THE EFFECT OF LEADERSHIP, INTERNAL CONTROL SYSTEM, AND ORGANIZATIONAL COMMITMENT ON ACCOUNTABILITY OF VILLAGE FINANCIAL MANAGEMENT

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Abstract: This study aims to analyze the influence of leadership, internal control system, and organizational commitment on the accountability of village fund management in Kampar and Siak Districts. A total of 164 financial management officials from 218 villages in 15 sub-districts in Kampar and Siak Regencies were selected as the respondents. The villages are located in coastal areas and watersheds. The data were obtained by distributing questionnaires distributed directly to the respondents. The data were analyzed using multiple linear regression. The results show that leadership, internal control system, organizational commitment affect significantly the accountability of village fund management. Future research on the same issue may examine both internal control and external control system.

Keywords: Leadership, internal control system, organizational commitment, Accountability of Village Financial Management.


Since 2001, Indonesia has been implementing government autonomy. The implementation of regional autonomy and fiscal decentralization in the government requires a good and responsible government accounting system. Government accounting specializes in recording and reporting transactions in government agencies. To assure

the transparency and accountability in recording transactions and government performance reports by interested parties, government accounting is needed (Rosyidi, 2018). Government accounting will determine the public accountability of local government. Accountability has an important role in reducing potential fraud and misuse of resources in the public interest (Jorge and Pattaro, 2011).

As a form of responsibility to shareholders, accountability is important for both business and government entities. In the private sector, accountability will automatically arise if the entity has been
The Effect Of Leadership, Internal Control System, and Organizational Commitment On ... issuing securities in the capital market and the entity controls assets as fiduciary for the community (Narsa and Isnalita, 2017). On the other hand, accountability in the public sector is certain to emerge. Government accountability is considered essential to increase public trust in government activities.

Accountability controls over all aspects carried out by the apparatus in a government. Therefore, the role of government as an agent is in the performance accountability of government to the community as principal. Many factors influence government accountability (Widyatama et al., 2017). Cheng et al. (2002), contend that the competencies held by the government apparatus also influence the village government accountability. Kurtz and Schrank (2007), also assert government accountability determines the implementation of good government governance. Another important factor is the control system in government as it can affect the village government’s internal decision making and can have implications for village government accountability. Organizational leadership can control the planning system (village budgeting) which then results in beneficial output for the village community (Uddin and Hopper, 2001).

The Indonesia Action-Corruption Forum (IACF) mentions the potential misuse of Village funds is because of the village’s leader and his supporting staff did not have relatively enough knowledge and internal control system (ICS). Based on Government Regulation (PP), No. 60 of 2014, the village governments will receive funds to finance the implementation, construction, community development, and empowerment. Each village receives large funds calculated based on the number of villagers, the area of the village the poverty rate, and the level of geographical problems. This fund is sufficient to improve the welfare of the villagers.

Evidence of misuse of funds is present in several villages. For example, the allocation of village funds received by Kampung Tengah in the Siak Regency for the development according to the Village Government Budget (APBD) in development has only been realized as much as Rp274,429,000 whereas the available budget is Rp1,000,000,000. The unrealized and unfinished development in the 2016 Village Fund Allocation (ADD) is Rp507,471,000. This means that the Kampung Tengah could not utilize the available funds (Yeni, 2018). In general, the village government could not allocate village funds which led to the problems of accountability and transparency in the management of village fund Allocation (ADD). As reported in the Kampar news, a society of Salo Village on Friday (05/13/2016) in Bangkinang said that the construction of a 200-meter road built using the 2015 village fund allocation (ADD) of Sialang Sub-village RT 01/RW 01 was problematic. He assumes that the road construction was careless. Moreover, before the handover was done, the road had been damaged. From the reporter’s observation, on Friday (05/13/16), the project with a budget of around Rp200,000,000 had been broken. The society stated that this project was carried out without the Executive officer (PPTK). Even though, these funds were from ADD in 2015. The acting chief of Salo Village at that time used the budget to construct roads. The Kampar Regency Government led by Jefry Noer had deactivated many village chiefs due to their failure as leaders. On the other hand, Jasman, the Acting Village Chief of the Village chief in 2015, even admitted that he had not received that information. Whereas, the Head of the Kampar Regency Inspectorate had not confirmed the reports by the community on the use of a village fund budget sourced from the local government budget of Riau Province in 2015 (Rosyidi, 2018).

From the above phenomena, it can be seen that the accountability for allocating village funds in Kampar Regency and Siak Regency has not been optimal. Savitri et al. (2018) assert that the implementation of village fund allocations was also not optimal. There are several potential obstacles, such as the quality of human resources in managing village fund allocations. Many factors can weaken accountability, such as the leak of leadership, ICS, and organizational commitment.

Leadership is a competency of the village chief. The success of an organization is determined by many things, one of which is the leadership within the organization (Fathoni and Rengu, 2015). The better the government understands the community’s
needs and the cooperative relationship with the community. Dharmatogra et al. (2013) and Ratu et al. (2017) show that leadership positively affects accountability. On the contrary, Sari (2017) states that the leadership style does not affect the transparency and accountability of the regional village fund. The ICS is a system created by the government so that every element in the government has a well-organized rule related to the opinion from the Audit Board (BPK) on government financial reports. According to Mahmudi (2011), ICS is continuously a process of activities of the leadership and all employees to achieve the organizational goals. Applying good internal control can ensure the quality and reliability of financial statements, and will increase stakeholders’ trust. Good implementation of the ICS will ensure the realization of the proper principles of transparency and accountability in each local government work unit. Aikins (2011) states that the ICS has affected the accountability of regional village funds, while Nugraha (2011) states that the ICS does not affect.

Another factor supporting accountability is commitment. Village financial management (VFM) is a commitment of local governments in serving the public (Hasman, 2015; Hupe and Hill, 2007). Benham and Maclean in Mada et al. (2015), argue that organizational commitment influences accountability standards. Organizational commitment is the ability of the village apparatus in achieving the expectations. A high organizational commitment becomes a pride of a village apparatus participated in achieving the goals set. Based on this definition, organizational commitment includes loyalty, work involvement to the values of the organization. According to Dina (2016), the organizational commitment will lead to employees’ sense of belonging to the organization, thus raising responsibility and awareness in running the organization and motivation to achieve organizational goals. Ratifah and Ridwan (2012), Cavoukian et al. (2010), and Behnam et al. (2011) find that organizational commitment affects accountability.

Nurjaman (2015) advances that the success of village development is influenced by several factors, i.e. village apparatus’ capacity, community participation, and leadership of the village chief. Leadership, ICS, and organizational commitment greatly affect the accountability of the village funds allocated (ADD). The village chief can motivate and encourage the performance of village officials in the village administration, VFM, the ICS or higher inspectorates, which will then improve accountability. Besides, organizational commitment leads to a big improvement because it is closely related to accountability.

Based on the above background, this study aims to analyze the effect of leadership, ICS, and organizational commitment on the accountability of VFM in Kampar and Siak Regencies. The sample of this study consists of 128 village officials in Kampar and Siak. It reports that leadership, ICS, and organizational commitment positively affect the accountability of VFM.

LITERATURE REVIEW
Stewardship Theory

This research is based on the stewardship theory (Donaldson and Davis, 1991). The theory describes a situation when management focuses on the main organizational goals instead of individual goals. Stewardship theory can be applied for accounting research in public sector organizations such as the government (Thornton, 2009) and other non-profit organizations (Vargas, 2004). Public sector accounting has been prepared to meet the information. Accounting transaction moves to complex direction followed by the growth of specialization in public sector accounting. As more complex conditions with the increase of demands for accountability in public sector organizations, it is more difficult for principals to carry out management functions. The separation between the ownership function and the management function is realized. Due to several limitations, the capital suppliers (principal) trusts management parties (steward) to manage the resources. The contract between stewards and principals based on trust acts collectively following the organizational goals. Therefore, the appropriate model for public sector accounting research is the stewardship theory.
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Theoretical Framework and Hypotheses Development

Leadership on Village Financial Management Accountability

According to Surya (2013), leadership is the ability to influence others to achieve certain goals. Likewise, Leadership is the process of influencing others to understand and agree on what and how to do something, and the process of facilitating to achieve shared goals (Yukl, 2016). Leadership is considered as a form of centralized control in which an individual control and influences others. Leadership is the ability to influence and lead a group to achieve a goal (Robbins and Judge, 2007). Knowledge and skills contribute directly to the leadership process, while other attributes build unique characteristics of the leader (Sharma and Jain, 2013).

Leadership is a process of interactive influence when, in certain contexts, some people accept someone to achieve a shared goal (Silva, 2014). The activities in an organization cannot be separated from the role of the leader because the leader is responsible for all operational activities of the organization. The village chief as a leader plays a role in planning, organizing, and determining the goals of the organization. Thus, it is expected to motivate village officials and lead the village government to achieve accountability in the VFM. Aimbu et al. (2017), stated that leadership positively affects VFM. Dharmanegara et al. (2013) showed that transformational leadership has a significant effect on performance accountability. Based on this, the proposed hypothesis proposed is:

H₁: Leadership affects village financial management accountability

The ICS in Government is an important factor that can affect the village government’s internal decision making and can have implications for the accountability and transparency of the village government. This was also conveyed by the Development Supervisory Agency (BP2K) and the Internal Government Supervisory Apparatus (APIP) stating that the Government Internal Control System (SPIP) has an important role in monitoring VFM both in terms of assurance and consultancy. This is in line with the mandate in Government Regulation No. 60 of 2008 that the government internal control apparatus conducts internal supervision on the implementation of the duties and functions of government agencies including state financial accountability and funding the implementation of SPIP. Widyatama et al. (2017), shows that the ICS of the Village Government positively affects accountability in the management of village fund allocation (Y). This is in line with the finding by Aikins (2011), that government supervision increases financial accountability through internal control evaluation and improvement, risk management, and governance management. Thus, the following hypothesis is proposed:

H₂: Internal control system affects village financial management accountability

Internal Control System on Village Financial Management Accountability

ICS according to Government Regulation No. 60 of 2008 is an integral process of actions and activities carried out continuously by the leader and all village officials to ensure the achievement of organizational goals through effective and efficient activities, financial statement reliability, state asset security, and obedience to law and regulations.

Organizational Commitment on Accountability of Village Financial Management

According to Lubis (2017), Organizational commitment is the level of how much a person supports the organization and its objectives, and how much he intends to maintain his membership in the organization. Wibowo (2017) contends that there are three elements of organizational commitment i.e. identification or individual’s feeling as a part of the organization, engagement, or individual’s involvement feeling in the process of implementing the organization, and loyalty which means that individuals are loyal to the organization.

Cavoukian et al. (2010) state that there are five important elements in accountability, namely organizational commitment to accountability and implementation of internal policies that are consistent with external policies, mechanisms for implementing privacy policies, internal and external supervision and
guarantee systems, transparency and mechanisms for individual participation and a means for remediation. Therefore, organizational commitment is important in government organizations, especially to have a positive view and effort to do the best to achieve the goals. According to Carmeli and David (2005), organizational commitment is a reflection of the loyalty of village officials and how members of the organization show their concern for the organization. Eivani et al. (2012) add that organizational commitment is a major problem in implementing accountability. This statement supports Suherwan and Kamaliah (2017), who find that commitment positively affects VFM. Hence, the proposed hypothesis is:

H₃: Organizational commitment affects accountability in village financial management accountability

Table 1 Definitions and Indicators of Variables

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Definition</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Leadership</td>
<td>Leadership is the process of influencing others to understand and agree on how to do something, and the process of facilitating individuals’ collective efforts to achieve shared goals (Yukl, 2016).</td>
<td>• Directive leadership</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Supportive leadership</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Participatory leadership</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Achievement-oriented leadership (Dewi and Gayatri, 2019)</td>
</tr>
<tr>
<td>2</td>
<td>Internal Control System</td>
<td>Internal Control System according to Government Regulation no. 60 of 2008 is an integral process of actions and activities carried out continuously by the leader and all village officials to ensure the achievement of organizational goals through effective and efficient activities, financial statement reliability, state asset security, and obedience to law and regulations.</td>
<td>• Control environment</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Risk assessment</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Control activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Information and communication</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Internal control monitoring (Rosyidi, 2018)</td>
</tr>
<tr>
<td>3</td>
<td>Organizational Commitment</td>
<td>Organizational commitment is the level of how much a person supports the organization and its objectives, and how much he intends to maintain his membership in the organization (Lubis, 2017).</td>
<td>• affective</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• sustainability</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Normative (Mada, 2015)</td>
</tr>
<tr>
<td>4</td>
<td>Accountability</td>
<td>Accountability is the obligation of the shareholders to present, report and disclose all activities that are their responsibilities to the principal who has the right to ask for the accountability for all village rights and obligations that can be valued in money, everything in the form of money, and goods related to implementation of village rights and obligations (Mardiasmo, 2009).</td>
<td>• Planning</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Actuating</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Administering</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Reporting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Accountability (Mardiasmo, 2009).</td>
</tr>
</tbody>
</table>

METHOD

This study is based on qualitative and quantitative. Several villages located in Siak and Kampar Regencies, Riau Province, were taken as research locations. Research respondents were village officials including the village chief, secretary, treasurer, Village Consultative Body (BPD), and the local community. Data collection methods used are questionnaires, interviews, and documentation. The samples were 128 respondents selected by purposive sampling with the criteria that the location of subdistricts and villages still in coastal or watersheds areas and get the largest village funds. The data were analyzed using multiple regression analysis.
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RESULTS
Results of Questionnaire and Characteristics of Respondents

The questionaries were personally distributed to the respondents. The number of distributed questionaries amounted to 164. Yet, there were 128 usable questionaries. This represents a 77.58% response rate. The respondents of this study are the village officials who are directly involved in managing villages funds and have at least 1-year working experience. Table 2 shows the demography of the respondents.

The respondent’s gender can influence emotions to make decisions both organizationally or individually. Table 2, shows that the percentage of male respondents is 54.69%. Almost 70% of the respondents have a university educational background. Their length of service shows that 67.19% of them have been working for 1 to 5 years.

Descriptive statistics
An overview of the research variables i.e. leadership, ICS, organizational commitment, and VFM is presented in a descriptive statistics table that shows the minimum, maximum, mean, and standard deviation values. This information is essential to know the achieved value of each statement. The data were then analyzed descriptively. Descriptive statistical results can be seen in Table 3.

Table 3, shows that accountability has a minimum value of 3.20, a maximum value of 5.00, a mean value of 4.116, and a standard deviation of 0.312. It means that the accountability of financial management in the villages of Siak, and Kampar districts are good. In other words, the average village can carry out financial management accountability properly at the stages of planning, actuating, administrating, reporting, and being responsible for VFM. Leadership has an average value of 4.234 and a standard deviation of 0.332 which means that the leadership has carried out well. The average village has leaders with very good leadership styles including directive, supportive, participatory, and achievement-oriented leadership styles. ICS has a mean value of 4.119 and a standard deviation of 0.39400. This means that the average village has a good ICS in terms of the control environment, risk

Table 2 Characteristics of Respondents

<table>
<thead>
<tr>
<th>Variable</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>70</td>
<td>54.69%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>58</td>
<td>45.32%</td>
</tr>
<tr>
<td>Education</td>
<td>High school</td>
<td>39</td>
<td>30.47%</td>
</tr>
<tr>
<td></td>
<td>Diploma (D3)</td>
<td>30</td>
<td>23.44%</td>
</tr>
<tr>
<td></td>
<td>Bachelor Degree (S1)</td>
<td>52</td>
<td>40.63%</td>
</tr>
<tr>
<td></td>
<td>Master Degree (S2)</td>
<td>7</td>
<td>5.46%</td>
</tr>
<tr>
<td>Length of Service</td>
<td>1 – 5 years</td>
<td>86</td>
<td>67.19%</td>
</tr>
<tr>
<td></td>
<td>6 – 10 years</td>
<td>29</td>
<td>22.70%</td>
</tr>
<tr>
<td></td>
<td>11 – 15 years</td>
<td>13</td>
<td>10.12%</td>
</tr>
</tbody>
</table>

Table 3 Descriptive Statistics of Variables N=128

<table>
<thead>
<tr>
<th>Category</th>
<th>Accountability</th>
<th>Leadership</th>
<th>Internal Control System</th>
<th>Organizational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>4.1156</td>
<td>4.2344</td>
<td>4.1188</td>
<td>4.1063</td>
</tr>
<tr>
<td>Maximum</td>
<td>5.5000</td>
<td>5.5000</td>
<td>5.5000</td>
<td>5.5000</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>0.3118</td>
<td>0.3315</td>
<td>0.3940</td>
<td>0.43249</td>
</tr>
</tbody>
</table>
assessments, control activities, information and communication, and internal control monitoring. Commitment has a mean value of 4.1063 and a standard deviation of 0.43249. This indicates that organizational commitment in the villages in Siak and Kampar districts is quite good. This means that the average village has a good organizational commitment in terms of effective, sustainability, and normative commitment.

Validity and Reliability Tests

Data quality tests include the validity and reliability tests. Based on the results of the validity test of accountability of VFM, leadership, ICS, and organizational commitment. It can be seen that each statement is above the criteria of 0.173 (r table). So, it can be concluded that statistically, each statement indicator for each variable is valid and good as research data. The Cronbach Alpha coefficient value is > 0.60. It indicates that all instruments in this study are reliable. The results of the normality test show that the data are normally distributed.

Results of Multiple Linear Regression Analysis

Multiple regression analysis was used to analyze the effect of leadership, ICS, and organizational commitment on accountability. The results of the regression analysis are presented in Table 4.

Table 4 shows that there is no multicollinearity in the research data because the VIF value is less than 10. The results show that there is no heteroscedasticity in the regression model. The results of hypothesis testing indicate that leadership, ICS, and commitment positively affect the accountability of VFM.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized Beta</th>
<th>Std. Error</th>
<th>Sig. t-Stat</th>
<th>Level</th>
<th>Tolerance</th>
<th>VIF</th>
<th>Adjusted R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constans)</td>
<td>10.355</td>
<td>3.230</td>
<td>3.206</td>
<td>0.002</td>
<td>0.427</td>
<td></td>
<td>0.427</td>
</tr>
<tr>
<td>Leadership</td>
<td>0.595</td>
<td>0.850</td>
<td>6.959</td>
<td>0.000</td>
<td>0.376</td>
<td>2.661</td>
<td></td>
</tr>
<tr>
<td>Internal control system</td>
<td>0.144</td>
<td>0.056</td>
<td>2.556</td>
<td>0.012</td>
<td>0.862</td>
<td>1.160</td>
<td></td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>0.231</td>
<td>0.111</td>
<td>2.086</td>
<td>0.039</td>
<td>0.693</td>
<td>1.442</td>
<td></td>
</tr>
</tbody>
</table>

DISCUSSION

The Effect of Leadership on Accountability

This research supports that leadership affects the accountability of VFM. This shows that good leadership can affect the accountability of VFM. This means that the better the leadership, the better the accountability of VFM. Leadership is an indicator of the competency of a village chief. Leadership is one of the factors that determine the success of an organization.

In Kampar and Siak districts, the village chief is elected because of his leadership ability. Some village chiefs are people who have experience in leading the village, some of them are public figures. Therefore, the community knows more about the characteristics of the village chief. Besides, the village chiefs have also participated in leadership training. Each village chief in Kampar and Siak has different types of leadership, they all have the same goal to develop their village. However, most people prefer village leaders who have a participatory leadership style which involves many people in VFM.

Agency theory requires organizational power as a basis for influence in the relationship between principals and agents. The leader, in this case, the village chief, is the person who has that power. Leadership is a process of interactive influence when, in certain contexts, some people accept someone to achieve a shared goal (Silva, 2014).

Activities carried out in an institution or organization cannot be separated from the role of the leader because he/she has the responsibility for all opera-
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The village chief is the highest formal leader in the village government. The village chief holds the authority of VFM and represents the village government in the ownership of village wealth (Bastian, 2015). The leadership of the village chief can motivate and encourage the performance of village officials in carrying out their duties, including the VFM.

The result of this study is in line with Dharmangara et al. (2013) who shows that leadership significantly affects performance accountability. In the same way, Ratu et al. (2017) finds that leadership has a positive effect on accountability.

The Effect of Internal Control System on Accountability

This research supports that the ICS significantly affects the accountability of VFM. The influence of the government’s ICS on the accountability of VFM shows that in each village, the ICS has been running well and according to the plan with control and supervision. Therefore, with the control and supervision, the accountability of VFM also increases. According to Mulyadi (2015), the ICS includes organizational structure, method, and size coordinated to maintain organizational wealth, check the accuracy and reliability of the accounting data. Effective control can reduce fraud.

In Kampar and Siak Districts, the ICS has been implemented under the applicable laws and regulations. However, in some villages, there are still many components of control that have not yet been implemented. For example, related to control environment, the village government has not had rules related to ethics, sanctions, and discipline at work; related to risk assessment, the village government has not been able to identify and analyze the risks of village funds; related to control activities, the implementation of recording system has not met the standards and the village government has not been able to apply the Siskeudes system; related to information and communication, there is no complaint facility for the community the village government has not yet created; related to internal control monitoring, the village government cannot follow up on the results of audits related to audits because there are no reports on inspection results provided by the Inspectorate.

Subroto (2009) asserts that accountability in the Sub-district has gradually implemented the concept of participatory development with the community, but in terms of accountability for the VFM, the village government must have control as a guideline in monitoring such accountability. Therefore, the village government must implement and guide good internal control as guidance to the accountability of VFM. This shows that the better the ICS in a village, the more effective the accountability of VFM.

This study supports Widyatama et al. (2017), who show that the ICS of the Village Government positively affects the accountability in the management of village fund allocation. This is in line with Aikins (2011), that government supervision increases financial accountability through evaluation and improvement of internal control, risk management, and governance process. Nugraha (2011) states that the ICS does not affect accountability.

The Effect of Organizational Commitment on Accountability

This research supports that organizational commitment significantly affects the accountability of VFM. This means that the higher the organizational commitment, the better the accountability of VFM. Employees with high commitment to the organization understand that when working, their goal is the interests of the organization, not their private interests. According to Kurniawan et al. (2016), organizational commitment is a commitment of individuals in running an organization’s operations. This commitment can be realized if individuals in the organization carry out their rights and obligations following their respective duties and functions within the organization.

In general, village officials in Kampar and Siak districts have a high commitment to the organization. This can be seen from the way they work that they are more responsible for their tasks. Besides, some village chiefs apply the commitment to the officers to work under the operational standards and organizational goals.
Ferina (2016) shows officials who have high organizational commitment will be responsible for their activities in the organization to serve the public better. This is in line with the stewardship theory that village fund managers must have a high commitment to the organization to fulfill its obligations in providing services to the community. It is also in line with the theory of organizational commitment which explains that the higher the organizational commitment of an individual, the faster he works. The speed and accuracy of work will affect the accountability report given to the community.

According to Rulyanti (2017), organizational commitment comes from respective individuals to take actions that positively affect the organization. The individuals’ commitment to the Village Government is indicated by the compliance carried out by village government officials in managing village funds under the applicable laws and regulations. Therefore, the commitment of the Village Government is one of the factors that affect the accountability of VFM (Rulyanti, 2017). Cavoukian et al. (2010) show that the commitment of the Village Government has a positive effect on the accountability of VFM. This result is in line with Behnam and MacLean (2011) who show that organizational commitment affects accountability.

CONCLUSION AND RECOMMENDATIONS

Conclusion

This study aims to analyze the influence of leadership, ICS, and organizational commitment on the accountability of VFM. Research respondents are 128 village officials including the village chief, Secretary, Treasurer, Village Consultative Body (BPD), and the community in Siak and Kampar Districts. Leadership affects the accountability of VFM. This shows that excellent leadership can affect the accountability of VFM. This means that the better the leadership, the better the accountability of VFM. Therefore, Leadership is one of the factors that determine the success of an organization. The ICS affects the accountability of VFM. The influence of the government’s ICS on the accountability of VFM shows that in every village, the ICS has been running well and according to the plan with control and supervision. Thus, with the control and supervision, the accountability of VFM can increase. And organizational commitment affects the accountability of VFM. The higher the organizational commitment, the better the accountability of VFM. Employees with high commitment to the organization understand that when working, their goal is the interests of the organization, not their private interests.

Recommendations

For the next study, the researchers could increase the number of samples and extend the research period to optimize the data collection and broaden the analysis by adding real conditions in the field, so that the results reflect the actual conditions. For the Village, the results of this study illustrate the conditions regarding leadership, ICS, and organizational commitment. Therefore, the village government should pay more attention to these to improve accountability in VFM.

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