The Influence of Internal Control Effectiveness, Information Technology Utilization and Human Resources Competence on Local Government Financial Reporting Quality

by Winwin Yadiati

Research Journal of Finance and Accounting www.iiste.org
ISSN 2222-1697 (Paper) ISSN 2222-2847 (Online)
Vol.8, No.12, 2017

The Influence of Internal Control Effectiveness, Information Technology Utilization and Human Resources Competence on Local Government Financial Reporting Quality (Survey on SKPD Banten Provincial Government and Serang City)

Nurlis
Lecturer of Mercu Buana University, Jakarta and Doctoral Student of Accounting Department, Faculty of Economics and Business, Padjadjaran University, Dipati Ukur Street, PO box 40132, Bandung, Indonesia

Winwin Yadiati
Lecturer of Accounting Department, Faculty of Economics and Business, Padjadjaran University, Dipati Ukur Street, PO box 40132, Bandung

Abstract
Quality financial report as a form of financial accountability of the work unit to the public is absolutely implemented in order to realize a clean and authoritative government. This study aims to find and obtain empirical evidence on the Influence of Internal Control Effectiveness, Information Technology Utilization, and Human Resources (HR) Competence on the Local Government Financial Reporting Quality.The study was conducted on all financial administration officials in the of work units of Banten Provincial Government and Serang City by using primary data obtained from the questionnaires distributed to the respondents. Determination of sample through purposive sampling and obtained sampel from 55 respondents. Data analysis using SmartPLS version 3.0 through outer model, inner model and hypothesis testing.The results showed that the competence of human resources have a positive influence on the Quality of Financial Reporting, while the Effectiveness of Internal Control and Utilization of Information Technology has no effect on the quality of Local Government Financial Reporting.
Keywords: Financial reporting Quality, internal control effectiveness, information technology utilization, and human resource competence.

1. Introduction

Financial statements are the outputs of financial reporting, where financial reporting is the process of preparing financial statements aimed to provide useful information to stakeholder in business and economic decision making (Gibson, 2011:4).

In fact, the financial statements used by investors, creditors, and other stakeholders as a basis in the decision-making process, both in government institutions, financial institutions, and business institutions still have problems (Harry Azhar, 2015; Gamawan Fauzi.2012; Rofikoh Rokhim, 2010; Edy Sugito, 2011; Yunus Husein, 2011; Nunik Gigih, 2013; Irwan Lubis, 2014; Bambang Pamungkas, 2014; Hoesien, 2014; Ah Maftuchan, 2014; Imron Hamzah, 2014; Tjahjo Kumolo, 2014).

The reform of state financial management is marked by the enactment of Law Number 17 Year 2003 on State Finance, Law Number 1 Year 2004 on State Treasury, and Law Number 15 Year 2004 regarding Audit of State Financial Management and Accountability along with its supporting regulations . The package of legislation illustrates the seriousness of the government and parliamentary ranks to improve the management, recording, accountability and audit of government financial management at both the central and regional levels. One of the considerations underlying the issuance of legislation is that state finances must be managed in an orderly, law-abiding, efficient, economical, effective, transparent and accountable manner, with due regard to the sense of justice and propriety as a prerequisite to support the successful implementation of state governance.

Article 23 of the 1945 Constitution stipulates that the government is obliged to convey state financial responsibility as soon as the fiscal year ends, and will become the basis of the audit by BPK. The article indicates that there is an obligation of the government to establish the accountability of state finances. The statement also applies to local governments that have an obligation to be responsible for regional finances by making local financial statements.

Article 9 paragraph (1) of Law Number 15 Year 2004 states that in conducting the audit of state financial management and accountability, BPK may utilize the examination results of the Government Internal Supervisory Apparatus (APIP). Despite APIP's obligation to conduct a review of the financial statements before being submitted to BPK for auditing, to date the review implementation has not fully improved the government's financial report quality.

In 2016, BPK as the auditor has conducted the audit process on LKPP. The audit results found 8 (eight) findings related to compliance with legislation and 14 (fourteen) findings related to internal control system. According to BPK Chairman Harry Azhar, in plenary session in DPR, Thursday (2/6/2016), the problem is the accumulation of mismatch of government accounting standards, weakness of internal control system, and non-compliance with statutory regulations. This problem has an impact on the quality of audit opinion, especially in the case of the number of K/L that received unqualified opinion decreased to 56 KL in 2015 which previously amounted to 62 KL. The preparation of accrual accounting reports in the local government is still experiencing constraints, because it is still in transition from cash-based reports. These constraints are on the quality of human resources, and not all regions have auditing support facilities, such as electronic audits. This is in line with the statement from BPK Chairman of West Java representative, Arman Syifa "a number of local governments are still faced with the problem of accrual-based accounting application which is the current government accounting standards, for example related to depreciation expenses presented in the LO, the issue of BOS funds presentation, and other funds outside APBD ".

The result of BPK RI's examination on LKPD shows that the administration is not as expected. The examination of the financial statements is intended to provide an opinion on the fairness of financial information presented in the financial statements, based on (a) compliance with generally accepted accounting standards, namely Government Accounting Standards for government entities and Financial Accounting Standards for state and local enterprises, and or Accounting principles set out in various laws and regulations; (b) adequacy of disclosure; (c) compliance with laws and regulations; and (d) the effectiveness of the internal control system. This condition illustrates that the quality of financial information, especially those presented in LKPD, has not fully met the qualitative characteristics of the financial statements in accordance with SAP. This happens because the opinion is a professional statement as the examiner's conclusion about the fairness of the information presented in the financial statements (Article 1 of Law No. 15 of 2004).

No unqualified opinion from the BPK has shown that the financial reporting of local government is not fully justified by BPK, which is caused by various factors including: a) weak internal control system; b) State / regional property has not been well ordered; c) Implementation of procurement of goods and services not in accordance with applicable provisions; d) The presentation of financial statements is not in accordance with Government Accounting Standards (SAP); e) Weaknesses in the financial reporting system and f) Human resource management competencies in local government are inadequate.

Table 1 Progress of LKPD opinion 2010-2015

Government	Province					Distric					City				
Years	UO	QO	AO	DO	Total	UO	QO	AO	DO	Total	UO	QO	AO	DO	Total
2010	6	22	0	5	33	16	254	23	103	396	12	67	3	11	93
	18%	67%	0%	15%	100%	4%	64%	6%	26%	100%	13%	72%	3%	12%	100%
2011	10	19	0	4	33	36	268	6	89	399	21	62	2	7	92
	30%	58%	0%	12%	100%	9%	67%	2%	22%	100%	23%	67%	2%	8%	100%
2012	17	11	0	5	33	72	256	6	67	401	31	52	0	7	90
	52%	33%	0%	15%	100%	18%	64%	1%	17%	100%	34%	58%	0%	8%	100%
2013	16	15	0	2	33	105	241	11	41	398	35	55	0	3	93
	48%	45%	0%	6%	100%	26%	61%	3%	10%	100%	38%	59%	0%	3%	100%
2014	26	7	0	1	34	170	205	5	34	414	56	35	0	0	91
	76%	21%	0%	3%	100%	41%	50%	1%	8%	100%	62%	38%	0%	0%	100%
2015	29	5	-	-	34	224	158	4	29	415	60	31	-	2	93
	85%	15%			100%	54%	38%	1%	7%	100%	65%	33%		2%	100%

Starting the first year of RPJMN 2015-2019, BPK has submitted 24,169 recommendation of inspection result in the first semester of year 2015 to the examined entity worth Rp15,66 trillion. The results of monitoring follow-up recommendations for the period as follows:

a. It has corresponded 5,826 recommendations (24.11%) worth Rp256.10 billion.
b. Not suitable and/or in the follow-up process as much as 9,068 recommendations (37.52%) valued at Rp1, 61 trillion.
c. Not followed up yet as many as 9,271 recommendations (38.36%) worth Rp13, 80 trillion.
d. No actionable 4 recommendations (0.01%) worth Rp57.45 million.

In order to meet the financial reporting objectives, the LKPP/D compiled by each agency shall meet the qualitative characteristics of adequate financial statements. Qualitative characteristics of financial statements are normative measures that need to be manifested in accounting information so as to meet its objectives. The four qualitative characteristics that are the normative prerequisites required for LKPP/D to meet the desired quality are relevant, reliable, comparable, and understandable. According Azhar Susanto (2013: 40) a quality information must have features: Accurate, the information should reflect the actual situation; Timely, information should be available when needed; Relevant, the information provided should be as required; Complete, information should be given in full. While Hilton (2015: 590) argued that : Three characteristics of information determine its usefulness for decision making (1)Relevance. Information is relevant if it is pertinent to a problem.(2) Accuracy. Information that is pertinent to a decision problem must also be accurate.(3) Timeliness, Relevant and accurate data are valueable only if they are timely, that is, available in time for a decision. According to Indra Bastian (2010: 134), some important quality of information contained in the financial statements according to SAP is understandable, relevant, reliable and comparable.

Based on the problems emerge in the field and the theory used, there are several factors that may affect the quality of financial reporting, such as: effectiveness of internal controls (COSO, 2013: 3; Harrer, 2008: 1; Brink, 2011: 283; Zinkin, 2014: 216 ;), Utilization of information technology (Bagranof, 2010: 8; Baterman & Snell, 2004: 6; Turban & Volinino, 2011: 8: O Brien, 2004: 7; & Keen, 1995), human resource competence (Bastian, 2010 : 55; Sudarman, 2009: 76; Simanjuntak, 2005: 72; Roviyanti, 2011; Zeyn, 2011).

The effectiveness of internal control is the ability of the entity management to achieve its objectives, by controlling (related responsibilities) and understanding the business of the company well, as part of a process designed to provide reasonable assurance that effective and efficient operations, reliable financial reports, and compliance against laws and regulations can be achieved (Sudit, 1998: 57; Murdock & Scutt, 2002: 27; Chorafas, 2004: 10; Graham, 2008: 18; Hihgtower, 2009: 27; Collier et al. 2007: 18; Woods et al, 2008: 34; Ramos, 2008: 7; Messier et al, 2008: 238).

The purpose of internal control is to provide reasonable assurance about the company's ability to ensure effective and efficient operations, reliable financial statements, and comply with all relevant laws and regulations (Zinkin, 2014). Further Brink (2011: 283) states that the overall purpose of internal control over financial reporting is to prepare financial reports that are materially accurate and reliable. Therefore, according to Harrer (2008: 1), the company can improve the quality of its financial reporting by strengthening internal control through formal ethics program, including code of ethics.

Some previous research results support the theory that states the effectiveness of internal controls affect the quality of financial reporting, including research conducted by : Doyle & McVay,2007; Ashbaugh, 2008 ; Bedar, 2006 ; u et al, 2010 ; Nagy, 2010:441 ; Naz'aina, 2015:753 ; Ramdany, 2015:143 ; Syarifudin, 2014:26.

The development of information technology is not only used in business organizations, but also in public sector organizations, including governments. In Elucidation of Government Regulation No. 56, Year 2005 on Financial Information System, it is mentioned that to follow up the implementation of the development process in line with the principles of good governance, the Central and Regional Governments shall develop and exploit advances in information technology to improve the ability to manage finances, and distribute Financial information to public services.

The government needs to optimize the use of advanced information technology for building network information management systems and work processes that allow governments to work in an integrated manner by simplifying access between work units. Wilkinson et al., (2000) says the use of information technology includes the existence of (a) data processing, information processing, management systems and work processes electronically and (b) the use of advanced information technology so that public services can be accessed by the public easily and cheaply.

If we consider the above specifications in this modern environment, the need for the use of information technology is a must. In this case, there is no other option in offering accounting services, but we must make use of it. According to Gary Sundem former head of the American Accounting Society, the role of information has become very important. Therefore, information providers, especially accountants, must provide information as an art in order to sell their services. Otherwise, they will have no place in the future market (Salehi and Husini, 2011). IT is used with the same model and allows it to be used with a broader purpose, which includes a set of information systems consisting of many parts, users and directors of an organization (Turban 2002).

Some previous research results support the theory that the use of information technology affect the quality of financial reporting, including research conducted by: Taipaleen, 2013:01 ; Kloviene, 2015:1707 ; Xiao, 1996:2003 ; Grant, 2008:803 ; Hussein, 2007: 613 ; Dian, 14:01.

In addition to the role of information technology, the need for qualified human resources is very important to the quality of financial reporting. Qualified human resources can improve the information quality on financial reporting. In an organization, human resources are the main element compared to other elements such as capital, technology, and money, because man himself controls the other elements. The challenges faced by companies, both private and government, such as changes in the business environment and work environment, require companies /organizations to proactively develop human resources so that there is no obsolescence of the ability of employees, as well as to increase productivity. According to Tjiptoherijanto (2001) in Alimbudiono & Fidelis (2004), to assess the human resources performance and quality in performing a function, including accounting, can be seen from the level of responsibility and competence of those resources. Responsibility can be seen in the job description. Job descriptions are the basis for doing a good job. Without a clear job description, the resource can not perform its duties properly. While the competence can be seen from the educational background, the trainings and from the skills stated in the implementation of the task. Competence is a characteristic of someone who has the skills, knowledge, and abilities to perform a job (Hevesi, 2005). Competence is a characteristic that underlies a person achieving high performance in his work. Employees who do not have enough knowledge in the work, will find many obstacles that result in waste of materials, time, and energy. Organizations should also strive to develop their human resources. Training and development allows employees to effectively carry out their current work, and prepare for future work. Performance assessment is important to validate the selection tool, measure the impact of the training program, decide on salary and promotion, and determine the need for training (Griffin, 2004). HR is the main supporting pillar as well as drive the organization in an effort to realize its vision and mission objectives (Sudarmanto, 2009: 76).

Preparation of financial statements require human resources who have competence and master the accounting of government (Simanjuntak, 2005: 72). Bastian (2011: 55), Roviyanti (2011) and Zeyn (2011) also asserted that the competence of human resources apparatus in the preparation of the appropriate financial statements SAP will improve the information quality on financial reporting.

Some previous researchs which support the theory that the competence of human resources affect the quality of financial reporting, including research conducted by: Nunuy, 2013:157 ; Dadang, 2015:139; Lesi, 2015:12 ; Daniel, 2013:93 ; Dyah, 2015:139.

This research was conducted at SKPD in Banten Provincial Government and Serang City. The Banten provincial government and Serang City is made into an analytical unit, since the BPK RI audit results have not shown the expected progress. This is indicated by the opinion of BPK RI on LKPD from 2005 to 2015 is always Qualified Opinion (IHPS BPK RI first semester of 2016)

1. Problems Formulation

Based on the description and various symptoms of the problem, and the results of previous research, can be formulated research problems are: Effectiveness of Internal Control, Use of Information Technology, and Human Resources Competence as independent variables and Quality of Financial Reporting as a dependent variable. The question posed in this research is "How much influence the Effectiveness of Internal Control, Utilization of Information Technology, and Competence of Human Resources on Quality of Financial Reporting".

2. Research Objectives

The purpose of this study is to obtain evidence or truth, by collecting theories and concepts then get empirical evidence in the field that the Effectiveness of Internal Control, Use of Information Technology and Human Resources Competence affect the Quality of Financial Reporting. While the purpose of this study is to determine the magnitude of influence Effectiveness of Internal Control, Utilization of Information Technology and Competence of Human Resources on Quality of Financial Reporting.

3. Thinking Framework and Hypotheses

3.1 Internal Control Effectiveness on Financial Reporting Quality

The overall purpose of internal control over financial reporting is to prepare an accurate and reliable financial reports in a material way (Harrer, 2008: 1). Further Brink (2011: 283) suggests that:
"Firms could enhance the quality of their financial reporting by strengthening their internal control environments through formal ethics programs, including ethics codes". Based on Brink's statement, the company can improve the quality of its financial reporting by strengthening the internal control environment through formal ethics program, including code of ethics.

Zinkin (2014: 216) further argues that the purpose of internal control is to provide reasonable assurance about the company's ability to ensure effective and efficient operations, reliable financial statements, and comply with all relevant laws and regulations, and Arens, Elder et al (2012 : 290). Management typically has three broad objectives in designing an effective internal control system: Reliability of financial reporting, Efficiency and effectiveness of operations and Compliance with laws and regulations

The COSO framework identifies five (5) effective internal control dimensions: environment of control, entity risk assessment, activities of control, information and communication, and monitoring of activities (Graham, 2006: 28). Further Moeller (2008: 97-112) states that the control environment is the foundation of all internal control components (effective and efficient operations, reliable financial statements, and comply with all relevant laws and regulations) and all corporate activities. This is because the control environment is a reflection of the attitude and actions of company management that will affect the actions of all employees. In achieving its objectives the company is exposed to possible risks, therefore management must take steps to assess the risks that may affect the company as a whole as well as the risks in various corporate activities, and take appropriate action to mitigate those risks. Control activities include policies and procedures on what should be done to keep the company on track to achieve goals. Appropriate information and supported by information technology systems should be communicated at every level in the organization, so that everyone can be responsible in carrying out their duties, so that the company's goals can be achieved. Monitoring is an important element in internal control, where monitoring processes must exist to assess the effectiveness of internal control components and take corrective action if necessary.

Based on the above description can be developed hypothesis research, H1: Internal control effectiveness has influence on the financial reporting quality.

3.2 Information Technology Utilization on Financial Reporting Quality

Terminology of information systems means the use of information technology within an organization to provide information to users (Bodnar and Hoopwood, 2010: 3). Loudon and Loudon (2012: 16) state that: using information system (AIS) effectively requires an understanding of the organization, management and information technology shaping the system. While O 'Brien (2011: 8) states:

> The fundamenetal reasons for the use of information technology in business is that support information system perform its role, that are: (1) support business operations, (2) support of managerial decision making, and (3) support of strategic competitive advantage.

The above understanding explains that the fundamental reason for the use of information technology in business is that information technology provides support for information systems to perform its role: (1) supporting business operations, (2) supporting managerial decision making and (3) supporting strategic competitive advantage.

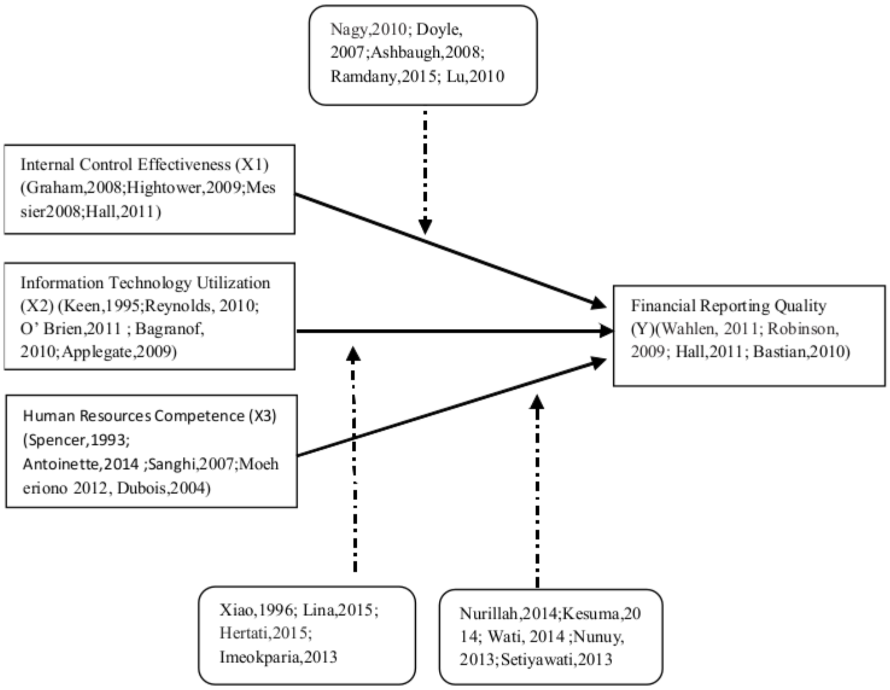
Based on the above description can be developed hypothesis research, H2: Information technology utilization has an influence on the financial reporting quality.

3.3 Human Resources Competence on of Financial Reporting Quality

Human resources are human capital in the organization in the form of knowledge, skills, and abilities that can be used to produce professional services. Human capital is a source of innovation and ideas. According to Nawawi (2001: 8) there are 3 (three) important roles of human resources, (1) HR is the people who work in the environment of an organization known as personnel, labor, workers or employees, (2) Which serves as an asset or non-material capital, which can realize the real potential in realizing the existence of an organization, and (3) HR is a potential as an organizer of the organization. Employees with high human capital are more likely to provide consistent and highly competent services (Nurillah & Muid 2014). So with the availability of competent human resources, it can be determined whether the government has performed its duties and functions professionally, effectively and efficiently. This competence promotes the realization of quality financial reports that are free from material misstatement and misleading understanding.

Based on the description above can be developed hypothesis research, H3: human resource competence has an influence on the quality of financial reporting.

From the various conclusions related to the internal control effectiveness, the information technology utilization, and human resource competence on the financial reporting quality that has been described previously, the research thinking framework can be described in Figure 1 below:



Research thinking framework

4. Research Method

Regarding the purpose of study, the present research is of applied research type. The aim of applied research is to develop the practical knowledge in a specific field. This research is done in addition to get a picture of the influence of internal control effectiveness, information technology utilization, and human resource competence on the financial reporting quality, also want to see the relationship between these variables. This research is conducted through survey and is grounded. The target population as the overall unit of analysis in this study is all SKPD in the Provincial Government of Banten and Serang City, except District and Hospital, which amounted to 62. SKPD in Provincial Government and Serang City as the unit of analysis, because the results of audits BPK RI has not shown such developments which are expected. This can be seen from the opinion of BPK RI on LKPD given from 2005 to 2015 is always qualified opinion (IHPS BPK RI first semester of 2016). From the 62 questionnaires distributed, the amount returned and feasible to be analyzed as many as 55 questionnaires (88.7%).

5. Data Analysis

5.1 Measurement (Outer) Model Evaluation

In validity test with Validity Convergent obtained loading factor value ≥0,5. There are several dimensions that have validity discriminant not high enough, because the AVE value is less than 0,5. But everything has a value above 0.4, so it can be said to be quite valid, and some of those dimensions are important, so it remains included in the model. In the reliability test there are several dimensions that have the value of composite reliability and cronbach alpha less than 0.7, but still greater than 0.6, so it still can be said reliable.

5.2 Structural Model Testing / Hypothesis Testing (*Inner Model*)

Inner model testing is the development of concept-based model and theories, in order to analyze the relationship between exogenous and endogenous variables elaborated in conceptual framework. The testing phase of the structural model (inner model) is done with the following steps:

5.3 Model Accuracy Test

To assess the goodness-fit test model is to look at the R-square values contained in the PLS Algorithm report.

From result of data processing, obtained value of R2 equal to 0,550 and value adjusted R2 equal to 0,52. (See the KPK line). These results indicate that the internal control effectiveness (EPI), information technology utilization (ITU), and human resource competence are able to contribute to the financial reporting quality (KPK) of 52%, the remaining 48% of the contribution comes from variables not observed in this current research model.

Table 2
Model Accuracy Test with R^2

	R Square	R Square Adjusted
A	0.787	0.783
DB	0.678	0.671
DP	0.477	0.466
IK	0.544	0.534
ITF	0.698	0.692
ITIR	0.242	0.226
ITSE	0.823	0.819
K	0.883	0.880
KP	0.961	0.960
KPK	0.550	0.520
LP	0.901	0.899
P	0.874	0.871
PR	0.855	0.852
PT	0.210	0.194
R	0.658	0.650
S	0.828	0.824

Source, primary data processed, 2017

5.4 Hypothesis Testing

To see the parameter coefficients significance, it can be calculated from a valid indicator. To know significant or not significant seen from T-table at alpha 0,05 (5%) = 1,96, then T-table compared by T-hitung (T-statistic). If t arithmetic is greater than t table, then the hypothesis is accepted. If the opposite happens, then the hypothesis is rejected.

It can also compare the significance value that occurs with the level of uncertainty 0.05. If the significance value that occurs (indicated by the value of P Value) is smaller than the 0.05 level of uncertainty, then the hypothesis is accepted. If the opposite happens, then the hypothesis is rejected.

The path coefficient result as shown in table 3 below, all first order construct have significant influence to second order construct respectively, where the t statistic value generated by all first order construct is greater than 1,96, or P value of all first order construct is smaller than the level of uncertainty 0.05. This means that all of the first order construct is the construct dimension, which are the internal control effectiveness (EPI), the information technology utilization (PTI), the human resources competence (KSDM), and the financial reporting quality (KPK).

Furthermore, in testing the hypothesis of this study, it was found that:

1) Internal Control Effectiveness (EPI) does not influence the financial reporting quality (KPK). This is indicated by a 0.070 statistical t value smaller than t table at the 0.05 level of 1.96. In addition the amount of P Value 0.944 is greater than the level of uncertainty 0.05.
2) Information Technology Utilization (PTI) does not influence the financial reporting quality (KPK). It is based on the statistical t value of 1.367 is smaller than t table at the 0.05 level of 1.96. In addition, it can be analyzed by looking at the magnitude of P value of 0.172 which is greater than the 0.05 level of uncertainty.
3) Human Resources Competence has a positive and significant impact on the financial reporting quality (KPK). These findings are based on a statistical t value of 2.186 greater than t table at the 0.05 level of 1.96. It can also be analyzed by looking at the magnitude of P Value of 0.029 is smaller than the level of uncertainty 0.05. The amount of Human Resources Competence Influences on the quality of financial reporting is 38% obtained from 0.6172 x100%.

Table 3
Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
EPI -> IK	0.737	0.740	0.069	10.703	0.000
EPI -> KP	0.980	0.980	0.006	171.268	0.000
EPI -> KPK	-0.017	-0.073	0.245	0.070	0.944
EPI -> LP	0.949	0.951	0.009	108.713	0.000
EPI -> PR	0.925	0.927	0.019	49.824	0.000
EPI -> PT	0.459	0.503	0.097	4.731	0.000
KPK -> A	0.887	0.888	0.029	30.693	0.000
KPK -> DB	0.823	0.808	0.078	10.608	0.000
KPK -> DP	0.691	0.724	0.063	10.980	0.000
KPK -> R	0.811	0.817	0.073	11.181	0.000
KSDM -> K	0.940	0.940	0.011	88.129	0.000
KSDM -> KPK	0.626	0.578	0.286	2.186	0.029
KSDM -> P	0.935	0.936	0.014	65.518	0.000
KSDM -> P	0.935	0.936	0.014	65.518	0.000
KSDM -> S	0.910	0.910	0.024	38.272	0.000
PTI -> ITF	0.836	0.783	0.122	6.859	0.000
PTI -> ITIR	0.492	0.584	0.132	3.716	0.000
PTI -> ITSE	0.907	0.906	0.053	17.246	0.000
PTI -> KPK	-0.238	-0.227	0.174	1.367	0.172

6 Discussion

6.1 Internal Control Effectiveness Influences on Financial Reporting Quality

The first hypothesis (H1) which states that the internal control effectiveness positively influences the financial reporting quality is not proven. With the issuance of Government Regulation No. 8 of 2006 on Financial Reporting and Institution Performance, the government requires each reporting and accounting entity to carry out Internal Control System in accordance with the relevant legislation. The obligation on the implementation of SPI in each reporting and accounting entity is confirmed by the issuance of PP no 60/2008 which explicitly regulates the so-called Government Internal Control System (SPIP) which conceptually refers to the definition of internal control according to COSO.

However, the results of Internal Control examination of LKPD throughout Indonesia in 2016 showed that the weakness of Internal Control got the highest portion of 6,150 cases (51%) from 12,166 problems finding. The problem of the internal control system weakness generally occurs because officials/ officers responsible for negligent and inadequate in obeying and understanding the applicable provisions, not optimal in carrying out duties and responsibilities, weak in supervision and control, lack of coordination among related officials, have not made policies / procedures for an operational activity yet, and have not followed up the BPK recommendation of previous year audit result.

It can be concluded that the internal control system that has been set is fine, but has not been applied effectively. This causes the resulting financial reporting quality has not been satisfactory. This research is in accordance with Thanh & Cheung (2010), Akmad (2014), Hari (2013) and Reny (2013)) studies which found that in the process of preparing the local government financial statements, it does not heed and implements the SPI effectively. The results of this study are not in line with the results of Nagy's research (2010), Doyle et al. (2007), Ashbaugh-Skaife et al. (2008), Ramdany (2015) and Lu et al. (2010), indicating that the internal control effectiveness affects the financial reporting quality.

6.2 Information Technology Utilization Influences on Financial Reporting Quality

The second hypothesis (H2) which states that the Information Technology Utilization has a positive influence on the financial reporting quality is not proven. Facilities and information technology infrastructure owned in general is relatively adequate and has been utilized optimally. There are no significant issues related to this. Nevertheless, the facts show that the quality of financial statements produced not yet maximized, indicated one of them with the opinion that for the last 10 years has not been as expected. This confirms that the information technology and utilization facilities that have been optimal has not been able to encourage significant improvement of financial statement quality. The results are in line with research by Dian (2014) and Deni (2015).

The results are not in line with Xiao (1996), Lina (2015), Hertati (2015), and Imeokparia (2013).

7 Human Resources Competence Influences on Financial Reporting Quality

The third hypothesis (H3) which states that the Human Resources Competence influences the quality of Financial Reporting is proven. With the increasing of human resources competence, the more the financial statements quality.

The financial reporting quality will be better if the administrative apparatus involved in the process of preparing the financial statements has good knowledge, adequate skills, rational and responsible attitude, and sufficient experience. The results are in line with the research of Nurillah & Muid (2014), Kesuma et al (2014), Wati, et al (2014), Nuryanto & Nunuy (2013), Setiyawati (2013), Febrian & Basukianto (2015) and Sukmaningrum & Harto (2011) . The research results are not in line with Akhmad's (2014) and Indriasari (2008) studies which show that the human resources competence has no influence on the of local government financial reporting quality.

8 Conclusions and Suggestions

Based on the background, the problem formulation, the hypotheses formulation developed from the theories / concepts and previous relevant research, the data obtained and the results of data analysis, it can be concluded several things as follows:

1. The Internal Control Effectiveness has no influence on the Financial Reporting Quality. The Government Internal Control System (SPIP) has been set, but it has not been applied effectively, causing the resulting of financial reporting quality not satisfactory.
2. The Information Technology Utilization has no influence on the Financial Reporting Quality. This confirms that the information technology facilities are not or have not been utilized optimally, lack of adequate computer availability, the use of internet network that has not been optimal, and the implementation of information technology that requires a lot of cost. The implementation of information technology becomes futile and more expensive, and can not support the financial reporting quality (reliable, relevant, comparable and understandable).
3. The Human Resources Competence influence the Financial Reporting Quality. The financial reporting quality will be better if the administrative apparatus involved in the process of preparing the financial statements has good knowledge, adequate skills, rational and responsible attitude, and sufficient experience.

Based on the results of data analysis, interpretation of research results and observational results of researchers, can be put forward suggestions as follows:

1. To improve the financial reporting quality which in recent years has not received unqualified opinion, by improving the human resources competence in the field of accounting, especially in Accounting and Financial Reporting. Human resources are included in training or other development aimed at increasing knowledge and skills in accounting, so that they better understand the process of preparing financial statements, starting from recording transactions to the preparation of financial statements, in accordance with PP 71 of 2010.
2. Improving the effectiveness of Internal Control implementation, the leader enforce appropriate disciplinary action on deviations of policies and procedures as well as violations of rules of conduct.
3. This study proves that the human resources competence in the accounting and financial reporting have an influence on the financial reporting quality especially Provincial and City Government, while the internal control effectiveness and information technology utilization are not considered in the process of preparing financial statements. It is recommended for the researcher to repeat the research on different local governments, and to add new variables that can improve the financial reporting quality such as leadership style, organizational culture, accrual basis implementation or asset management.

References

Ashbaugh-Skaife, Collins, Kinney, Jr. & Lafond. 2008. The Effect of SOX Internal Control Deficiencies and Their Remediation on Accrual Quality. *The Accounting Review.* Vol 83, No, 1 : 2017-250.

Azhar Susanto. 2008. *Sistem Informasi Akuntansi: Struktur Pengendalian Risiko Pengembangan*. Edisi Perdana: Lingga Jaya

Bagranof, Nancy A. Mark G. Simkin, &Carolyn S. Norman. 2010.*Accounting Information Systems*. Seventh Edition: South-Western.

Bambang Pamungkas. 2014. *DKI Terlambat Sampaikan Laporan Keuangan.* Melalui <http://moneter.com> [22/11/14].

Barbara Arel, Cathy A.Beaudoin, Anna M.Cianci. 2012. *The Impact of Ethical Leadership, the Internal Audit Function, and Moral Insensity on a Financial reporting Decision. Journal Busniss Ethics.* 109 : 351-

366.
Baterman, Thomas S, & Scott A. Snell. 2009. *Management: Leading, Collaborating in the competitive world,* Eight Edition. NY: Mc-Graw-Hill.
Bauer, T, & Boritz, J. E. 2011. *Corporate Reporting Awards and Financial Report Quality.*
Baxter, P.J. 2007. *Audit Committees and Financial Reporting Quality. Dissertation.*
Bedard, Jean. 2006. *Sarbanex Oxley Internal Control Requirements and Earnings Quality. Working Paper*. 1-41.
Beest, F. Van, Braam, B., & Boelens, S. 2009. *Quality of Financial Reporting: Measuring Qualitative Characteristic. Nice Working Paper 09-108*, April 2009: 3-4. 6-9. Radboud University Nijmegen.
Bernardin, John. 2010. *Human Managerial Resurce: An Experiental Approach.* 5th Edition. Singapore: MeGraw-Hill.
Bodnar , George H. & William S. Hoopwood. 2010. *Accounting Information Systems*, Tenth Edition. NJ: Prentice Hall
BPK RI. 2015. *Ikhtisar Hasil Pemeriksaan Semester I Tahun 2014. Buku II Pemeriksaan Laporan Keuangan.* Melalui http://www.bpk.go.id
BPK RI. 2016. *Ikhtisar Hasil Pemeriksaan Semester I Tahun 2015. Buku II Pemeriksaan Laporan Keuangan.* Melalui http://www.bpk.go.id
Brink, Alexander. 2011. *Corporate Governance and Business Ethies.* New York: Springer.
Britton, A & Waterston, C. 2006. *Financial Accounting.* 4th Edition. Harlow: Pearson.
Brochet, F. & Welch, K. 2011. *Top Executive Background and Financial Reporting Choice*. Hardward Business school Working Paper. 1-38.
Bushman, R.M., and Smith, A.J. 2003. *Transparency, Financial Accounting Information, and Corporate. Goverment FRBNY Economics Policy Review.* April 2003.
Celviana W & Rahmawati. 2010. *Pengaruh Sumberdaya Manusia Dan Pemanfaatan Teknologi Informasi Terhadap Keterandalan Dan Ketepatwaktuan Pelaporan Keuangan Dengan Variabel Intervening Pengendalian Internal Akuntansi. SNA XIII Purwokerto.*
Chandrupatla, T.R. 2009. *Quality and Reliability in Engineering.* United Kingdom: Cambridge University Press.
Chorafas, Dimitris N. 2004. *Rating Management's Effectiviness.* New York Palgrave.
Cohen, J., Krishnamoorthy, G & Wright, A. 2004. *The Corporate Governance Mosaic and Financial Reporting Quality. Journal of Accounting Literatire.* p 87-152.
Collier, D. R. & Ampomah, A. S. 2009. *The Official CIMA Learning System Performance Strategy.* 1th Edition. Exford: CIMA Publishing.
COSO. 2013. *Internal Control-Integrated Framework.* Committee of Sponsoring Organizations of The Tread Way Connission.
Daniel A. Cohen. 2003. *Quality of Financial Reporting Choice: Determinants and Economic Consequences.* Department of Accounting and Information Management Kellogg School of Management Northwestern University, March 2003.
Darya Setya Nugraha & Apriyanti Susanti. 2010. *The Influence of Internal Control System to The Reliability of Local Government Financial Statement (Case study at Pemerintah Provinsi Jawa Barat). Jurnal JBPTP polban.*
Dellon, W.H. Delon & Ephraim R. Mclean. 2003.*The Delon and McLean Model of Information Systems Succes*: A Ten Years Update, *Journal Of Management Information Systems*/Spring 2003. Vol. 19, No. 4. Pp. 9-30.
Des & Ertambang N. 2008. *Pengaruh kapasitas sumberdaya, pemanfaatan teknologi informasi dan pengendalian intern akuntansi terhadap nilai informasi pelaporan keuangan pemerintah daerah. SNA XI Pontianak.*
Dong, Linying, Heshan Sun, &Yulin Fang. 2007. Do Perceived Leadership Behaviors Affect User Technology Beliefs? An Examination of The Impact of Project Champions and Dirct Managers, *Communications Of The Association For Informatin System* (CAIS), Vol. 19, Article 31.
Doyle, J. T., Ge, W. & MeVay, S. 2007. *Accruals Quality and Internal Control Over Financial Reporting. The Accounting Review.* Vol 82, No. 5: 1141-1170
Dubois, D. D. & Rothwell, W. J. 2004. *Competency-Based Human Resources Management.* California: Davies-Black.
Edy Sugito, 2011, *Kecantikan Laporan Keuangan Lebih Diutamakan*, Melalui <http:// www. Akuntan.com>, 4 Oktober 2011
Elder, Randal J., Mark S. Beasley, & Alvin A. Arens. 2010. *Auditing and Assurance Sevices An Integrated Approach*. NJ: Prentice-Hall
Emory, C. William. 1985. *Business Research Methods*. 3rd Edition. Homewood: Illinois Irwin.
F. Davis. 1989. Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology. *MIS Quartely*, 13, September, Pp. 319-340

Research Journal of Finance and Accounting
ISSN 2222-1697 (Paper) ISSN 2222-2847 (Online)
Vol.8, No.12, 2017

FASB. 2008. *Statement of Financial Accounting Concepts No. 2: Qualitative Characteristics of Accounting Information*.

Febrian & Basukianto. 2015. *Kualitas Laporan Keuangan Pemerintah Daerah: Faktor yang Mempengaruhi Dan Implikasi Kebijakan.* Jurnal Bisnis dan Ekonomi. p188-200

Financial Reporting Council. 2012. *Guidance on Audit Committes – The FRC is Responsible for Promoting High Quality Corporate Governance and Reporting to Foster Investment.*

Flynn D. 1992.*Information Systems Requirements:Determination And Analysis*. NY: Mc-Graw-Hill.

Gamawan Fauzi.2012. Target 50% Daerah WTP Pada Tahun 2014 Sulit Dicapai, *Harian Kompas*, Rabu, 25 Juli.

Gelinas U, &Dull, B. Richard. 2012.*Accounting Information Systems*. 9th ed. USA:South Western Cengage Learning.

Ghozali, Imam, 2015. *Partial Least Squares, Konsep, Teknik dan Aplikasi menggunakan Program SmartPLS 3.0. Edisi 2*. Semarang: Badan Penerbit Universitas Diponegoro.

Gibson, Charles H. 2011. *Financial reporting & Analysis.* 12th Edition. USA: South-Western Cengage Learning.

Gibson, James L. John M. Ivancevich, &James H. Donnelly, JR. 2009. *Organization: Behavior – Structure Processes*.13th Edition. NY: Mc-Graw-Hill.

Graham, Lynford. 2008. *Internal Controls: Guidance for Private, Government, and Nonprofit Entities.* New Jersey: John Wiley & Sons, Inc.

Groves, Robert M. *et al*, 2004: *Survey Methodology, USA*., John Wiley & Sons, Inc., Publication

Hair, Joseph F.& William C Black *et al*. 2010. *Multivariate Data Analysis, A Global Perspective*.7th Edition. NJ: Prentice Hall.

Hall, James A. 2011. *Accounting Information System*.7th Edition: South-Western Publishing Co.

Harrer, Julie. 2008. *Internal Control Strategies: a Mid to Small Buseniss Guide.* New Jersey: John Wiley & Sons, Inc.

Harry Azhar Azis. 2015. *BPK Minta Pemda Tingkatkan Kualitas Laporan Keuangan*, Melalui <http://www. Skalanews.com>, 16-2-2015,

Harry Azhar Azis. 2016. *Masalah SDM, Penerapan Laporan Akrual di Pemda Terkendala.* Melalui *<http://www.aktual.com>* Jan 21, 2016

Hightower, Rose. 2009. *Internal Controls Policies and Prosedures.* New Jersey: John Wiley & Sons, Inc.

Higson, Andrew. 2003. *Corporate Financial Reporting: Theory and Practice.* London: SAGE Publications Ltd.

Hilton, Ronald. W & Platt, David E, 2015, *Managerial Accounting*, *McGraw-HiIl Companies*

Husein. et al 2007. *The Impact of Technological Factors on Information System Success in The electronic government context, Business Process Management Journal*. Vol. 13, No. 5, Pp. 613-627

IASB. 2010. *The Conceptual Framework for Financial Reporting.* London: International Accounting Standarts Broard.

Indra Bastian. 2010. *Akuntansi Sektor Publik: Suatu Pengantar* . Edisi ketiga. Penerbit Erlangga.

Iwan, Lubis. 2014. Laporan Keuangan BTN Tak Beres. Melalui <http://bisnis.liputan6.com> [21/11/14].

Jensen, M. C. & Meekling, W. H. 1976. *Theory of the Firm: Managerial* Behaviour, *Agency Costs and Ownership Structure*. *Journal of Financial Economics*. Vol. 3 Number 4: 305-360.

Jones, FL & Dasaratha V. Rama. 2003. *Accounting Information Systems: A Business Process Approach*, Thompson South Western.

Kappelman, Leon A. & Ephraim R. McLean. 1992. *Promoting Information System Success: The Respective Roles of User Participation and User Involvement.* Journal of Information Technology. Management, Vol III, No. 1.

Keen, P.G.W. 1995. *Every Manager's Guide To Information Technology*. NY: Harvard Business School Press.

Kesuma, Indra, et al. 2014. *Pengaruh Kompetensi Sumber Daya Manusia, Peran Internal Auditor Dan Aktivitas Pengendalian Terhadap Nilai Informasi Pelaporan Keuangan Pemerintah Daerah*. Jurnal Akuntansi Pascasarjana Universitas Syiah Kuala pp. 73- 82,

Kieso, Donald E. et al. 2012. *Intermediate Accounting*. 14th Edition. UK: John Willey and Sons, Inc.

Komite Standar Akuntansi Pemerintah. 2010. *Peraturan Pemerintah No. 71 tahun 2010 Tentang Standar Akuntansi Pemerintah Berbasih Akrual.* Jakarta.

Komite Standar Akuntansi Pemerintahan. 2012. *Standar Akuntansi Pemerintahan Peraturan Pemerintah Republik Indonesia Nomor 71 Tahun 2010*, Salemba Empat, Jakarta.

Levin, G. & Ward, J. L. 2011. *Program Management Complexity A Competency Model.* Florida: Auerbach Publications.

Loudon, Kenneth C. & Jane P. Laudon. 2012. *Manajemen Information System: Managing The Digital Firm*.12Th Edition. NJ: Prentice-Hall.

Lu, Chua-Wu. 2012. *Earnings Quality, Risk-taking and Firm Value: Evidence from Taiwan*. International Proceedings of Economics Development & Research. Vol. 50: 119-123.

Lu, H., Richardson, G. & Salterin, S. 2010. *Direct and Indirect Effects of Internal Control Weaknesses on Accrual Quality: Evidence from a Unique Canadian Regulatory Setting. Contemporary Accounting Research*. 1-58.

Lussier, Robert N. 2008. *Human Relations In Organizationas, Applications and Skill Building*. 7 Edition. NY: Mcgraw-Hill.

Lynda M. Applegate, Robert D. Austin & Deborah L. Soule. 2009. *Corporate Information Strategy and Management*: Text and Case, Singapore: Mc-GrawHill.

Mahaputra, I Putu Upabayu Rama., dan I Wayan Putra. 2014. *Analisis Faktor-Faktor yang Mempengaruhi Kualitas Informasi Laporan Keuangan Pemerintah Daerah*. E-Journal Akuntansi Universitas Udayana

Mahmudi. 2016, *Akuntansi Seksor Publik*. Penerbit UII Press. Yogyakarta

Mancini, Daniela, et al. 2013. *Trends in Accounting Information Systems*, *Accounting Information System for Decision Making* Lecture Notes in Information Systems and Organisation 3, London, Springer.

Mardiasmo. 2009. *Akuntansi Seksor Publik*. Penerbit Andi Offset. Yogyakarta.

Mardock, A & Scutt, C. N. 2002. *Personal Effectiveness*. 3th Edition (*e*Book). Routledge.

McEnroe, John E. 2008. *Individual Investor Perceptions Involving the Quality and Usefulness of Audited Financial Statement. Envisioning a New Accountability Advances in Public Interest Accounting,* p 63-79 Elsevier Ltd.

McShane, S. L & Glinow, M. A. V. 2010. *Organizational Behavior.* 5th Edition. Singapore: Mc GrawHill.

Merchant, Kenneth A. 1998.*Modern Management Control Systems*: Text & Cases. NJ: Prentice Hall.

Messier, W. F., Steven M. G. & Douglas F. P. 2008. *Auditing & Assurance Services: a Systematic Approach*. 6th Edition. New York: McGraw-Hill/Irwin.

Mike (Tae-In) Eom. 2005. Impact of Project Leadership on User Participation and User Involvement The Consequences for User Satisfaction and System Usage. *Journal Of Management Systems*, Vol. XVII, No. 1, Maximilian Press, Publisher. Pp. 35-43

Moeheriono. 2012. *Pengukuran Kinerja Berbasis Kompetensi.* Edisi Revisi. Raja Grafindo Persada. Jakarta, 2012.

Moeller, Robert R. 2008. *Sarbanes-Oxley Internal Controls: Effective Auditing with AS5, Cobit and ITIL.* New Jersey: John Wiley & Sons, Inc.

Moeller, Robert R. 2011. COSO *Enterprise Risk Management : Establishing Effective Governance, Risk, and Compliance Processes.* 2th Edition. New Jersey: John Wiley & Sons, Inc.

Mohammadi, et al. 2014. *Impact on Comservatism on the Accounting Information Quality and Decision Making of the Shareholders and the Firms Listed on the Tehran Stock Exchange*, *Internasional Journal of Academic Research in Accounting, Finance and Management Sciences.* Pp. 186-197.

Muindro Renyowijoyo, 2010. Akuntansi Sektor Publik Organisasi Non Laba.Edisi Ke-2 Jakarta: MitraWacana Media.

Nash , John F. & Cynthia D. Heagy. 1993. *Accounting Information Systems,* 3 rded, South-Western Publishing Co.

Nunik Gigih, 2015, "*Payah, 52 Emiten Telat Laporkan Keuangan*", Melalui <http://www. Neraca.com>, 10 April 2015

Nurillah, As Syifa., & Dul Muid. 2014. *Pengaruh Kompetensi Sumber Daya Manusia, Penerapan Sistem Akuntansi Keuangan Daerah (SAKD), Pemanfaatan Teknologi Informasi, Dan Sistem Pengendalian Intern Terhadap Kualitas Laporan Keuangan Pemerintah Daerah (Studi Empiris Pada SKPD Kota Depok).* Diponegoro Journal of Accounting, p 01-13.

Nuryanto, Muhamad., & Nunuy Nur Afiah., 2013, *The Impact of Apparatus Competence, Information Technology Utilization and Internal Control on Financial Statement Quality (Study on Local Government of Jakarta Province-Indonesia)*. World Review of Business Research. Pp. 157-171.

O. Hickss Jr. James. 1993.*Management Information Systems: A User Per-Spective*. 3rd Edition: West Publishing Co.

O'Brien , James A.& George M. Marakas. 2010.*Management Information Systems: Managing Information Technology In The Bussiness Enterprise*15th Edition. NY: McGraw-Hill.

O'Brien,James A. 2004. *Management Information Systems: Managing Information Technology In The Bussiness Enterprise* Edition. USA: Richard

Peraturan Pemerintah Republik Indonesia No. 60 tahun 2008, tentang Sistem Pengendalian Internal Pemerintah (SPIP).

Premuroso, Ronald F & Robert Houmes. 2012. *Financial Statement Risk Assessment Following the COSO Framework: An Instructional Case Study*. International Journal of Accounting and Information Management, Vol. 20.No. 1.Pp.26-48.

Rajgopal, Shiva & Mohan Venkatachalam. 2010. *Financial Reporting Quality and Idiosyncratic Return*

Volatility..
Ramos, Michael J. 2008. *How to Comply with Sarbanes-Oxley Section 404: Assessing the Effectiveness of Internal Control*. 3rd Edition. New Jersey: John Wiley & Sons, Inc.
Randal J. Elder, Mark S. Beasley, & Alvin A. Arens. 2010. *Auditing and Assurance Sevices an Integrated Approach*. NJ: Prentice-Hall.
Rezaee, Zabihollah. 2003. High-Quality Financial Reporting. The Six-Legged Tool. *Strategic Finance.*
Richardson, S & Tuna, I. 2008. *Evaluating Financial Reporting Quality*. Dalam "*Intrnational Financial Statement Analysis" Selected Reading,* hlm 724.
Robbins, Stephen P. &Mary Coulter. 2012. *Management*. Global Edition.7th Edition: Pearson
Robinson, Thomas R. & Munter, P. 2004. *Financial Reporting Quality: Red Flags and Accounting Warning Signs*. *Commercial Lending Review*
Romney. Marshal B. & Paul John Steinbart 2009.*Accounting Information Systems*, Eleventh Edition: New Jersey: Pearson-Prentice-Hall
Roscoe, J. T. 1975:*Fundamental Research Statistics for the Behavioral Sciences*, 2nd ed. New York: Holt, Rinehart and Winston.
Scott, William R. 2009. *Financial Accounting Theory.* 5th Edition. Toronto: Pearson Canada Inc.
Seema Sanghi. 2007. *The Handbook of Competency Mapping Understanding, Designing and Implementing Competency Models in Organizations*. Second Edition. Sage Publications Inc 2455 Teller Road Thousand Oaks, California
Seen, Megan *et al*. (2007): Explaining and Predicting Information Systems Acceptance and Success: An Integrated Model. (1356-1367)
Sekaran, Uma & Roger Bougie. 2013. *ResearchMthods For Business; A Skill Building Approach*. UK: John Wiley & Sons
Setiyawati, Hari. 2013. *The effect of Internal Accountants' Competence, Managers' Commitment to Organizations and the Implementation of the Internal Control System on the Quality of Financial Reporting*. International Journal of Business and Management Invention., PP.19-27.
Simanjuntak, Payaman J. (2005). *Manajemen dan Evaluasi Kinerja*. Lembaga Penerbit Fakultas Universitas Indonesia, Jakarta.
Skaife, Hollis A., Daniel D. Wangerin. 2012. *Target Financial Reporting Quality and M&A Deals that go Bust.*
SofyanYamin dan Heri Kurniawan, 2011.*Generasi Baru Mengolah Data Penelitian dengan Partial Least Square Path Modeling: Aplikasi dengan Software XLSTAT, SmartPLS, dan Visual PLS*, Jakarta, Penerbit Salemba Infotek
Song & Gale. 2007. *Investigating Project Manager's Work Values By Repertory Grids Interviews. Journal Of Management Development.*
Spencer, Lyle & Signe M. Spencer. 1993. *Competence at Work, Models for Superior Performance*. Canada : John Wiley & Sons, Inc.
Sri Mulyani NS. 2008. *Analisis dan Perancangan Sistem Informasi Managemen Keuangan Daerah: Notasi Pemodelan Unified Modeling Language (UML).* Bandung: Abdi Sistematika.
Stair, Ralph M. & George W. Reynolds. 2010. *Principles of Information Systems, Course Technology*. 9th Editions. NY: Mc-Graw-Hill
Sudarmanto. (2009). *Kinerja dan Pengembangan Kompetensi SDM (Teori, Dimensi Pengukuran dan Implementasi dalam Organisasi).* Pustaka Pelajar, Yogyakarta.
Sudit, E. F. 1998. *Effectiveness, Quality And Efficiency: a Management Oriented Approach.* Netherlands: Springer.
Sukmaningrum, et al. 2011. *Analisis Faktor-Faktor Yang Mempengaruhi Kualitas Informasi Laporan Keuangan Pemerintah Daerah (Studi Empiris pada Pemerintah Kabupaten dan Kota Semarang).*
Suwarjono. 2005. *Teori Akuntansi Perekayasaan Pelaporan Keuangan.*Edisi Ketiga. Yogyakarta: Penerbit BPFE
Syarifudin, Akhmad. 2014. *Pengaruh Kompetensi SDM dan Peran Audit Intern terhadap Kualitas Laporan Keuangan Pemerintah Daerah dengan Variabel Intervening Sistem Pengendalian Internal Pemerintah (Studi Empiris pada Pemkab Kebumen)*. Jurnal Fokus Bisnis, p 26-44
Tang, Q., Chen, H., Jiang, Y., & Lin Z. 2011. How to Measure Financial Reporting Quality Internationally? *E-Business and E-Government (ICEF)*. 2011. *International Conference,* p 6-8
Tangm, Qingliang, Huifa chen, & Zhijun Lin. 2012. *How to Measure Country Level Financial Reporting Quality:* 38 main Capital Markets. *Papers.ssrn.com.* Juli, 22, 2012.
Tao, Ma. 2012. *Financial Reporting Quality and Information Asymmetry: Evidence from the Chinese Stock Market Financial Reporting Quality and Investment Efficiency.*
Tjahjo Kumolo, 2014, *70 Persen Laporan Gubernur Keliru, Tjahjo Kumolo*, Melalui <http:// www.tempo.com>. November 2014

Turban, Efraim & Linda Volinino (2011): *Information Technology For Management: Improving Strategic and Operational Performance*. 8 th edition, USA: John Willey & Sons

Walsh, C. 2006. *Key Management Ratio: The Clearest Guide to the Critical Numbers that Drive Your Business, Fourth Edition*. Prentice Hall.

Wang, R. Y. & Strong, D.M. 1996. Beyond accuracy: What data quality means to data consumers.*Journal of Management Information Systems*, Vol. 12, No. 4, pp. 5-33.

Wang, Richard Y. 1998. A Product Perspective on Total Data Quality Management, *Communications Of The ACM*, February 1998, Vol 41. No. 2 P. 58-61.

Wati, Kadek Desiana., et al. 2014. *Pengaruh Kompetensi SDM, Penerapan SAP dan Sistem Akuntansi Keuangan Daerah Terhadap Kualitas Laporan Keuangan Daerah*. Pp 01-11

Yuhong Guan, Yuhong Guan. 2006. A Study on The Intern Control of Accounting Information Systems, *International Confrence on Computer and Communication Technologies in Argiculture Engineering*, Januari, 12.

Yunus Husein, 2011, Ada 154 Perusahaan Ditemukan Punya Laporan Keuangan Bermasalah, Melalui <http:// www.tempo.com>.15 Agustus 2011.

Zinkin, John. 2014. *Rebuilding Trust in Bank: The Role of Leadership and Governance.* Singapore: John Wiley & Sons Singapore Pte. Ltd.

The Influence of Internal Control Effectiveness, Information Technology Utilization and Human Resources Competence on Local Government Financial Reporting Quality

ORIGINALITY REPORT

19%	21%	10%	13%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	repository.unja.ac.id Internet Source	9%
2	Submitted to Al Balqa Applied University Student Paper	3%
3	1library.net Internet Source	2%
4	www.wrbrpapers.com Internet Source	2%
5	www.um.edu.mt Internet Source	2%
6	www.semanticscholar.org Internet Source	2%

Exclude quotes	Off	Exclude matches	< 2%
Exclude bibliography	Off		

The Influence of Internal Control Effectiveness, Information Technology Utilization and Human Resources Competence on Local Government Financial Reporting Quality

GRADEMARK REPORT

FINAL GRADE

/0

GENERAL COMMENTS

Instructor

PAGE 1

PAGE 2

PAGE 3

PAGE 4

PAGE 5

PAGE 6

PAGE 7

PAGE 8

PAGE 9

PAGE 10

PAGE 11

PAGE 12

PAGE 13

PAGE 14