

## HUMAN RESOURCE COMPETENCE AS A MODERATING VARIABLE FOR THE QUALITY OF LOCAL GOVERNMENT FINANCIAL REPORTS

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**Abstract:** *The autonomy policy has urged local governments in Indonesia to have better governance to support local finance management. Local governments are demanded to present quality financial reports—this has been such a challenge for many local governments. This study aimed to analyze the effect of an effective internal control system and utilization of information technology on the quality of local government financial reports, moderated by human resource competence. The study's population and samples were the heads and treasury of the financial department from all work units in Grobogan Regency, Central Jawa. Samples were chosen through a purposive sampling method. Data from 98 respondents were analyzed using SPSS Version 25.0. Data collected were the primary data from questionnaires. Items in the questionnaire were presented using the Likert Scale with five provided alternatives. Data were analyzed using descriptive statistic methods and regression analysis for the moderation effect with absolute difference tests. Findings showed that the effectiveness of the internal control system and the utilization of information technology partially had a positive and significant effect on the quality of local government financial reports. Hypothesis testing confirmed that human resource competence strengthened the effect of utilization of information technology on the quality of local government financial reports, yet weakened the effect of the internal control system on the quality of local government financial reports.*

**Keywords:** *Financial Reports, Internal Control Systems, Information Technology, Human Resources.*

### 1. Introduction

The autonomy policy has urged local governments in Indonesia to have better governance to support local finance management. Accountability is one of the local governments' measures to ensure such accountable management of local finance, as a mandate by Law Number 17 of 2003 concerning the State Finances dan Law Number 32 of 2004 concerning Regional Governments. *Laporan Keuangan Pemerintah Daerah* (LKPD) is the ideal form of local governments' financial accountability.

The public has insisted the local governments provide quality LKPD because LKPD represents how good the local governments manage their financial resources to fund programs. Quality LKPD must be written based on Government Regulation Number 71 of 2010 on Government Accounting Standards. Quality LKPD must be relevant, reliable, comparable, and understandable.

Challenges related to presenting quality LKPD, which also affects the assessment of the Audit Board of the Republic of Indonesia, include data transparency, effectiveness and efficacy,

professionalism, internal control systems, and policies not supportive of the system leading to low-quality financial reports. Data show that many local governments fail to present accountable and quality LKPD. The Audit Board also finds many errors and fraud in the local government financial reports, including the reports presented by the local government of Central Java Province. Notes from the Audit Board cover aspects such as management and inventory of local assets, late reports related to expenditure, and reports on low income from local offices (jatengprov.go.id).

One of the factors affecting quality LKPD is the Internal Control System (ICS), based on Government Regulation Number 60 of 2008. The Internal Control System covers the following aspects: control-environment, risk assessment, information and communication systems, control activities, and monitoring processes. ICS helps to assure that organizations achieve operational effectiveness and efficiency and present reliable financial reporting that comply with laws, regulations, and policies. Thus, a good Internal Control System helps to facilitate quality LKPD.

The other factor affecting quality LKPD is the Utilization of Information Technology (UIT) as mandated in Article 13 of Government Regulation Number 65 of 2010 concerning the Internal Control System of Local Government. The information technology has changed how data is managed, from a manual reporting system to computerized data processing, so it is easier to make financial reports (Muda et al., 2017). The advanced technology development has made government institutions to use computerized systems and reduce manual systems. Technology advancement will help to improve local finance management so that the local governments can present quality LKPD.

Previous studies showed inconsistent findings. (Kewo & Afiah, 2017); (Agustina et al., 2018); (Wuriasih, 2018); (Julita, 2018); and (Muda et al., 2017) have confirmed that effective internal control systems positively affected the quality of local governments' financial reports. However, (Nurlis & Yudiati, 2017) revealed a contradictory finding—that effective internal control systems did not affect the quality of local governments' financial reports. (Agung, 2019); (Julita, 2018) and (Tiurmaida, 2018) found that the utilization of information technology significantly affected the quality of local governments' financial reports, while (Wuriasih, 2018) stated that the utilization of information technology did not affect the quality of local governments' financial reports.

The present study examined the effect of effective internal control systems and the utilization of information technology on the quality of local government financial reports. The present study's novelty was on using human resources as a moderating variable in the relationship between the internal control system, the utilization of information technology, and the quality of local government financial reports.

## **Hypothesis Research**

The use of the Internal Control System within the local government financial management is expected to increase the effectiveness and efficacy of each program and activity of the local government institutions. (Karsana & Suaryana, 2017) affirmed that adequate internal control systems were crucial to ensure local governments' objectives, including quality financial reports.

**H<sub>1</sub>: An effective internal control system significantly and positively affects the quality of local governments' financial reports.**

The utilization of information technology is expected to increase data processing effectiveness and efficacy, including accuracy in calculation and punctuality in report processing. (Agustina et al., 2018) stated that information technology could help make financial reports so the reports would be reliable and timely. Thus, local governments must use information technology if they want to improve the quality of financial reports.

**H<sub>2</sub>: The utilization of information technology positively and significantly affects the quality of local governments' financial reports.**

Good internal control systems help ensure organizations' effective and efficient operations, reliable financial reports, state assets safety, and fair implementation of all rules and regulations. (Agustiawan & Rasmini, 2016) confirmed that human resources could strengthen the internal control system, producing quality financial reports. Good understanding of the internal control system cannot be separated from human resources which use the system. Suppose the human resources understand the internal control system well and use it wisely. In that case, it will produce the best results related to the management and preparation of local governments' financial reports.

**H<sub>3</sub>: Human resource competence moderates the effect of the internal control system on the quality of local governments' financial reports.**

The rapid development of technology, especially information technology, has led to a revolution in organizations, both radically and sustainably. Local governments' information technology system can be used to assess suitability between the organization's environment and system functionality. Better use of information technology by local governments will lead to more effective and efficient activities. (Djamhuri & Saraswati, 2019) suggested that the quality of financial reports would increase along with improvement in human resource competence. To sum up, the quality of financial reports can be improved if supported by high-quality human resource competent in utilizing information technology.

**H<sub>4</sub>: Human resource competence moderates the effect of information technology on the quality of local governments' financial reports.**

Based on the explanation, the research framework is presented as follows:

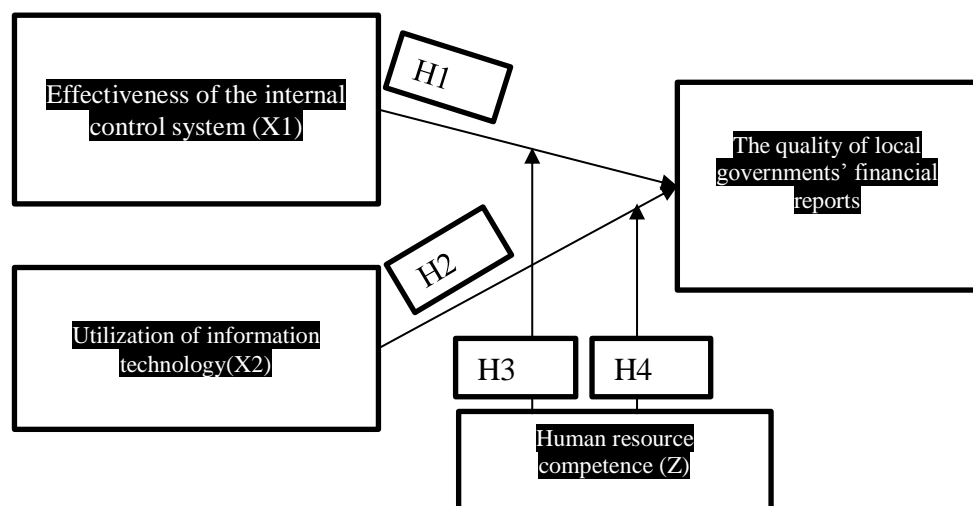


Figure 1. Research Framework

## **2. Research Method**

This study was descriptive with a quantitative approach. This study was also a population study because the entire population became the research sample. The population was local government officers in Grobogan Regency. The target population was officers in the finance department. Samples were chosen through purposive sampling based on specific considerations, as follows:

- a. Respondents were the head and the treasury of the finance department as representatives of each work unit in Grobogan Regency. They were chosen because they were involved directly and technically in preparing and reporting financial statements.
- b. Two respondents were chosen from each work unit in Grobogan Regency, so samples were heterogeneous and included all work units. We had 98 respondents.

Data was collected using questionnaires. Items in the questionnaire were close-ended questions with five alternatives arranged based on the Likert Scale.

The research instrument was prepared based on indicators elaborated in the operational definitions of research variables. Before data collection, the research instrument was tested for validity and reliability. The validity test aims to know to which the research instrument measures what it claims to measure. The significance value is  $\alpha < 0.05$  for the item to be valid. If the score for certain items significantly correlates with the score for all items, then it is declared valid. The reliability test aims to detect if the questionnaire gives consistent results, measured using Cronbach's Alpha value. An item is said to be reliable if it has a Cronbach's Alpha value of  $> 0.70$ .

The classical assumption test determines the relationship between variables and checks if multicollinearity, normality, and heteroscedasticity are present (Ghozali, 2016). The normality test aims to test whether the data has a normal distribution. This study tested data normality using the Kolmogorov-Smirnov (K-S) normality test with a significance value of 5% (0.05). The multicollinearity test detects whether a significant correlation in the regression model among the independent variables exists. The approaches for the multicollinearity are the Variance Inflation Factor (VIF) and Tolerance Test. If the Tolerance value  $> 0.1$  and  $VIF < 10$ , there is no multicollinearity between the independent variables in the regression model and vice versa. The heteroscedasticity test is intended to check whether residuals for a regression model that do not have a constant variance exist. In this study, the Park Test was used by looking at the predetermined significance level of 5% (0.05). If the significance value is above 5% (0.05), heteroscedasticity does not occur. If the significance value is below 5% (0.05), heteroscedasticity has occurred.

Furcot and Shearon (1991), in (Ghozali, 2013), proposed a slightly different regression model to test the effect of moderation, namely the absolute difference value model of the independent variables. This test was chosen to avoid multicollinearity due to interactions in the research model when using interaction tests. In this study, the regression equation formula to test the effect of the independent variable on the dependent variable, and the role of the moderating variable is as follows:

$$KLKPD = \alpha + \beta_1 ESPI + \beta_2 PTI + \beta_3 KSDM + \beta_4 |ESPI - KSDM| + \beta_5 |PTI - KSDM| + e$$

Note:

- KLKPD : Quality of LKPD  
 $\alpha$  : Constant coefficient  
 $\beta$  : Regression coefficient  
ESPI : Effectiveness of the internal control system  
PTI : Utilization of information technology  
KSDM : Human resource competence  
|ESPI-KSDM| : Interaction between the effectiveness of the internal control system and human resource competence  
|PTI-KSDM| : Interaction between the utilization of information technology and human resource competence  
e :Error

Hypotheses testing consisted of tests on the coefficient of determination ( $R^2$ ) and t-test. The first test on adjusted R examines the relationship between the dependent and independent variable or the model's ability to explain the dependent variable (Ghozali, 2013). The coefficient of determination ranges from zero to one ( $0 < R^2 < 1$ ). T-test measures how much the independent variable individually explains the dependent variable (Ghozali, 2013). If the test result is  $< 0.05$ , then the independent variable significantly affects the dependent variable and the vice versa. The positive regression coefficient ( $\beta$ ) confirms the independent variable's positive direction against the dependent variable.

### 3. Results and Discussion

#### 1.1.Results

Each item's validity in the questionnaire can be seen from the total items' correlation significance with each item. If the significance value is smaller than the  $\alpha 0.05$ , then the item is valid.

Table 1. Validity Test Results

Variable	Item	Sig	Note
Effectiveness of the Internal Control System (X1)	ESPI1	0.001	Valid
	ESPI2	0.001	Valid
	ESPI3	0.002	Valid
	ESPI4	0.001	Valid
	ESPI5	0.000	Valid
	ESPI6	0.000	Valid
	ESPI7	0.000	Valid
	ESPI8	0.000	Valid
	ESPI9	0.000	Valid
	ESPI10	0.000	Valid
	ESPI11	0.000	Valid
	ESPI12	0.000	Valid

	ESPI13	0.001	<b>Valid</b>
	ESPI14	0.000	<b>Valid</b>
	ESPI15	0.000	<b>Valid</b>
Utilization of Information Technology (X2)	PTI1	0.009	<b>Valid</b>
	PTI2	0.000	<b>Valid</b>
	PTI3	0.000	<b>Valid</b>
	PTI4	0.005	<b>Valid</b>
	PTI5	0.002	<b>Valid</b>
	PTI6	0.001	<b>Valid</b>
	PTI7	0.007	<b>Valid</b>
Quality of LKPD (Local Government' Financial Report) (Y)	KLKPD1	0.000	<b>Valid</b>
	KLKPD2	0.000	<b>Valid</b>
	KLKPD3	0.000	<b>Valid</b>
	KLKPD4	0.000	<b>Valid</b>
	KLKPD5	0.002	<b>Valid</b>
	KLKPD6	0.000	<b>Valid</b>
	KLKPD7	0.000	<b>Valid</b>
	KLKPD8	0.000	<b>Valid</b>
	KLKPD9	0.001	<b>Valid</b>
	KLKPD10	0.009	<b>Valid</b>
	KLKPD11	0.001	<b>Valid</b>
Human Resource Competence (Z)	KSDM1	0.003	<b>Valid</b>
	KSDM2	0.000	<b>Valid</b>
	KSDM3	0.000	<b>Valid</b>
	KSDM4	0.000	<b>Valid</b>
	KSDM5	0.000	<b>Valid</b>
	KSDM6	0.000	<b>Valid</b>
	KSDM7	0.000	<b>Valid</b>
	KSDM8	0.012	<b>Valid</b>

Source: Analyzed Research Results, 2020

Table 1 shows that all questionnaire items are valid because they all have a significance value smaller than 0.05.

Reliability was measured using the Cronbach's Alpha formula because the items' score is within a specific range. The variable is said to be valid if it has a Cronbach's Alpha value bigger than 0.70.

Table 2. Reliability Test Results

<b>Variable</b>	<b>Cronbach's Alpha</b>	<b>Remarks</b>
Effectiveness of the Internal Control System (X1)	0.775	<b>Reliable</b>
Utilization of Information Technology	0.708	<b>Reliable</b>



(X2)		
Quality of LKPD (Local Government' Financial Report) (Y)	0.766	<b>Reliable</b>
Human Resource Competence (Z)	0.754	<b>Reliable</b>

Source: Analyzed Research Results, 2020

Table 1 confirms that the research instrument is reliable since the Cronbach's Alpha value for all variables is bigger than 0.70.

Descriptive statistics were used to know respondents' background, including position, gender, age, and educational background. Based on the analysis, 51% of respondents were female, and 49% were male. Most of the respondents were 41-50 years old. Most of the respondents (73%) held a bachelor degree dan only 2% of the respondents graduated senior high schools. From the 98 respondents, 58% held a degree in accounting. Most of them (30%) had worked for 11-15 years, and only 5% had worked for 1-5 years.

Descriptive statistics for research variables illustrated the minimum and maximum score, the mean, and the standard deviation. Table 3 depicts the results of the descriptive statistics.

Table 3. Descriptive Statistics of Research Variables

	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Deviation</b>
KLKPD	98	30	55	46.97	4.582
ESPI	98	35	60	50.08	4.601
PTI	98	18	25	23.49	1.760
KSDM	98	23	31	27.81	1.709
Valid N	98				

Source: SPSS Output, 2020

From the data analysis, the lowest score for the quality of local government financial report (KLKPD) was 30. The score means that from the 98 respondents, there were respondents who could only reach a score of 30 from the highest score of 55. The mean was 46.97, and the standard deviation was 4.582.

The lowest score for the effectiveness of the internal control system (ESPI) was 35. The score means that from the 98 respondents, there were respondents who could only reach a score of 35 from the highest score of 60. The mean was 50.08, and the standard deviation was 4.601.

The lowest score for the utilization of information technology (PTI) was 18. The score means that from the 98 respondents, there were respondents who could only reach a score of 18 from the highest score of 25. The mean was 23.49, and the standard deviation was 1.760.

The lowest score for human resource competence (KSDM) was 23. The score means that from the 98 respondents, there were respondents who could only reach a score of 23 from the highest score of 31. The mean was 27.81, and the standard deviation was 1.709.

A normality test aims to know whether a residual of a regression model is normally distributed or not. A good regression model has no normality assumptions or has normal or close-to-normal residuals.

Table 4. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		98
Normal Paramet ers <sup>b</sup>	Mean	.0000000
	Std. Deviation	2.94627360
Most Extreme Differences	Absolute	.075
	Positive	.075
	Negative	-.064
Test Statistic		.075
Asymp. Sig. (2-tailed)		.200 <sup>c</sup>
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: SPSS Output, 2020

The result of One-Sample Kolmogorov-Smirnov test was 0.075 with a significance value of 0.2 or bigger than 0.05. Thus, the null hypothesis is accepted, which means that residual data were normally distributed.

The multicollinearity test aims to know whether a correlation between the independent variables in a regression model exists.

Table 5. Multicollinearity Test Results

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-3.420	4.904		-.697	.487		
	Effectiveness of the internal control system	.392	.076	.464	5.161	.000	.544	1.839
	Utilization of information technology	.422	.160	.191	2.638	.010	.837	1.195



	Human resource competence	.413	.119	.291	3.474	.001	.626	1.596
a. Dependent Variable: Quality of LKPD (local government financial report)								

Source: SPSS Output, 2020

The multicollinearity test results confirm that no multicollinearity problems exist between variables in this study. It can be seen from the tolerance value for each independent variable, which is bigger than 0.10, and the VIF value, which is not more than 10.

The heteroscedasticity test aims to reveal if inequality of the residual data variance, of observation compared to other observations, in a regression model exists.

Table 6. Multicollinearity Test Results

Coefficients <sup>a</sup>						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	3.172	3.128		1.014	.313
	ESPI	-.083	.048	-.236	-1.716	.090
	PTI	.015	.102	.016	.145	.885
	KSDM	.077	.076	.130	1.016	.312
a. Dependent Variable: Quality of LKPD (local government financial report)						

Source: SPSS Output, 2020

The coefficient of determination ( $R^2$ ) measures the relationship between the dependent and independent variable or the ability of the model to explain the dependent variable. The quality of local government financial reports in this study is explained by the effectiveness of the internal control system, the use of information technology, human resource competence.

Table 7. Coefficient of Determination ( $R^2$ )

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.749 <sup>a</sup>	.561	.542	3.101

a. Predictors: (Constant), AbsPTI\_KSDM, Zscore: Utilization of information technology, AbsESPI\_KSDM, Zscore: Effectiveness of the internal control system

Source: SPSS Output, 2020

The coefficient of determination (adjusted  $R^2$ ) resulted from multiple regression analysis using the moderating variable is 0.542. The results confirm that 54.2% of the dependent variable (quality of local government financial reports) can be explained by the independent variables, namely the effectiveness of the internal control system and information technology, and human resource competence as a moderating variable. Other variables outside of this research model explain the remaining 45.8%.

The direct effect test (t-test) is used to see the direct effect of each independent variable on the dependent variable. The test on the regression results was carried out using the t-test at the 95% confidence level or alpha 0.05. (Ghozali, 2013) explains that the alternative hypothesis is accepted if the significance value is smaller than alpha, which is 0.05.

Table 8. Hypothesis Testing

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	47.194	.544		86.689	.000
	Zscore: Effectiveness of the internal control system	2.794	.356	.610	7.849	.000
	Zscore: Utilization of information technology	.687	.343	.150	2.001	.048
	AbsESPI_KSDM	1.138	.588	.149	1.936	.056
	AbsPTI_KSDM	.968	.451	.174	2.146	.035
a. Dependent Variable: Quality of LKDP (local government financial report)						

Source: SPSS Output, 2020

Table 8 confirms the following regression equation in this study:

$$\text{KLKPD} = 47.194 + 2.794 \text{ ESPI} + 0.687\text{PTI} + 1.138 |\text{ESPI-KSDM}| + 0.968|\text{PTI-KSDM}|$$

Table 8 confirms that the effectiveness of the internal control system (ESPI) is statistically significant at  $\alpha = 0.05$ , which is 0.000 or smaller than  $\alpha$  value. It can be concluded that the effectiveness of the internal control system (ESPI) has a positive effect on the quality of local government financial reports (KLKPD). The information technology utilization variable (PTI) also shows significant results at  $\alpha = 0.05$ , which is 0.048. It can be concluded that the use of information technology (PTI) has a positive effect on the quality of local government financial reports (KLKPD).

The results of testing the moderating variable using the absolute difference value have been presented in Table 8. The AbsESPI\_KSDM variable, as the absolute value of the Z-score difference between the effectiveness of the internal control system (ESPI) and human resource competence (KSDM), has a significance value of 0.056, bigger than  $\alpha = 0.05$ . This significance value also shows an increase than the significance value of the effect of the internal control system on the quality of local government financial reports before being moderated by the human resource competence, which is 0.000. Therefore, as a moderating variable, human resource competence weakens the effect of the internal control system on the quality of local government financial reports. Low human resource competence will reduce the quality of local government financial reports.

The AbsPTI\_KSDM variable, as the absolute value of the Z-score difference between the utilization of the information technology (PTI) and human resource competence (KSDM), has a regression coefficient of 0.968 and significance value of 0.035, smaller than  $\alpha = 0.05$ . This significance value also decreases compared to the significance of the utilization of the information technology on the quality of local government financial reports before being moderated by human resource competence, which is 0.048. Therefore, as a moderating variable, human resource competence strengthens the effect of the utilization of the information technology on the quality of local government financial reports. High utilization of information technology will increase the quality of local government financial reports along with a stronger effect of human resource competence on the quality of local government financial reports.

## 1.2. Discussion

### 1) The Effect of the Internal Control System on the Quality of Local Government Financial Reports

The first hypothesis stated that the effectiveness of the internal control system positively affected the quality of local government financial reports; the hypothesis was **accepted**. The result means that the internal control system positively and significantly affected the quality of local government financial reports. In other words, the more effective the internal control system, the better the quality of local government financial reports will be.

Our findings supported (Kewo & Afiah, 2017) and (Wuriasih, 2018), confirming that the effectiveness of the internal control system had a significant positive effect on the quality of local government financial reports. (Wuriasih, 2018) affirmed that local governments needed an adequate internal control system to control all activities to achieve the implemented

organizational goals. Therefore, if the internal control system is implemented properly and correctly in every activity in the organization, it will increase the quality of local government financial reports. In other words, it means that the higher the effectiveness of the internal control system, the higher the quality of local government financial reports will be.

## **2) The Effect of the Utilization of Information Technology on the Quality of Local Government Financial Reports**

The second hypothesis stated that the utilization of information technology positively affected the quality of local government financial reports; the hypothesis was **accepted**. The result means that the utilization of information technology positively and significantly affected the quality of local government financial reports. In other words, the more use of information technology, the better the quality of local government financial reports will be.

Our findings were in line with (Muda et al., 2017) stating that the use of information technology had a significant positive effect on the quality of local government financial reports. (Muda et al., 2017) further asserted that the higher the use of information technology, the better the quality of local government financial reports would be. In other words, the use of information technology has a significant effect on the quality of local government financial reports.

## **3) The Effect of Human Resource Competence in Moderating the Effect of the Internal Control System on the Quality of Local Government Financial Reports**

The third hypothesis stated that human resource competence moderated the effect of the internal control system on the quality of local government financial reports; the hypothesis was **rejected**. Human resource competence was found to weaken the effect of the internal control system on the quality of local government financial reports. In other words, the low human resource competence will lead to a less effective internal control system that ultimately causes the lower quality of local government financial reports.

Our findings contradicted (Agustiawan & Rasmini, 2016), which revealed that human resource competence was able to moderate the effect of the internal control system on the quality of local government financial reports. Human resources characteristics, such as being knowledgeable, skilful, and having good attitudes, help create confidence in achieving high-quality financial reports. Therefore, it can be said that the low competence of human resources in managing the internal control system will lead to an ineffective system.

Based on the explanation above, human resource competence could not moderate the effect of the internal control system on the quality of local government financial reports. Thus, officers in charge of the internal control system must be competent enough, complete with sufficient knowledge, skills, and good attitudes. A good internal control system not accompanied by high-quality human resources will fail to produce high-quality financial reports.

## **4) The Effect of Human Resource Competence in Moderating the Effect of the Utilization of Information Technology on the Quality of Local Government Financial Reports**

The fourth hypothesis stated that human resource competence moderated the effect of the utilization of information technology on the quality of local government financial reports; the hypothesis was **accepted**. Human resource competence was found to strengthen the effect of the utilization of information technology on the quality of local government financial reports. In

other words, high human resource competence will lead to more effective use of information technology that ultimately results in better quality of local government financial reports.

Our findings supported (Agustiawan & Rasmini, 2016) that human resource competence was able to moderate the effect of the use of information technology on the quality of local government financial reports. High competence human resources supported by effective and adequate information technology can increase the management of local government finances to produce quality financial reports.

Thus, it was confirmed that human resource competence positively and significantly moderated the effect of the use of information technology on the quality of local government financial reports. Better human resource competence will lead to better use of information technology, resulting in high-quality local government financial reports.

#### **4. Conclusion**

Findings confirmed the following conclusions:

- 1) The effectiveness of the internal control system had a positive and significant effect on the quality of local government financial reports.
- 2) The use of information technology had a positive and significant effect on the quality of local government financial reports.
- 3) Human resource competence weakened the effect of the effectiveness of the internal control system on the quality of local government financial reports.
- 4) Human resource competence strengthened the effect of the use of information technology on the quality of local government financial reports.

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