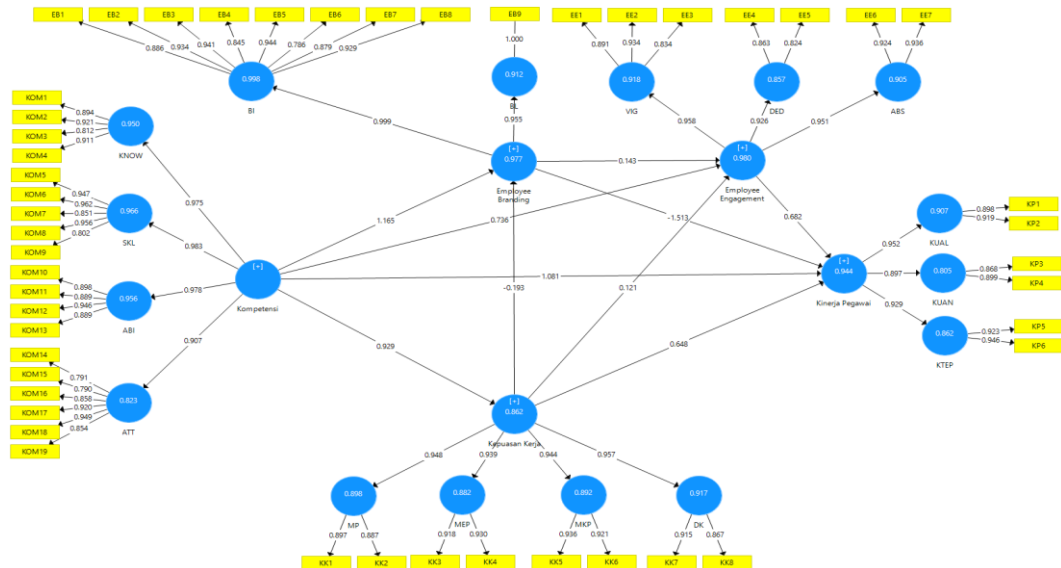


Figure 3 Outer Model

Source: SmartPL Data Processing Results

The following are the parameters used in the measurement model test (outer model), as follows:

### 1. Convergent Validity

Convergent validity, is related to the principle that the measurement of a construct should be highly correlated. Convergent validity occurs when the scores obtained from two different instruments that measure the same construct have a high correlation. The convergent validity test in PLS with reflective indicators is assessed based on the loading factor indicator that measures the construct, stating the rule of thumb used for convergent validity outer loading of > 0.7, and the AVE value that is stated as valid is 0.50 or higher, according to Hair, a figure above 0.50 can indicate that the construct explains at least 50% of the variance of each item. The convergent validity of all constructs in this study is valid (Hair et al., 2019). Based on the results of data processing, the results of convergent validity are obtained with loading factor and AVE values,

Based on the results of the convergent validity results table with loading factors, the results obtained are that all have loading factors >0.7, which indicates that the indicators/items are factors forming the latent variables. The latent competency variable is formed by 4 dimensions and 19 indicator items, then the job satisfaction variable is formed by 4 dimensions and 8 indicators, employee branding is formed by 2 dimensions and 9 indicators, employee engagement is formed by 3 dimensions and 7 indicators and performance is formed by 3 dimensions and 6 indicators. In addition, convergent validity can be measured by the average variance extracted (AVE) value, the AVE value that is declared valid is >0.5, a value > 0.50 can indicate that the construct explains at least 50% of the variance of each item. Based on the results of data processing, the results of the AVE value are obtained, as follows:

<b>Variable</b>	<b>AVE</b>
Competence	0.739
Job Satisfaction	0.740
<i>Emplee Branding</i>	0.811
<i>Employee Engagement</i>	0.707
Performance	0.708

Table 1: Average Variance Extracted (AVE)

Source: SmartPLS Data Processing Results

Based on the results of convergent validity with AVE, the results obtained that all variables obtained AVE results of more than 0.5, so it can be stated that the data in this study have met the criteria for convergent validity.

## 2. Discriminant Validity

This discriminant validity evaluates the extent to which a construct differs from other constructs. The principle underlying discriminant validity is to assess how uniquely the indicators of a construct are represented by that construct compared to how much the construct correlates with all other constructs in the model. (Hair, et al, 2019). According to Ghozali (2020) the way to test discriminant validity with reflective indicators is the fornell-lacker criterion and HTMT (heterotrait-monotrait ratio).

The fornell-lacker criterion (comparing the square root of AVE) rule of thomb on AVE, good discriminant validity is indicated by the square root of AVE of each construct > correlation between constructs in the model.

Based on the results of the discriminant test with the heterotrait-monotrait ratio matrix (HTMT), the results obtained are green, that the correlation between variables has a value of <0.9, therefore, the variables in this study can be stated to meet the criteria for discriminant validity.

## 3. Construct Reliability

The construct reliability test is measured in two ways, namely composite reliability and Cronbach alpha. According to Hair et al., (2019), Cronbach alpha which has a value > 0.70 is said to have a reliable construct. Meanwhile, a higher composite reliability indicates a higher level of reliability. The reliable value on the composite reliability > 0.70. Based on the results of data processing, the results of the construct reliability are obtained, as follows.

<b>Variable</b>	<b><i>Cronbach Alpha</i></b>	<b><i>Composite Reliability</i></b>
Competence	0.979	0.981
Job Satisfaction	0.949	0.958
<i>Emplee Branding</i>	0.970	0.975
<i>Employee Engagement</i>	0.929	0.944
Performance	0.916	0.935

Table 2: Construct Reliability

Source: SmartPLS Data Processing Results

Based on the results of the reliability test, it shows that all variables in this study have a value >0.7 which means that the variables used can be stated as reliable.

### Structural Model Test (Inner Model)

After the estimated model meets the outer model criteria, the next step is to test the structural model (inner model). According to Hair et al. (2019), the evaluation of the structural model (inner model) aims to predict the influence between latent variables. The structural model in PLS is evaluated using R2 for the dependent construct, the path coefficient value or t-value of each path for the significance test between constructs in the structural model, the next step is to evaluate the structural model to see the significance of the relationship between constructs/variables. This can be seen from the path coefficient which describes the strength of the relationship between constructs. The sign or direction of the path (path coefficient) must be in accordance with the hypothesized theory, its significance can be seen in the t-test or CR (critical ratio) obtained from the bootstrap process (resampling method). The structural model (inner model) is carried out by testing R-square, Q-square, and path coefficient using the help of SmartPLS software. The inner model path diagram in this study can be seen in the following figure:

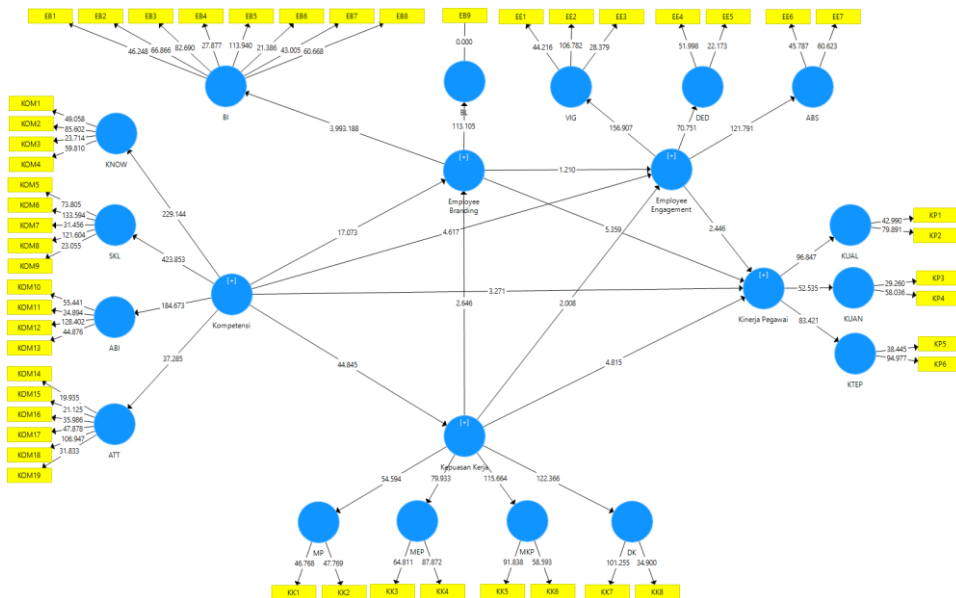


Figure 4 Inner Model

Source: SmartPLS Data Processing Results

### Hypothesis Testing Findings

The estimated value for the formative measurement model must be significant, this level of significance is assessed by the bootstrapping procedure. The hypothesis in this study can be known from the model calculation using the PLS bootstrapping technique. From the results of the bootstrapping calculation, the t-statistic value of each relationship or path will be obtained. This hypothesis testing is set at a significance level of 5%. The hypothesis can be accepted if the significance value is <0.05. Hypothesis testing in this study consists of path coefficient direct and indirect effects.

**1. Direct Hypothesis Testing (Direct Effect)**

The following are the results of direct hypothesis testing between variables, which obtained the following results:

<b>Hypothesis</b>	<b>Structural</b>	<b>Original Sample (O)</b>	<b>t-Statistics ( O/STDEV)</b>	<b>P</b>	<b>Conclusion</b>
H1	Competence -> Transparency, accountability, ASN competence, and Village Budget Management. Village Budget Management	0.929	44.845	0.000	Reject Ho
H2	Competence ->. Village Budget Management	0.929	44.845	0.000	Reject Ho
H3	Competence -> Transparency	1.165	17.073	0.000	Reject Ho
H4	Competence -> Accountability	1.081	3.271	0.011	Reject Ho

Table 3: Direct Effect Hypothesis Testing

Source: SmartPLS Data Processing Results

Based on the direct effect hypothesis testing table (path coefficient), the following conclusions are obtained:

**2. Indirect Hypothesis Testing (Indirect Effect)**

The following are the results of indirect hypothesis testing between variables, which obtained the following results:

<b>Hypothesis</b>	<b>Structural</b>	<b>Original Sample (O)</b>	<b>t- Statistics ( O/STDEV)</b>	<b>P</b>	<b>Conclusion</b>
H10	Competence -> Accountability-> Village Budget Management	0.602	4.654	0.000	Tolak Ho

H11	Competence -> Transparency-> Village Budget Management	0.076	1.949	0.026	Tolak Ho
H12	Competence -> Civil Servan Competence-> Village Budget Management	0.271	3.007	0.001	Tolak Ho

Table 4.4: Indirect Effect Hypothesis Testing (Indirect Effect)

Source: SmartPLS Data Processing Results

## Conclusion

Based on the results of research regarding " The Quantitative Analysis of Transparency and Accountability of Village Fund Management in Klaten Regency then the following results are obtained:

1. Overview of Transparency, accountability, ASN competence, and Village Budget Management in Klaten Regency are in the fairly good category.
2. The competence of state civil apparatus has a significant positive effect on. Village Budget Management in Klaten Regency This is based on the results of the direct effect hypothesis test, the t-statistic result was 44,845 and the significance result (p-value) obtained was 0.000 ( $0.000 < 0.05$ ), so  $H_0$  is rejected and  $H_a$  is accepted.
3. The competence of state civil servants has a significant positive effect on transparency in Klaten district. This is based on the results of the direct effect hypothesis test, the t-statistic result is 17,073 and the significance result (p-value) obtained is 0.000 ( $0.000 < 0.05$ ), so  $H_0$  is rejected and  $H_a$  is accepted.
4. The competence of state civil servants has a significant positive effect on accountability in Klaten district. This is based on the results of the direct effect hypothesis test, the t-statistic result is 3,271 and the significance result (p-value) is obtained.

## References

- Aditya Pandu Wicaksono, D. U. B. E. S. (2018). Whistle-blowing Intention: The Effects of Moral Intensity, Organizational and Professional Commitment. *Jurnal Akuntansi*.  
<https://doi.org/10.24912/ja.v22i3.393>
- Ali, A., Elham, F., & Alauddin, A. (2014). Does Accountability Discharged through Performance Measurement System? *Procedia - Social and Behavioral Sciences*, 164(August), 421–428.  
<https://doi.org/10.1016/j.sbspro.2014.11.098>
- Bambang Sudaryana, 2016, Metodse Penelitian, DEEPUBLISH , Jogjakarta
- Bambang Sudaryana, 2022, Metode Penelitian Kuantitatif, Deepublish, Jogjakarta
- Basmbang Sudaryana,,2023 Fraud Prefention, Deepublish,, Jogjakarta
- Anto, R. P., & Amir, M. (2017). Competence of Village Agovernment regulationaratus In Management of Village Funds in North Konawe Regency-Indonesia. *IOSR Journal of Business and Management Ver. VII*. <https://doi.org/10.9790/487X-1911076671>
- Arta, I. M. A. S., & Rasmini, N. K. (2019). Pengaruh Budget target clarity, Sistem Pelaporan dan Partisipasi Masyarakat Pada Akuntabilitas Pengelolaan Dana Desa. *E-Jurnal Akuntansi*, 26, 709.

- <https://doi.org/10.24843/eja.2019.v26.i01.p26>
- Ash-shidiqqi, E. A., & Wibisono, H. (2018). Corruption and Village: Accountability of Village Fund Management on Preventing Corruption (Problems and Challenges). *Journal of Indonesian Legal Studies*. <https://doi.org/10.15294/jils.v3i02.27524>
- Azlina, N., Hasan, A., Desmiyawati, & Muda, I. (2017). The effectiveness of village fund management (case study at villages in coastal areas in Riau). *International Journal of Economic Research*.
- Badu, I., Awaluddin, I., & Mas'ud, A. (2019). Pengaruh Partisipasi Penyusunan Anggaran, Komitmen Organisasi, Profesionalisme, Gaya Kepemimpinan dan Struktur Organisasi terhadap Kinerja Manajerial. *JPEP (Jurnal Progres Ekonomi Pembangunan)*, 4(1), 99–113. <https://doi.org/10.33772/JPEP.V4I1.6247>
- Bayer, E., Fachruddin, & Bahri, Z. T. (2014). The Influence Of Budget Goal Clarity, Internal Control System, Reporting System, With Organizational Commitment Of Government Agencies Of Local Government Serdang Bedagai Regency. (c), 1–10.
- Carreira, V., Machado, J. R., & Vasconcelos, L. (2016). Engaging citizen participation-A result of trusting governmental institutions and politicians in the Portuguese democracy. *Social Sciences*. <https://doi.org/10.3390/socsci5030040>
- Carreira, V., Machado, J. R., & Vasconcelos, L. (2017). Citizen Involvement in the Decision-Making Processes of Environmental and Spatial Planning, and it's Influence on Public Participation: a Case Study of Lisbon. *International Journal of Political Science*, 3(1), 23–29. <https://doi.org/10.20431/2454-9452.0301004>
- Dewi, N. K. A. J. P., & Gayatri, G. (2019). Faktor-Faktor Yang Berpengaruh Pada Akuntabilitas Pengelolaan Dana Desa. *E-Jurnal Akuntansi*, 26, 1269. <https://doi.org/10.24843/eja.2019.v26.i02.p16>
- DJPK Kementerian Keuangan. (2018). Rincian Dana Desa menurut Kabupaten/Kota T.A 2019. government regulation. 1–13. <https://doi.org/10.1017/CBO9781107415324.004>
- Dwi, R. F., Hidayati, N., & Cholid, M. M. (2018). Budget target clarity, Pengendalian Akuntansi, Dan Sistem Pelaporan Terhadap Akuntabilitas Kinerja Instansi Pemerintah Daerah Kabupaten Situbondo. *E-JRA Vol. 07 No. 01 Agustus 2018*, 07(01), 32–45. <https://doi.org/10.1186/1476-4598-10-45>
- Gayatri, G., & Latrini, M. Y. (2018). Efektivitas Penerapan Sistem Keuangan Desa dan Kualitas Laporan Keuangan Desa. *Jurnal Ilmiah Akuntansi Dan Bisnis*, Vol. 13, N, 113. <https://doi.org/10.24843/JIAB.2018.v13.i02.p05>
- Hariningsih, S., Hendra, K., & Nurlaela, S. (2017). Pengaruh Budaya Organisasi dan Komitmen Organisasi terhadap Kinerja Rumah Sakit Islam Surakarta dengan Akuntabilitas Publik Sebagai Variabel Intervening. *Jurnal Ekonomi Paradigma*, 19(02), 61–67.
- Judarmita, I. N., & Supadmi, N. L. (2017). Pengaruh Budget target clarity, Sistem Pelaporan dan Audit Kinerja Terhadap Akuntabilitas Pengelolaan Dana Desa I. *E-Jurnal Akuntansi Universitas Udayana*, 21, 1719–1746.
- Julianto, I. P., & Rencana, G. A. K. S. D. (2019). Keberhasilan Pengelolaan Dana Desa. 4(1), 24–42.
- Kulözü, N. (2014). Different participant groups, different success definitions: An exploratory study in the case of “local government and NGO cooperation in a participatory democracy project.” *Bogazici Journal*. <https://doi.org/10.21773/boun.28.1.3>
- Kurrohman, T. (2015). Accountability of planning on village fund allocation in osing community in Banyuwangi. *International Conference on Accounting Studies (ICAS)*.
- Laksana, A. P., & Handayani, B. D. (2014). Pengaruh Budget target clarity, Pengawasan Fungsional, Dan Pelaporan Kinerja Terhadap Akuntabilitas Publik Di Kabupaten Batang. *Accounting Analysis Journal*, 3(2), 177–186. <https://doi.org/10.15294/aaj.v3i2.4179>
- Luthans, F. (2006). *Perilaku Organisasi*. Edisi Sepuluh. Yogyakarta: C.V ANDI.

- Mahayani, N. L. A. (2017). Prosocial Behavior Dan Persepsi Akuntabilitas Pengelolaan Dana Desa Dalam Konteks Budaya Tri Hita Karana. *Jurnal Ilmiah Akuntansi Dan Bisnis*, Vol 12, No, 129.
- <https://doi.org/10.24843/jiab.2017.v12.i02.p07>
- Manullang, S. B., & Abdullah, S. (2019). Pengaruh Pengendalian Internal , Budget target clarity, Dan Pergantian Kepala SKPD Terhadap Akuntabilitas Kinerja. *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi (JIMEKA)*, 4(1), 62–73.
- Meutia, I., & Liliana, L. (2018). The Management of Village Fund Finances. *Jurnal Dinamika Akuntansi*. <https://doi.org/10.15294/jda.v9i1.12009>
- Nangoy, N. A. M., Sondakh, J. J., & Sabijono, H. (2016). Pengaruh Budget target clarity Dan Partisipasi Anggaran Terhadap Kinerja Aparat Pemerintah Daerah Kota Manado. *Going Concern : Jurnal Riset Akuntansi*, 11(2), 42–52. <https://doi.org/10.32400/gc.11.2.13060.2016>
- Nurdin, Y., & Wijaya, I. (2019). Pengaruh Kompetensi Akuntansi Aparat Pengelola Dana Desa dan Komitmen Organisasi Pemerintah Desa Terhadap Akuntabilitas Pengelolaan Dana Desa. *Universitas Fajar*, 1(1).
- Pemerintah Republik Indonesia. Government Regulation Republik Indonesia Nomor 71 Tahun 2010 Tentang Standar Akuntansi Pemerintahan. , (2010).
- Pratama, R., Agustin, H., & Taqwa, S. (2016). Pengaruh Pengendalian Akuntansi, Sistem Pelaporan dan Budget target clarity Terhadap Akuntabilitas Kinerja Instansi Pemerintah. *Jurnal Online Mahasiswa Fakultas Ekonomi Universitas Riau*, 3(1), 1123–1136.
- Purdiyanto, H., Pituringsih, E., & Inapty, B. A. (2017). Determinants of Village Financial Accountability in Sumbawa and West Sumbawa District. *International Conference and Call for Papers*, 1357–1373.
- Setyawan, S., Priyono, N., & Iswanaji, C. (2018). Development Model of E-Budgeting and E-Reporting System on the Management of Village Fund Finance. *Jurnal Dinamika Akuntansi*. <https://doi.org/10.15294/jda.v9i1.12000>
- Shara, Y., Muda, I., & Rujiman. (2018). Peran Komitmen Organisasi dengan Faktor Kinerja Pengelolaan Keuangan Daerah. *292(61)*, 411–415.
- Solekhah, Y., Ruliana, T., & Nazarudin, I. L. (2016). Pengaruh Partisipasi Penyusunan Anggaran, Budget target clarity, Desentralisasi dan Akuntabilitas Publik Terhadap Kinerja Manajerial SKPD (Studi Pada Satuan kerja Perangkat Daerah Kota Samarinda. *Journal of Chemical Information and Modeling*, 53(9), 1689–1699. <https://doi.org/10.1017/CBO9781107415324.004>
- Wahyu, K. P. (2014). Pengaruh Kompetensi Aparat Pengelola Dana Desa, Komitmen Organisasi Pemerintah Desa, Partisipasi Masyarakat, Dan Pemanfaatan Teknologi Informasi Terhadap Akuntabilitas Pengelolaan Dana Desa Di Kabupaten Bantul. *Journal of Chemical Information and Modeling*, 53(9), 1689–1699. <https://doi.org/10.1017/CBO9781107415324.004>
- Yunita, A., & Christianingrum, M. (2018). Measurement of Accountability Management of Village Funds. *Integrated Journal of Business and Economics*. <https://doi.org/10.33019/ijbe.v2i1.62>