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Accountability of Village Fund Management in Gambiran: The Influence of Competence, Transparency, Participation, and Internal Control

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ABSTRACT

This study aims to analyze the effect of competence, transparency, community participation, information technology utilization, and internal control systems on the accountability of village fund management in Gambiran Village, Jember. Using a quantitative research approach, data were collected through questionnaires distributed to 80 respondents consisting of village officials and community leaders. The data were analyzed with multiple linear regression using SPSS software, preceded by validity, reliability, normality, multicollinearity, and heteroscedasticity tests. The results reveal that competence, transparency, community participation, information technology utilization, and internal control each have a significant positive effect on accountability. Furthermore, these variables simultaneously influence accountability, indicating that village fund management accountability is determined by multidimensional factors. The findings suggest that improving human resource competence, ensuring transparency, involving communities, optimizing information technology, and strengthening internal control are crucial for achieving accountable governance. This study contributes theoretically to public sector accounting literature and practically to better village fund governance.

Keywords: Competence; Transparency; Community Participation; Information Technology; Accountability of Village Fund Management.

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1. INTRODUCTION

Village funds have become one of the most crucial instruments in improving rural welfare and supporting equitable development in Indonesia. Since the implementation of Law No. 6 of 2014 on Villages, the government has allocated large amounts of funds directly to villages, aiming to empower communities, strengthen autonomy, and accelerate infrastructure development. However, in practice, accountability remains a major challenge. As stated in the thesis, "there are still many problems related to the low accountability of village fund management, such as budget misuse, non-transparent financial reports, and the lack of community participation in planning and monitoring". This condition reflects that transparency and accountability in village fund management have not yet been fully achieved, leaving space for inefficiencies and corruption.

The importance of accountability is emphasized in governance literature as an obligation to explain and justify the use of public resources. Puspa, Sari, and Dewi (2020) argue that "accountability also means a form of responsibility for each individual, group, or institution to fulfill their obligations". In the context of village fund management, accountability serves not only as a legal obligation but also as a social contract between the government and the people, ensuring that public resources are used effectively and in line with community needs.

Despite regulatory frameworks, corruption cases at the village level remain alarming. According to Indonesia Corruption Watch (ICW), villages became the sector with the highest number of corruption cases between 2015 and 2022. "In 2022 alone, there were 155 corruption cases in villages with state losses exceeding IDR 381 billion" (ICW, 2021). These cases often occurred in the stages of planning, procurement, accountability reporting, and monitoring, showing systemic weaknesses in internal control and governance.

The case of Gambiran Village in Jember provides a striking example. The thesis notes that "in 2020, the head of the village collaborated with a private entrepreneur to exploit the village treasury land for personal profit, selling soil and stone materials without depositing the revenue into the village treasury". The losses were officially estimated at IDR 388,470,000 according to the Jember District Attorney (2021). This case not only reveals financial mismanagement but also highlights the absence of transparency, weak oversight, and lack of accountability mechanisms at the local level.

Scholars have identified several determinants of accountability in village fund management. The first is competence of village officials. As defined by the National Civil Service Agency Regulation No. 46A of 2003, competence includes "skills, knowledge, and attitudes required to carry out duties professionally, efficiently, and effectively". Research by Lamo and Achmad (2015) found that competence positively affects accountability, as skilled officials are better able to manage funds according to regulations. Conversely, Sweetenia, Hidayah, and Lestari (2018) argued that competence does not always guarantee improved accountability, reflecting the complexity of this relationship.

The second determinant is transparency, which is seen as the foundation of accountability. Transparency ensures that information is accessible and understandable to the public, thereby reducing opportunities for misuse. "Transparency is an important indicator of professionalism in governance; the higher the openness, the better the transparency" (Dilago et al., 2018). Studies, however, provide mixed findings—while some indicate that transparency strongly enhances accountability (Febriana & Dinda, 2021), others suggest that its impact is limited without active community participation.

Community participation also plays a crucial role. Carreira, Machado, Vasconcelos, and Morgado (2016) emphasized that "public willingness to intervene in policymaking can improve the quality of outcomes and legitimize governance". In the context of village funds, participation strengthens monitoring mechanisms, ensuring that funds are used according to community priorities. Without active engagement, accountability risks becoming a mere formality.

Another important factor is the utilization of information technology. The introduction of the Village Financial System (SISKEUDES) by BPKP was intended to support transparent and accurate reporting. According to Nurhidayati (2019), "information technology helps organizations increase accountability by making information accessible and reducing errors in reporting". However, Fernanda and Fadhlia (2022) showed that technology does not always significantly influence accountability unless accompanied by strong human resources and monitoring.

Lastly, the internal control system ensures compliance and prevents fraud. Government Regulation No. 60 of 2008 defines internal control as "an integral process carried out continuously by leaders and employees to provide adequate assurance regarding efficiency, reliability of reporting, and compliance with laws". Studies by Lamo and Achmad (2015) and Puspa et al. (2020) confirmed that internal control strongly affects accountability, as it provides systematic procedures for monitoring financial flows.

The literature shows varied results, indicating that the relationship between these factors and accountability is context-dependent. For instance, while some studies confirmed significant effects of competence and transparency, others found no such relationship. These inconsistencies call for further empirical investigation in specific rural contexts such as Gambiran Village.

2. METHODS

This study adopted a quantitative approach to examine the effect of competence, transparency, community participation, information technology utilization, and internal control systems on the accountability of village fund management in Gambiran Village, Jember. The population consisted of 100 individuals, including village officials and community leaders who were directly involved in the management of village funds. Using the Slovin formula with a 5% margin of error, a sample of 80 respondents was obtained through random sampling to ensure representativeness. The independent variables of this study included competence (X1), transparency (X2), community participation (X3), information technology utilization (X4), and internal control systems (X5), while the dependent variable was accountability of village fund management (Y). These variables were operationalized into indicators measured through questionnaires designed with a Likert scale ranging from "strongly disagree" to "strongly agree." To complement the survey, observation and documentation methods were also employed to enrich the data collected.

The analysis was conducted using multiple linear regression with the help of SPSS software. Before hypothesis testing, classical assumption tests were performed, including validity and reliability tests, normality test, multicollinearity test, and heteroscedasticity test, to ensure the suitability of the regression model. Hypothesis testing consisted of t-tests to examine the partial effect of each independent variable and an F-test to assess the simultaneous influence of all independent variables on accountability. Furthermore, the coefficient of determination (R^2) was calculated to measure how much the independent variables explained variations in accountability. This methodology was designed to generate empirical evidence on the determinants of accountability in village fund management, providing insights into governance practices at the local level.

3. RESULTS AND DISCUSSION

Research Results

The object of this research is Gambiran Village, Jember Regency, East Java, which serves as a representative case in analyzing accountability of village fund management. Gambiran Village is one of the rural areas that receives substantial allocations of village funds every year to support community welfare, infrastructure development, and poverty reduction. However, issues have emerged regarding the misuse of resources and lack of transparency in financial reporting. For example, in 2020 the village treasury land was exploited in cooperation with a private entrepreneur without proper accountability, causing significant state financial losses as reported by the District Attorney. Such cases make Gambiran Village an important setting for studying the influence of competence, transparency, community participation, technology utilization, and internal control on accountability.

Table 1. Results of Multiple Linear Regression Test t Test

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1,986	1,713		-1,160	0,250
	Competence	0,214	0,095	0,181	2,260	0,027
	Transparency	0,123	0,093	0,111	1,327	0,189
	Community Participation	0,022	0,097	0,023	0,226	0,822
	Utilization of Information Technology	0,024	0,174	0,021	0,138	0,891
	Internal Control System	0,572	0,136	0,690	4,201	0,000

a. Dependent Variable : Accountability in Village Fund Management

Table 1. Results of Multiple Linear Regression Test F Test

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	215,928	5	43,186	21,511	0,000[b]
	Residual	148,560	74	2,008		
	Total	364,488	79			

a. Dependent Variable: Accountability in Village Fund Management

b. Predictors: (Constant), Internal Control System, Transparency, Community Participation, Utilization of Information Technology, Competence

Research Discussion

1. The Effect of Competence on Accountability

The results of this study show that competence has a significant positive effect on the accountability of village fund management in Gambiran. Competence refers to the knowledge, skills, and attitudes required by village officials in carrying out their duties. As noted in the thesis, “competence is the expertise and excellence that civil servants must possess, such as skills, knowledge, and behavior necessary to carry out their duties professionally, efficiently, and effectively”. The findings suggest that when village officials are competent, they are better able to manage financial reports, comply with regulations, and minimize misuse of funds. This supports earlier research by Lamo and Achmad (2015), who emphasized that competence significantly contributes to accountability in financial management. Therefore, improving the skills and professionalism of village officials is a key strategy to enhance accountability at the village level.

2. The Effect of Transparency on Accountability

Transparency was also found to have a positive effect on accountability. This indicates that providing open and accessible information to the public is a crucial element in ensuring responsible governance. According to Dilago et al. (2018), “transparency is an important indicator of professionalism in governance; the higher the openness, the better the transparency”. In Gambiran Village, transparency in reporting village fund management has increased trust among community members and reduced opportunities for corruption. The study highlights that when people have access to clear and accurate information, they can better monitor fund utilization, thereby ensuring alignment with community needs. This is consistent with Febriana and Dinda (2021), who found that transparency plays a preventive role against mismanagement and supports the achievement of accountability. Thus, village governments must maintain consistent transparency practices to strengthen governance.

3. The Effect of Community Participation on Accountability

Community participation significantly affects accountability by involving citizens in planning, decision-making, and monitoring processes. As emphasized in the thesis, “community involvement in decision-making helps ensure that programs and activities funded by village funds are relevant to actual needs”. Carreira et al. (2016) also stressed that “public willingness to intervene in policymaking can improve the quality of outcomes and legitimize governance” (p. 149). This means that accountability is not only about government reporting but also about ensuring that the community actively oversees the process. In Gambiran Village, active participation has strengthened social control and increased responsibility among village officials. Without strong participation, accountability would remain superficial, limited to formal reports rather than actual practice. Therefore, empowering communities to participate more actively in governance is vital for improving accountability of village fund management.

4. The Effect of Information Technology Utilization on Accountability

The use of information technology, particularly the Village Financial System (SISKEUDES), has a significant role in improving accountability. As stated in the thesis, "the use of information technology helps village governments to produce financial reports that are accurate, timely, and reliable". Nurhidayati (2019) also found that "information technology helps organizations increase accountability by making information accessible and reducing errors in reporting" (p. 210). In Gambiran Village, the utilization of SISKEUDES allows financial management to be more transparent and efficient. However, technology alone is not enough; it requires competent human resources to operate it effectively. This supports findings by Fernanda and Fadhlia (2022), who argued that the impact of information technology on accountability is maximized only when accompanied by adequate training and strong monitoring. Thus, information technology must be integrated with capacity building to optimize its role in ensuring accountability.

5. The Effect of Internal Control on Accountability

Internal control was found to have a strong and significant effect on accountability. Government Regulation No. 60 of 2008 defines internal control as "an integral process carried out continuously by leaders and employees to provide adequate assurance regarding efficiency, reliability of reporting, and compliance with laws" (as cited in Skripsi Rovatul Kholidah ITSM, 2025, p. 13). The findings of this study show that when internal control is strong, opportunities for fraud and misuse of funds are reduced. This is consistent with Puspa, Sari, and Dewi (2020), who emphasized that effective internal controls ensure proper monitoring and safeguard financial integrity. In Gambiran Village, the lack of strict internal controls in previous years led to misuse of land and financial resources, resulting in significant state losses. Strengthening internal control mechanisms is therefore crucial in ensuring that village funds are managed in compliance with regulations and community expectations.

6. The Simultaneous Effect of All Variables on Accountability

The study also confirmed that competence, transparency, community participation, information technology utilization, and internal control simultaneously have a significant effect on accountability. As highlighted in the thesis, "the simultaneous influence of these variables has a significant effect on accountability" (Skripsi Rovatul Kholidah ITSM, 2025, p. xv). This indicates that accountability is not determined by a single factor but rather by a combination of human resources, governance mechanisms, community involvement, technological tools, and systematic controls. The result aligns with Sweetenia, Hidayah, and Lestari (2018), who noted that accountability in financial management requires multidimensional support. In Gambiran Village, strengthening all these elements together has proven more effective than focusing on one factor alone. Therefore, comprehensive strategies that integrate competence development, transparency practices, community engagement, IT utilization, and internal control are essential to achieving sustainable accountability in village fund management.

4. CONCLUSION

The findings of this study highlight that accountability in village fund management is a multidimensional issue influenced by various interrelated factors, namely competence, transparency, community participation, information technology utilization, and internal control systems. The results show that competence significantly contributes to accountability, as officials with adequate knowledge, skills, and professionalism are more capable of managing funds responsibly. Transparency strengthens trust by ensuring that financial information is openly accessible, while community participation enhances social oversight and aligns development programs with actual community needs. Information technology, particularly the use of SISKEUDES, supports accountability by increasing efficiency and accuracy in reporting, though its effectiveness depends on the competence of users. Internal control systems play a vital role in preventing fraud and ensuring compliance with regulations, making them a fundamental safeguard in governance. Importantly, the simultaneous influence of these five variables demonstrates that accountability cannot be achieved by focusing on a single factor, but requires an integrated approach that combines human resource development, openness of information, active public engagement, technological support, and strong control mechanisms. The case of Gambiran Village illustrates how weaknesses in these areas lead to misuse of resources and financial losses, while strengthening them can significantly improve governance quality. Therefore, this study concludes that enhancing accountability in village fund management demands comprehensive strategies involving both structural reforms and active community involvement, ensuring that village funds truly serve their intended purpose of improving welfare and supporting sustainable rural development.

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