

# Implementation of Agency Level Financial Application Systems (Sakti), Hr Competency, Internal Control with Compliance With Financial Management Regulations as a Moderation Variable on the Quality of Government Financial Reports (Kppn Magelang Partners)

Yenni Syahadatun<sup>1</sup>, Wihandaru Sotya Pamungkas<sup>2</sup>

<sup>1,2</sup>Program Studi Magister Manajemen, Fakultas Ekonomi Dan Bisnis, Universitas Muhammadiyah Yogyakarta, Indonesia  
y.syahadatun.psc23@mail.umy.ac.id, wihandaru@umy.ac.id

---

## Abstract

The accrual-based Government Accounting Standards (GASB) are the first step towards improving accountability and transparency in state financial management. To assist all work units in financial reporting, planning, and execution, the Indonesian government developed the Agency Level Financial Application System (SAKTI), an integrated system under the Ministry of Finance. The extensive implementation of SAKTI, initiated in 2022, will provide difficulties, particularly with internal control systems and human resource preparedness. This study focuses on the following variables: The implementation of SAKTI, human resource expertise, internal controls, and adherence to financial management standards all impact the quality of governmental financial reporting. 232 participants from KPPN Magelang partner work units took part in the study, which used a quantitative methodology using the AMOS 24 program and structural equation modelling (SEM). According to research, internal control, HR knowledge, and SAKTI may all greatly raise the calibre of government financial reports. The findings of the study highlight the need of combining human resource skills, accounting information technology, and strong governance to guarantee accurate and accountable government financial reporting. Developing strategic plans for managing public finances in the digital age can be informed by these insights.

**Keywords:** SAKTI, HR competency, internal control, quality of financial reports.

---

## INTRODUCTION

According to Government Regulation Number 71 of 2010 concerning Government Accounting Standards, the main goals of financial reports are to evaluate the state of the economy, the effectiveness and efficiency of a reporting entity, verify that statutory regulations are being followed, and ascertain how much money is being used for government operations. Additionally, whether the money comes from taxes, levies, or other sources, government financial reports serve solely to hold the public accountable for how the government manages public monies. The following qualitative attributes must be included in financial reports: they must be comparable, reliable, relevant, and understandable, according to the legislation governing reporting businesses. When creating financial reports, you must adhere to the qualitative requirements, which are standards that must be met by accounting data in order for financial reports to be considered high quality.

The government is required to fulfill all these criteria so as not to cause weaknesses in terms of administration, inefficiency and ineffectiveness. Information is said to be useful if there is a change in data in a certain context (Dr. Wendy Sepmady Hutahaean S. M. T, 2021). Studying the facts surrounding Indonesia's government financial reporting issue is intriguing since the financial reports do not accurately reflect the degree of accountability of the relevant government (Ariska et al., 2019). Government financial reporting is intended to help the public discharge their responsibilities and make appropriate financial, societal, and political choices (Tywoniak et al., 2009). The analysis of financial circumstances, assessment of the value of financial resources utilized in governmental operations, evaluation of the efficacy and efficiency of reporting organisations, and facilitation of legal and regulatory compliance are all essential functions of financial reports (Erniati, 2019).

Government financial reports include the Budget Realization Report (LRA), Cash Flow Report (LAK), Balance Sheet, Operational Report (LO), Report on Changes in Excess Budget Balance (LPSAL), and

Report on Changes in Equity (LPE). Government agencies can show the public that they are accountable for their financial performance through these financial reports. To ensure these reports are beneficial to stakeholders, the government must present high-quality and reliable financial statements. Public sector organizations strive for high-quality financial reports as a way to fulfill their accountability for the power granted to them (Dewi & Susilowati, 2022). The Financial Audit Agency's (BPK) judgments might also be a reflection of high-quality financial reports. Government financial reports must provide information that is helpful, meaning it should aid in decision-making and improve comprehension for those who use them. Accounting in the financial sector has experienced appropriate developments with the progress of time. Current government institutions must follow accounting developments because information users, in this case the public, demand accountability and transparency. The government is required to provide data derived from financial reports in order to make decisions. This allows people to use the information that has been released. If information is comprehensible, reliable, and applicable to its consumers, it will be considered valuable.

It is hoped that the implementation of an Accounting Information System in other agencies or organizations can improve the performance of Work Units (Satker) so that they become more effective and efficient and have accurate and easily accessible data. The government also does this through the System application Agency Level Financial Application (SAKTI) to improve agency performance, especially in recording work unit transactions and managing the work unit's financial budget. The Institutional Level Financial Application System facilitates work units in implementing the State Treasury and Budget System (SPAN) and executing financial management, including planning and budget responsibility. This application will facilitate all work units in using a cohesive platform and accessing a common database. The modules contained in the SAKTI application are a replacement for all the applications used by the work unit so far (Anwar & Hadi, 2022).

The adoption of accrual-based Government Accounting Standards with an integrated application system is mandated by PMK No. 270/2014 of the Indonesian government. SAKTI application, which is regulated in PMK No. 223/PMK.05/2015, replacing a number of financial applications such as RKAKL DIPA, SIMAK BMN, SAS, and SAIBA, into one single database-based platform. The aim is to simplify the process of managing and reporting the APBN, as well as increasing the accuracy and efficiency of information. Although initially only the budgeting module was used, PMK No. 171/PMK.05/2021 stipulates full implementation of all SAKTI modules starting in 2022, making it a big challenge for all work units. Technological developments encourage the modernization of the government's financial reporting process to make it more transparent and accountable. SAKTI, which will be launched nationally in 2022, aims to unify the financial system from the budgeting to reporting stages. In addition to technical considerations, the Directorate General of Treasury Regulation No. PER-8/PB/2023 highlights the importance of internal control (PIPK and APIP) in ensuring the accuracy of reports. This implementation aims to promote accountability and transparency in governmental finances in response to the BPK's conclusions. It is anticipated that SAKTI would be able to provide accrual-based financial reports that are accurate, relevant, and helpful for public decision-making (Budi Akantu, 2024; Saepulloh, 2022; Sulistyono, 2019).

Diverse viewpoints have been generated by research on how accounting information application platforms affect the quality of financial reports. The quality of financial reporting is improved when accounting information system software is used (Dewi Anggadini et al., 2023; Firdau, 2018; Mardinan et al., 2018; Muda et al., 2018; Munir et al., 2018; Ramdany & Setiawan, 2021; Yusran, 2023). However, research conducted by (Jatmiko et al., 2020; Rahmat & Maulina, 2024; Sumaryati et al., 2020; Yanti & Made, 2020) asserts that the utilisation of accounting data has no effect on the calibre of financial reporting.

There is a distinction, as indicated by research conducted on the correlation between financial reporting quality and human resource capabilities. Another study demonstrated that financial reporting quality is positively influenced by human resource knowledge (Dewi Anggadini et al., 2023; Firdau, 2018; Fransisca Ayu Ditya Hapsari, 2019; Jatmiko et al., 2020; Mardinan et al., 2018; Rahmat & Maulina, 2024; Sumaryati et al., 2020; Tarigan & Sari, 2021; Umar et al., 2018). Meanwhile, the results of research conducted by (Desipradani & Nuraini, 2018; Latuconsina, 2019; Ramdany & Setiawan, 2021; Tarigan & Sari, 2021; Tiarno & Budiwitjaksono, 2023) causes HR to negatively impact the quality of financial reporting.

Internal control has a major influence on the accuracy of financial reporting, according to research (Dewi Anggadini et al., 2023; Jatmiko et al., 2020; Mardinan et al., 2018; Ramdany & Setiawan, 2021; Umar et al., 2018; Wibowo & Darmanto, 2020). However, the results of research conducted by (Desipradani & Nuraini, 2018; Muda et al., 2018; Munir et al., 2018; Sumaryati et al., 2020; Tarigan & Sari, 2021).

There is a research vacuum as a consequence of the contradictory findings of past studies, some of which were favorable and some of which were unfavorable, regarding the influence of independent factors on the caliber of financial reports. The author wants to look into how the Institutional Level Financial Application System, Human Resource Quality, Internal Control, and Compliance with Financial Management Provision relate to the quality of Government Financial Reports because there is a research gap that indicates prior findings differ from what actually occurs in the field.

The issue formulation in this study is as follows, taking into account the problem's history as previously explained by the researcher:

1. Does the implementation of the Agency-Level Financial Application System (SAKTI) positively and significantly impact the quality of government financial reports?
2. Does the quality of human resources (HR) in the financial sector have a positive and significant effect on the quality of government financial reports?
3. Does internal control positively and significantly influence the quality of government financial reports?
4. Does compliance with financial management regulations moderate the influence of the quality of human resources (HR) on the quality of government financial reports?

The following are the research's goals, which are based on the issue formulation and background description:

1. Examine and assess how the Agency-Level Financial Application System (SAKTI) installation has improved and significantly impacted the calibre of government financial reporting.
2. Test and analyze the positive and significant influence of HR Competency in the Financial Sector on the quality of government financial reports.
3. Test and analyze the positive and significant influence of Internal Control on the quality of government financial reports.
4. Testing and analyzing compliance with financial management regulations moderates the influence of the quality of Human Resources (HR) on the quality of government financial reports.

This research is anticipated to be beneficial to a number of parties. This research demonstrates the correlation between the quality of financial reporting and the Institutional Level Financial Application System (SAKTI), internal control, compliance with financial management regulations, and HR skills. This enables the execution of strategies that are designed to satisfy customer requirements and achieve organizational objectives. It is anticipated that the findings of this investigation will offer financial management professionals a novel viewpoint.

## **HYPOTHESIS**

H1: There is a positive influence of SAKTI implementation on the quality of government financial reports

H2: There is a positive influence of human resource competence on the quality of government financial reports

H3: There is a positive influence of internal control on the quality of government financial reports

H4: The quality of human resources (HR) has a stronger impact on the quality of government financial reporting when financial management laws are followed.

## **RESEARCH METHODOLOGY**

### **1. Research Subjects and Objects**

This research was conducted at the Magelang State Treasury Services Office (KPPN) Partner Work Unit which consists of 58 Work Units and each work unit has 4 to 6 government financial managers.

### **2. Sampling Technique**

A population is a broad category comprising items or people with specific characteristics and attributes selected by the researcher for examination, from which conclusions are subsequently drawn. The study's population consisted of employees from the KPPN Magelang Partner Work Unit. The sample approach used in this investigation was purposeful sampling.

### **3. Data Type**

The key data sources used in this study are those that were gathered straight from the source, bypassing any middlemen. Respondents were given questionnaires to complete in order to gather data that was accurate and in line with actual circumstances. The use of primary data allows researchers to explore a deeper understanding of the variables studied, so that research results can be more relevant and valid.

#### 4. Data Collection Techniques

Questionnaires were distributed directly to the field in order to capture data. Out of the 286 questionnaires that were distributed, 232 were returned and met the criteria for analysis. The questionnaire was prepared according to research objectives to explore respondents' understanding, and the results represent real conditions accurately enough for further analysis.

#### 5. Operational Definition of Research Variables.

The research data is measured using a Likert scale. The Likert scale measures respondents' opinions, beliefs, and perceptions across several subjects.

#### 6. Data Quality Test

Before being used in the field, the questionnaire is tested for validity and reliability to ensure the instrument is suitable for use in research. An instrument is considered good if it meets the requirements of validity, reliability and practicality. Using item-total correlation analysis and Pearson Product Moment, the validity test was conducted; if  $r > 0.30$ , it was deemed valid. Cronbach's Alpha is used in the reliability test; if  $\alpha > 0.60$ , the test is considered trustworthy. The study's findings demonstrate that every indicator has values that satisfy these requirements, proving the validity and dependability of the tools used. By fulfilling these conditions, the data collected is considered valid and trustworthy for further analysis.

#### 7. Hypothesis Testing and Data Analysis

In this study, data utilising AMOS 24 is evaluated using the Structural Equation Modelling (SEM) approach. SEM is used to evaluate causal linkages between variables, the model's applicability to empirical data, and the unidimensionality of indicators. Testing includes normality tests, outliers, model identification, and goodness-of-fit evaluation.

## RESULTS AND DISCUSSION

### Descriptive Statistical Analysis

Descriptive statistical analysis determines the description of each research variable examined using descriptive statistics. The collected data will be used to calculate the maximum, minimum, average, and standard deviation values.

#### Descriptive Table of SAKTI Implementation Variables

Implementation of SAKTI	N	Min	Max	Mean	Std. Deviation
IS1	232	1	5	3.31	0.886
IS2	232	1	5	3.45	0.915
IS3	232	1	5	3.43	0.909
IS4	232	1	5	3.33	0.841
IS5	232	1	5	3.37	0.868
IS6	232	1	5	3.06	0.976
Average				3.33	

Descriptive statistical testing of the SAKTI Implementation Variable obtained an average value of 3.33 ranging from a minimum of 1 to a maximum of 5.

#### Descriptive Table of HR Competency Variables

HR Competency	N	Min	Max	Mean	Std. Deviation
KS1	232	1	5	3.46	0.901
KS2	232	1	5	3.46	0.882
KS3	232	1	5	3.58	0.813
Average				3.50	

Descriptive statistical testing of the HR Competency Variable obtained an average value of 3.50 ranging from a minimum of 1 to a maximum of 5.

### Descriptive Table of Internal Control System Variables

Internal Control System	N	Min	Max	Mean	Std. Deviation
SP1	232	1	5	3.09	0.996
SP2	232	1	5	3.10	1.050
SP3	232	1	5	3.13	1.024
SP4	232	1	5	3.01	0.987
SP5	232	1	5	3.00	0.978
SP6	232	1	5	2.97	0.997
SP7	232	1	5	3.13	1.035
Average				3.06	

The Internal Control System Variable's descriptive statistical testing yielded an average value of 3.06, with ranging from a minimum of 1 to a maximum of 5.

### Descriptive Table of Compliance Variables with Regulations

Obedience to Rules	N	Min	Max	Mean	Std. Deviation
M1	232	2	5	3.38	0.768
M2	232	2	5	3.39	0.782
Average				3.39	

Descriptive statistical testing of the Compliance with Regulations variable obtained an average value of 3.39 ranging from a minimum of 2 to a maximum of 5.

### Descriptive Table of Government Financial Report Quality Variables

Quality of Government Financial Reports	N	Min	Max	Mean	Std. Deviation
KL1	232	1	5	3.00	0.987
KL2	232	1	5	3.00	0.933
KL3	232	1	5	2.94	0.950
KL4	232	1	5	3.01	0.928
KL5	232	1	5	2.95	0.996
KL6	232	1	5	3.00	1.000
Average				2.98	

The Government Financial Report Quality Variable's descriptive statistical testing yielded an average value of 2.98, with ranging from a minimum of 1 to a maximum of 5.

## A. Instrument and Data Quality Test

### 1. Validity Test

The following table presents the conclusions based on the AMOS validity test results:

#### Validity Test Results Table

Variable	Indicator	Factor Loading	Law	Information
Implementation of SAKTI	IS1	0.843	> 0.5	Valid
	IS2	0.834		Valid
	IS3	0.815		Valid
	IS4	0.762		Valid
	IS5	0.784		Valid
HR Competency	KS1	0.855	> 0.5	Valid
	KS2	0.833		Valid
	KS3	0.832		Valid

Variable	Indicator	Factor Loading	Law	Information
Internal Control System	SP1	0.891	> 0.5	Valid
	SP2	0.800		Valid
	SP3	0.548		Valid
	SP4	0.955		Valid
	SP5	0.905		Valid
	SP6	0.858		Valid
	SP7	0.841		Valid
Obedience to the Rules	M1	0.883	> 0.5	Valid
	M2	0.888		Valid
Quality of Government Financial Reports	KL1	0.914	> 0.5	Valid
	KL2	0.843		Valid
	KL3	0.896		Valid
	KL4	0.813		Valid
	KL5	0.856		Valid
	KL6	0.875		Valid

Each item in the validity test, which contained 24 questions and 232 respondents, had a loading factor value more than 0.50, indicating that it was deemed appropriate for usage.

## 2. Reliability Test

The following formula may be used to measure reliability:

$$\text{Construct Reliability} = \frac{(\sum \text{Factor Loading})^2}{(\sum \text{Factor Loading})^2 + \sum \text{Measurement Error}}$$

$$\text{Variance Extracted} = \frac{\sum \text{Factor Loading}^2}{\sum \text{Factor Loading}^2 + \sum \text{Measurement Error}}$$

$$\text{Measurement Error} = 1 - \text{Factor Loading}^2$$

### Reliability Test Results Table

Variable	CR	Law	VE	Law	Information
Implementation of SAKTI	0.904	> 0.7	0.653	> 0.5	Reliable
HR Competency	0.879		0.706		Reliable
Internal Control System	0.941		0.701		Reliable
Obedience to the Rules	0.879		0.784		Reliable
Quality of Government Financial Reports	0.948		0.751		Reliable

The results of the research are regarded as reliable if the variance obtained is larger than 0.5 and the construct reliability value is greater than 0.7. According to the study's findings, the five research variables' CR and VE values are, respectively, more than 0.7 and less than 0.5. These findings indicate that the overall research instrument is dependable, allowing its use in this study.

## 3. Instrument Test Conclusion

All statement indicators had a confirmatory factor analysis (CFA) value greater than 0.5, according to the findings of the CFA, which was used to evaluate the validity of the 24-question indicators. As a result, every statement indication in this research is relevant. Following construct reliability testing, it is determined that all of the research's instruments have loading factors more than 0.7, indicating that they may all be employed.

## B. Research Results (Hypothesis Testing)

### a. Discussion of Models Based on Theory

The previously described data analysis idea serves as the foundation for the model construction in this study. Generally speaking, the model has three independent variables: Internal Control System (SP), HR Competency (KS), and SAKTI Implementation (IS). It also has one dependent variable, Quality of Government Financial Reports (KL), and one moderating variable, Regulation Compliance (M).

### b. Drawing up a Flowchart (Path Diagram)

The next stage after creating the theoretical model is to organize it into a flow diagram, which will facilitate the visualization of the causal links that will be examined. Arrows in a flow diagram will show how the various constructions relate to one another.

Direct causal linkages between one building and another are shown by straight arrows. In structural equation modeling (SEM), the connection between variables is measured.

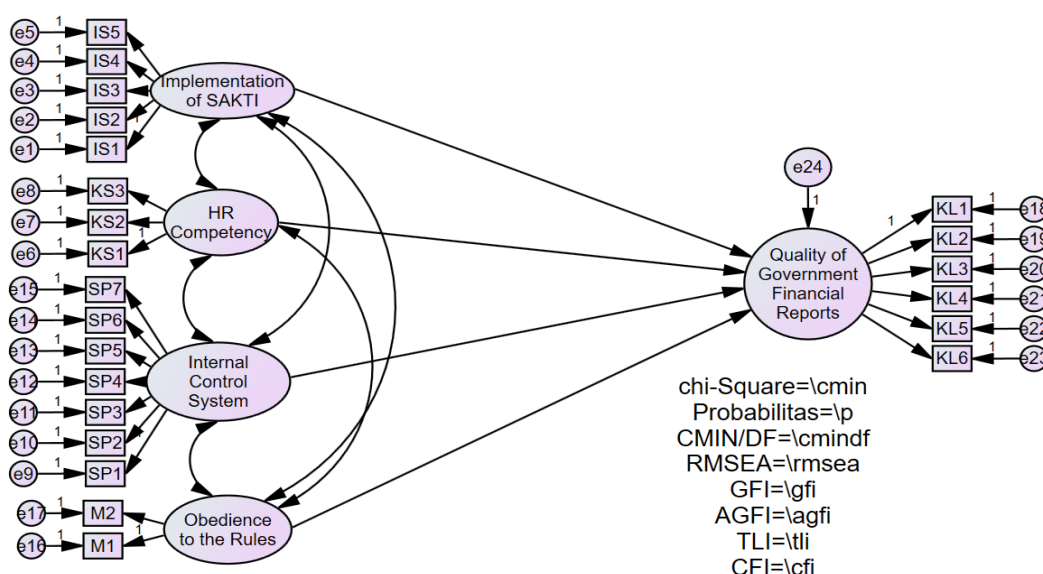


Figure 1.1 Flowchart

### c. Converting Flowcharts into Structural Equations

The equation structured in manner is then used to represent the model that was given in the flow diagram in step 2.

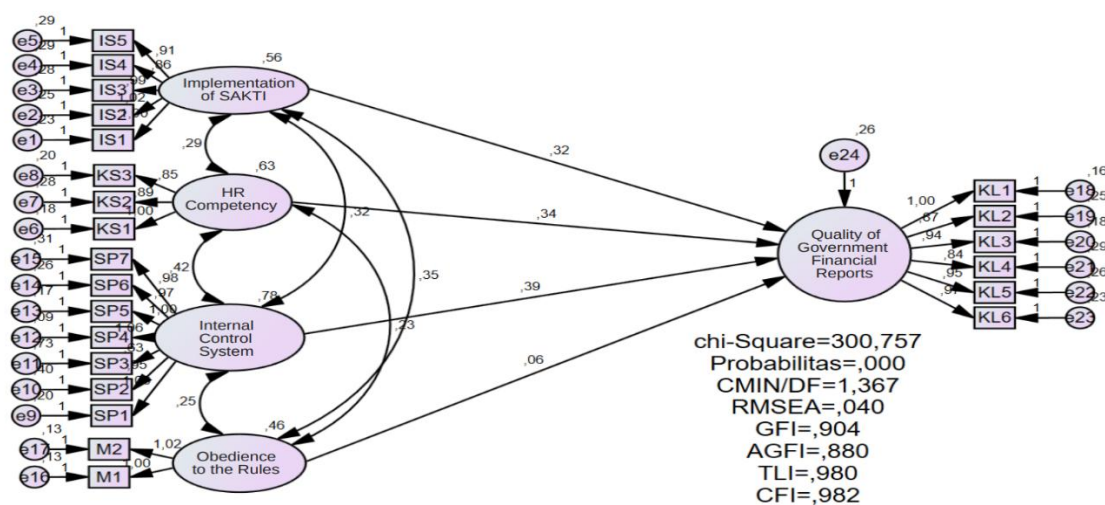


Figure 1.2 Structural Equation

The following basic structural model could account for the results of chi-square = 300.757, probability = 0.000, GFI = 0.904, AGFI = 0.880, RMSEA = 0.040, CMIN/DF = 1.367, TLI = 0.980, and CFI = 0.982.

**d. Matrix Input and Model Estimation**

Correlation and covariance are the input matrices used. Maximum likelihood (ML) estimation is the estimation model used. The following assumptions have been used to fulfill the ML estimation:

**1) Sample Size**

There were 232 responders in the study's sample. Typical samples range from 100 to 200, depending on the specifications. As a result, the study's sample size satisfies the SEM test's assumptions.

**2) Data Normality Test**

The kurtosis and skewness values of the data distribution are utilised to compute the z-value, also known as the critical ratio or C.R. in the AMOS output, which is employed in the normality test. At a significance level of 0.01, the critical value is  $\pm 2.58$ . The following table shows the results of the data normality test:

**Table of Normality Test Results**

Variable	min	max	skew	c.r.	kurtosis	c.r.
KL6	1.000	5.000	-.122	-.756	-.276	-.858
KL5	1.000	5.000	-.186	-1.155	-.400	-1.245
KL4	1.000	5.000	-.188	-1.172	-.488	-1.518
KL3	1.000	5.000	-.101	-.629	-.451	-1.402
KL2	1.000	5.000	-.201	-1.250	-.326	-1.014
KL1	1.000	5.000	-.073	-.452	-.265	-.825
M2	2.000	5.000	.061	.379	-.415	-1.289
M1	2.000	5.000	-.121	-.753	-.501	-1.558
SP7	1.000	5.000	-.228	-1.417	-.434	-1.349
SP6	1.000	5.000	-.132	-.820	-.585	-1.818
SP5	1.000	5.000	-.130	-.811	-.300	-.931
SP4	1.000	5.000	-.270	-1.677	-.250	-.777
SP3	1.000	5.000	.006	.040	-.749	-2.328
SP2	1.000	5.000	-.356	-2.213	-.327	-1.016
SP1	1.000	5.000	-.261	-1.622	-.289	-.900
KS3	1.000	5.000	-.106	-.660	-.240	-.746
KS2	1.000	5.000	-.091	-.564	-.558	-1.736
KS1	1.000	5.000	.005	.029	-.616	-1.915
IS5	1.000	5.000	-.063	-.393	-.400	-1.244
IS4	1.000	5.000	-.118	-.735	-.363	-1.127
IS3	1.000	5.000	-.007	-.044	-.660	-2.052
IS2	1.000	5.000	-.119	-.738	-.549	-1.707
IS1	1.000	5.000	.074	.463	-.455	-1.414
Multivariate					-8.586	-1.928

The table displays the multivariate normality test. Since the value of -1.928 falls within the range of  $\pm 2.58$  ( $-2.58 < -1.928 < 2.58$ ), the data satisfies standard assumptions.

**3) Identify Outliers**

The AMOS output Mahalanobis Distance is used to evaluate multivariate outliers. At the  $p < 0.001$  level, the conditions were applied. The number of measured variables used in the study, or X2 in degrees of freedom, is used to determine the distance. Since 24 is the query item in this instance, compute it in the Excel application using the following formula: =CHIINV (0.001,24):

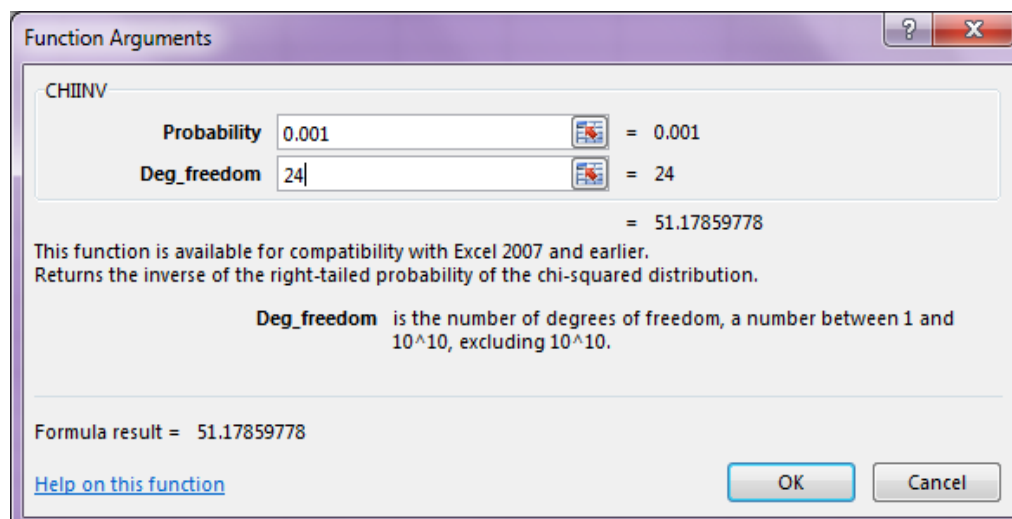


Figure 1.3 Mahalanobis Distance Boundary Value

The result is 51,179. This means that all data or cases greater than 51.179 are multivariate outliers.

**Outliers Test Results Table**

Observation number	Mahalanobis d-squared	p1	p2	Observation number	Mahalanobis d-squared	p1	p2
153	41.477	.010	.912	126	26.607	.273	.973
139	40.589	.013	.812	106	26.595	.274	.963
144	40.483	.014	.610	21	26.592	.274	.950
122	40.249	.014	.430	38	26.570	.275	.936
99	39.971	.015	.291	182	26.379	.283	.951
168	37.161	.031	.735	137	26.256	.289	.955
16	36.615	.036	.724	18	26.216	.291	.945
136	36.306	.038	.669	72	26.191	.292	.932
163	35.427	.047	.769	5	26.189	.292	.911
113	34.626	.057	.851	32	26.167	.293	.891
26	33.971	.066	.899	225	26.166	.293	.861
2	33.166	.078	.955	172	26.161	.293	.827
73	31.674	.107	.998	119	26.155	.294	.790
193	31.627	.108	.996	57	26.082	.297	.780
216	31.471	.112	.994	81	26.020	.300	.765
207	31.415	.113	.991	41	25.997	.301	.730
157	31.276	.116	.988	49	25.895	.306	.736
14	31.001	.123	.990	145	25.851	.308	.710
60	30.709	.130	.992	52	25.551	.323	.812
130	30.693	.131	.986	156	25.317	.334	.868
181	30.375	.139	.990	53	25.313	.334	.837
68	30.251	.142	.988	30	25.094	.345	.884
197	30.078	.147	.988	90	25.081	.346	.859
150	30.051	.148	.981	91	25.057	.347	.836
17	29.956	.151	.977	12	24.980	.351	.832
82	29.782	.156	.977	109	24.776	.362	.877
58	29.566	.162	.980	24	24.715	.365	.869
162	29.507	.164	.973	176	24.697	.366	.845
115	29.395	.168	.970	35	24.646	.369	.831

Observation number	Mahalanobis d-squared	p1	p2	Observation number	Mahalanobis d-squared	p1	p2
71	29.263	.172	.968	6	24.639	.369	.798
78	29.207	.174	.958	186	24.599	.371	.777
54	28.967	.181	.968	192	24.586	.372	.742
231	28.928	.183	.957	174	24.490	.377	.749
39	28.763	.188	.960	47	24.271	.389	.817
74	28.594	.194	.963	65	24.191	.393	.818
169	28.581	.195	.949	223	24.087	.399	.828
112	28.452	.199	.948	196	24.011	.403	.827
50	28.379	.202	.939	211	23.986	.405	.802
1	27.893	.220	.979	3	23.947	.407	.783
8	27.890	.220	.969	56	23.946	.407	.742
118	27.781	.224	.968	220	23.904	.409	.722
226	27.752	.225	.958	151	23.902	.409	.676
164	27.572	.232	.965	22	23.875	.411	.644
165	27.487	.236	.961	125	23.849	.412	.610
87	27.433	.238	.953	159	23.819	.414	.579
28	27.258	.245	.961	175	23.806	.415	.536
190	27.216	.247	.952	10	23.759	.417	.514
42	27.161	.249	.943	97	23.729	.419	.482
105	26.877	.261	.967	147	23.560	.429	.547
4	26.865	.262	.955	232	23.547	.429	.503

The Mahalanobis Distance value is shown in the above table; no value higher than 51.179 was found in the analyzed data. Therefore, it may be concluded that the data does not include any outliers.

#### 4) Structural Model Identification

##### Structural Model Identification Table

Number of distinct sample moments:	276
Number of distinct parameters to be estimated:	56
Degrees of freedom (276 - 56):	220

A model df value of 220 is shown by the AMOS output data. This suggests that the model is overidentified since the df value is positive. After then, data analysis might go on to the next phase.

#### 5) Assessing Criteria Goodness of Fit

Results goodness of fit shown in the following data:

##### Table Assessing Goodness of Fit

Goodness of fit index	Cut-off value	Research Model	Model
Chi-square	< 255,602 (df=220; a=0,05)	300.757	Not Fit
Significant probability	≥ 0.05	0.000	Not Fit
RMSEA	≤ 0.08	0.040	Fit
GFI	≥ 0.90	0.904	Fit
AGFI	≥ 0.90	0.880	Marginal
CMIN/DF	≤ 2.0	1.367	Fit
TLI	≥ 0.90	0.980	Fit
CFI	≥ 0.90	0.982	Fit

The table's results demonstrate that the research model is almost an excellent match model.

a) RMSEA

The RMSEA value of this research can be seen in the table:

**RMSEA Results Table**

Model	RMSEA
Default model	.040
Independence model	.279

From the table it can be seen that the RMSEA result is 0.040. This shows the fit results because the value is less than 0.08.

b) GFI

The following table displays the GFI value for this study:

**GFI Results Table**

Model	GFI
Default model	.904
Saturated model	1.000
Independence model	.155

According to the table, the GFI result is 0.904. Fit is indicated because the result is greater than 0.9.

c) AGFI

The AGFI value can be seen from the following table:

**AGFI Results Table**

Model	AGFI
Default model	.880
Saturated model	
Independence model	.078

The AGFI result is 0.880, as shown in table 4.20. The number is about 0.9, indicating marginal fit results.

d) CMIN/DF

The CMIN/DF values can be seen in the following table:

**CMIN/DF Results Table**

Model	CMIN/DF
Default model	1.367
Saturated model	
Independence model	19.025

From the table it can be observed that the CMIN/DF result is 1.367. This indicates fit since the value is less than 2.

e) TLI

The TLI results can be seen in the following table:

**TLI Results Table**

Model	TLI rho2
Default model	.980
Saturated model	
Independence model	.000

From the table it can be seen that the TLI result is 0.980. This shows the fit results because the value is greater than 0.9.

f) CFI

The CFI results can be seen in the following table:

CFI Results Table

Model	CFI
Default model	.982
Saturated model	1.000
Independence model	.000

From the table it can be seen that the CFI result is 0.982. This shows that the results are fit because the value is greater than 0.9.

C. Hypothesis testing

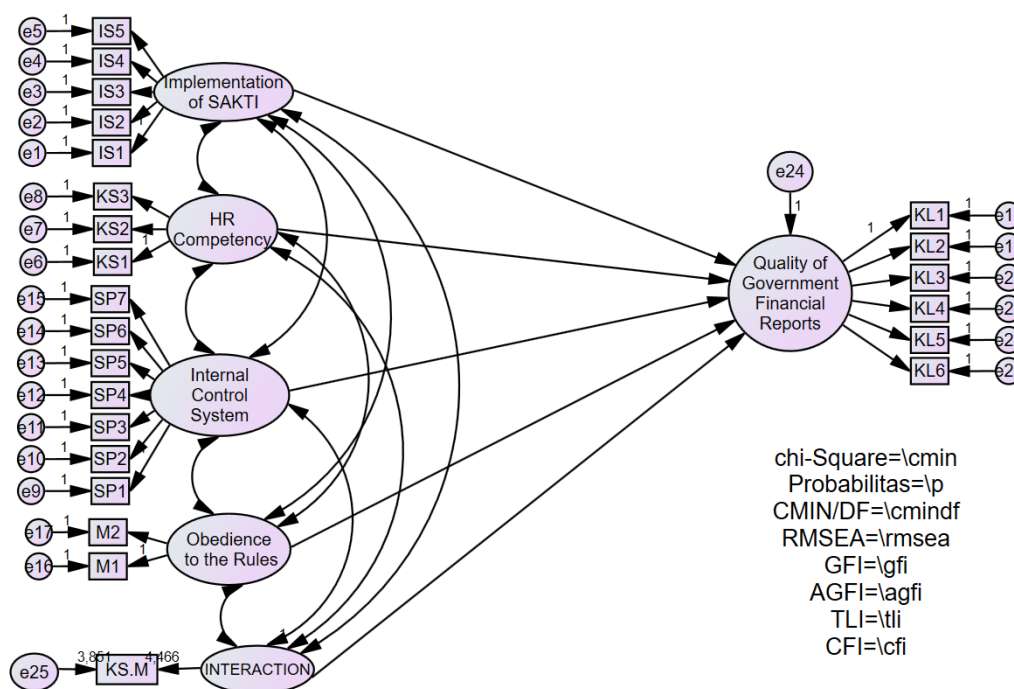


Figure of Hypothesis Modeling Structure

To address the study issues or examine the links between the structural models, hypothesis testing is done. The standardized regression weight value in the following table illustrates hypothetical data analysis by showing the coefficient of influence between variables:

Table of Hypothesis Testing Results

No.	Hypothesis	Estimate	S.E.	C.R.	P	Results
H1	Implementation of SAKTI → Quality of Government Financial Reports	0.324	0.088	3.700	***	Accepted
H2	HR Competency → Quality of Government Financial Reports	0.352	0.070	5.013	***	Accepted
H3	Internal Control System → Quality of Government Financial Reports	0.381	0.060	6.305	***	Accepted
H4	HR Competency*Compliance with Regulations → Quality of Government Financial Reports	0.004	0.001	2.522	0.012	Accepted

With a value higher than 1.96, the data processing table shows that the CR value has an effect. When the p-value is less than 0.05, the impact is recognized. The following table provides a comprehensive overview of this:

a. Hypothesis 1 (H1)

The estimated parameter of 0.324 and the C.R. value of 3.700 show that using SAKTI improves the quality of government financial reporting. This suggests that the more effectively SAKTI is employed, the more accurate government financial reporting will be, and the reverse is also true. In the study of the association between these two variables, a significant influence is indicated by a probability value of 0.000 ( $p < 0.05$ ). Thus, (H1) says "**Implementation of SAKTI has a positive and significant effect on the quality of government financial reports**" accepted.

b. Hypothesis 2 (H2)

With a calculated parameter of 0.352 and a C.R. value of 5.013, the quality of government financial reports is positively correlated with HR expertise. This suggests that when HR competence rises, government financial reporting quality will rise as well, and vice versa. The probability value is 0.000 ( $p < 0.05$ ) when these two variables are examined for a link, suggesting a significant effect. Accordingly, (H2) claims "**HR competency has a positive and significant effect on the quality of government financial reports**" accepted.

c. Hypothesis 3 (H3)

The CR value of 6.305 and the predicted parameter of 0.381 show that the internal control mechanism has improved the calibre of government financial reporting. Therefore, government financial reporting will be enhanced by a more robust internal control system, and vice versa. The probability value of 0.000 has a substantial impact on the association between the two variables ( $p < 0.05$ ). Thus, (H3) says "**The Internal Control System has a positive and significant effect on the Quality of Government Financial Reports**" accepted.

d. Hypothesis 4 (H4)

The computed C.R. value is 2.522, and the calculated parameter is 0.004. This implies that government financial reporting is of higher quality when HR capability is limited by regulatory compliance. This indicates that enhanced HR capabilities and heightened regulatory compliance will impact the quality of government financial reporting. A probability value of 0.012 ( $p < 0.05$ ) was found while examining the connection between these two variables, showing that there is no significant effect. So (H4) states "**Compliance with Regulations is able to moderate the influence of HR Competency on the Quality of Government Financial Reports**" accepted.

## D. DISCUSSION

### 1. The influence of SAKTI implementation on the quality of government financial reports

With an estimated parameter of 0.324 and a C.R. value of 3.700, it is evident that SAKTI implementation has a beneficial impact on the calibre of government financial reports. This means that the better the implementation of SAKTI, the quality of government financial reports will increase, and vice versa. A probability value of 0.000 ( $p < 0.05$ ) indicates a substantial effect when the association between these two variables is tested. Thus, it is agreed that "Implementation of SAKTI has a positive and significant effect on the Quality of Government Financial Reports" (H1).

In order for the information needs of a government agency to be met, it is necessary to be prepared in terms of integrated information system technology to be able to meet the needs and objectives of the work unit (Amini et al., 2023). Meanwhile, a quality financial report will be a basis for making decisions and strategies that are appropriate to real conditions. One instrument that may help the government create financial reports is a financial information system. In this instance, the deployment of the SAKTI system is anticipated to enhance the caliber of government financial reporting.

Testing study data indicated that the quality of government financial reporting was significantly impacted by the implementation of SAKTI. A system is a collection of two or more components that work and are interconnected in order to realize certain goals, so that it can produce an output through a set of interconnected subsystems, components or elements. By implementing SAKTI, government financial information that is of good quality and can be more accountable will be produced.

In line with (Amini et al., 2023) who in their research concluded that the Implementation of the Institutional Level Financial Application System (SAKTI) had a positive effect on the quality of RSJ Dr. RSJ's financial reports. Radjiman Wediodiningrat Lawang.

## **2. The influence of human resource competency on the quality of government financial reports**

HR experience enhances the quality of government financial reports, as shown by the calculated parameter of 0.352 and the C.R. value of 5.013. Therefore, the quality of government financial reporting will rise in tandem with HR capability, and vice versa. The analysis of the association between these two variables is significantly affected when the probability value is 0.000 ( $p < 0.05$ ). Thus, it is possible to support the claim that "HR Competency exerts a positive and significant influence on the quality of government financial reports" (H2).

Human resource competency is the most crucial element for a job's seamless operation. When it comes to effective financial management, human resources who are knowledgeable about and adept at using information technology must be in charge (Kansah et al., 2023). Basically, human resources who have good competencies will have good abilities so that it is easier to prepare and present a financial report.

In order to produce a good financial report, it is necessary to have human resources with qualified quality. It is important for human resources in government institutions who are responsible for making financial reports to have an educational background in accounting, have participated in training and education activities, and have experience in the financial sector. Having competent human resources will improve comprehension and knowledge of accounting, which will improve the capacity to provide financial reports. Thus, it has been shown that the integrity of governmental financial reporting is favourably impacted by human resource competence.

According to the findings of Azri (2023), human resource competence has an influence on the caliber of government financial reporting.

## **3. The influence of internal control on the quality of government financial reports**

With a C.R. value of 6.305 and an expected parameter of 0.381, the Internal Control System positively affects the quality of government financial reports. This means that the better the Internal Control System, the quality of Government Financial Reports will increase, and vice versa. When the relationship between these two variables is examined, a probability value of 0.000 ( $p < 0.05$ ) indicates a significant influence. Since "The Internal Control System has a positive and significant effect on the Quality of Government Financial Reports" (H3), it is generally agreed upon.

The internal control system at an agency or organization seeks to provide assurance that objectives will be accomplished successfully and economically (Kansah, Utamingtyas & Fauzi, 2023). Thus, one of the elements that may influence the success of government financial reports is having an effective control system. This contributes to the government's efforts to provide high-quality financial reports.

Every institution or organization must implement an internal control system as part of risk management in order to accomplish its objectives. Sufficient internal control will increase stakeholder trust and provide them enough assurance that financial reports are reliable or accurate (Mulyati, Faridah & Prawiranegara, 2019). The enhancement of internal control significantly improves the quality of financial reports; as internal control is strengthened; government financial reports are anticipated to improve correspondingly.

A research established a robust positive correlation between the internal control system and the quality of financial reports (Mulyati, Faridah & Prawiranegara, 2019). The quality of financial reporting was positively correlated with the effectiveness of the internal control system.

## **4. Compliance with financial management regulations strengthens the influence of Human Resources (HR) quality on the quality of government financial reports**

The computed C.R. value is 2.522, and the estimated parameter is 0.004. This illustrates how regulatory compliance lessens the positive effect of HR expertise on the quality of government financial reporting. This suggests that increased HR competence will lead to greater regulatory compliance and higher-quality government financial reporting. A probability value of 0.012 ( $p < 0.05$ ) was obtained when evaluating the association between these two variables, indicating that there is no discernable impact. Thus, it is true to say that "Compliance with Regulations is capable of mitigating the impact of HR Competency on the quality of government financial reports" (H4).

The financial reports of public sector organizations are sound due to the financial reporting requirements and Government Accounting Standards (SAP) (Dewata, Sari, Jauhari & Lestari, 2020).

Meanwhile, the quality of financial reports may be impacted by human resources and the extent of compliance with financial management standards.

The study's conclusions imply that following financial management guidelines might enhance both human resources (HR) and government financial reporting. Additionally, the availability of qualified human resources in the accounting industry will increase the possibility of having the knowledge and abilities needed to produce high-quality financial reports. Since human resources already know and understand what needs to be done to guarantee that the financial reports are created, finalized, and presented in a timely and high-quality way, their capacity to develop financial reports will save time (Pebriani, 2019). Compliance with financial management rules will then make this even better since it will reduce the likelihood of financial fraud and result in higher-quality reports.

This result aligns with (Pebriani's (2019) research, which indicated that the quality of LKPD supplied by the government's internal control system is influenced by human resource competence.

## CONCLUSION

1. The estimated parameter of 0.324 and the C.R. value of 3.700 demonstrate that the deployment of SAKTI improves the caliber of government financial reports. This suggests that the more successfully SAKTI is used, the better government financial reports will be, and vice versa. The probability value is 0.000 ( $p < 0.05$ ) when these two variables are examined for a relationship, suggesting a significant influence. So (H1) states "**Implementation of SAKTI has a positive and significant effect on the quality of government financial reports**" accepted.

2. The C.R. value of 5.013 and the expected parameter of 0.352 show that HR competency has a beneficial impact on the quality of government financial reports. This suggests that more effective HR will result in better government financial reporting, and vice versa. When these two variables are analyzed for a link, the probability value is 0.000 ( $p < 0.05$ ), indicating a substantial impact. So (H2) states "**HR competency has a positive and significant effect on the quality of government financial reports**" accepted.

3. The Internal Control System's estimated parameter of 0.381 and C.R. value of 6.305 demonstrate that it has a beneficial impact on the calibre of government financial reports. This suggests that when internal control systems improve, so will the caliber of government financial reports, and vice versa. A significant influence is shown by the probability value of 0.000 ( $p < 0.05$ ) when the correlation between these two variables is examined. So (H3) states "**The Internal Control System has a positive and significant effect on the Quality of Government Financial Reports**" accepted.

4. The estimated parameter is 0.004, and the C.R. value is 2.522. This illustrates how regulatory compliance tempers the beneficial effect of HR knowledge on the credibility of government financial reporting. This suggests that raising HR proficiency would improve government financial reporting quality and regulatory compliance. According to the association test between these two variables, there is no significant impact, as shown by the probability value of 0.012 ( $p < 0.05$ ). So (H4) states "**Compliance with Regulations is able to moderate the influence of HR Competency on the Quality of Government Financial Reports**" accepted.

## REFERENCES

1. Amini, Y., Mahsuni, A. W., & Junaidi, J. (2023). Pengaruh Implementasi Sistem Aplikasi Keuangan Tingkat Instansi (SAKTI) Terhadap Kualitas Laporan Keuangan RSJ Dr. Radjiman Wediodiningrat Lawang. *E\_Jurnal Ilmiah Riset Akuntansi*, 12(02), 1067-1075.
2. Anwar, A. I., & Hadi, M. (2022). Implementasi aplikasi SAKTI dan SPAN dalam penyusunan laporan keuangan. *Jurnal Informatika*, 1(2), 32-55.
3. Ariska, C., Masniadi, R., & Rachman, R. (2019). Penerapan sistem informasi manajemen daerah (SIMDA) terhadap kualitas laporan keuangan SKPD di kabupaten Sumbawa. *Jurnal Riset Kajian Teknologi Dan Lingkungan*, 2(1), 15-23.
4. Budi Akantu. (2024). Aplikasi SAKTI Dorong Peningkatan Kualitas Laporan Keuangan Pemerintah. <https://www.rri.co.id/keuangan/528490/aplikasi-sakti-dorong-peningkatan-kualitas-laporan-keuangan-pemerintah>.
5. Desipradani, G., & Nuraini, F. (2018). Variabel Berpengaruh Terhadap Kualitas Laporan Keuangan Pemerintah Kota Surabaya. *Majalah Ekonomi*, 23(2), 264-285.
6. Dewi Anggadini, S., Syarifudin Yahya, A., Saepudin, A., Lnu, S., Damayanti, S., & Suzana Kasim, E. (2023). Quality of Indonesia government financial statements. *Journal of Eastern European and Central Asian Research*, 10(1).
7. Dewi, D. S., & Susilowati, E. (2022). Kualitas Laporan Keuangan Memediasi Sistem pengendalian Internal Terhadap Akuntabilitas Keuangan. *Journal of Management and Bussines (JOMB)*, 4(2), 1049-1064.
8. Dr. Wendy Sepmady Hutahaean S. M. T. (2021). *Dasar Manajemen* (Ndari Pangesti (ed.); 1st ed.). Ahli Media Press.

9. Erniati. (2019). Laporan Keuangan Pemerintah Sebagai Wujud Akuntabilitas Pengelolaan Keuangan Negara. <https://Djpb.Kemenkeu.Go.Id/Kanwil/Sulteng/Id/Data-Publikasi/Berita-Terbaru/2836-Laporan-Kuangan-Pemerintah-Sebagai-Wujud-Akuntabilitas-Pengelolaan-Kuangan-Negara.Html>.
10. Firdau, M. I. (2018). Pengaruh Pemanfaatan Teknologi Informasi, Kepatuhan Atas Peraturan, dan Kompetensi SDM Terhadap Kualitas LKKL. *Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara Dan Kebijakan Publik*, 3(2), 129–142.
11. Fransisca Ayu Ditya Hapsari. (2019). Pengaruh Kualitas Sumber Daya Manusia Dan Pengelolaan Keuangan Daerah Terhadap Kualitas Laporan Keuangan Pemerintah Daerah.
12. Jatmiko, B., Irawan, D., Machmuddah, Z., & Laras, T. (2020). Factors affecting regional government financial statements: Evidence from Indonesia. *Academic Journal of Interdisciplinary Studies*, 9(2), 89–100.
13. Kansah, D. D., Utaminingtyas, T. H., & Fauzi, A. (2023). Pengaruh Kompetensi Sumber Daya Manusia Dan Sistem Pengendalian Intern Terhadap Kualitas Laporan Keuangan Pemerintah Daerah Dengan Pemanfaatan Teknologi Informasi Sebagai Variabel Moderasi. *Jurnal Revenue: Jurnal Ilmiah Akuntansi*, 4(1), 405–419.
14. Latuconsina, Y. M. (2019). Pengaruh Kompetensi Pengelola Keuangan Desa Dan Pemanfaatan Ti Terhadap Kualitas Laporan Keuangan Desa Di Kabupaten Buru Yang Dimoderasi Dengan Peran Pendamping Profesional. *Jurnal Maneksi (Management Ekonomi Dan Akuntansi)*, 8(2), 254–260.
15. Mardinan, T., Dahlan, M., & Fitriyah, F. K. (2018). Effect of human resources, leadership style, the use of information technology and internal control on the quality of financial statements. *Journal of Accounting Auditing and Business*, 1(1), 43–57.
16. Muda, I., Harahap, A. H., Ginting, S., Maksam, A., & Abubakar, E. (2018). Factors of quality of financial report of local government in Indonesia. *IOP Conference Series: Earth and Environmental Science*, 126(1), 012067.
17. Munir, E., Harefa, R. S. M., Priyani, N., & Suryanto, D. (2018). Plastic degrading fungi *Trichoderma viride* and *Aspergillus nomius* isolated from local landfill soil in Medan. *IOP Conference Series: Earth and Environmental Science*, 126(1), 012145.
18. Rahmat, R., & Maulina, R. (2024). Pengaruh Sakti, Kompetensi SDM, dan Penerapan Good Governance Terhadap Kualitas Informasi Laporan Keuangan. *Innovative: Journal Of Social Science Research*, 4(3), 3370–3383.
19. Ramdany, R., & Setiawan, Y. (2021). Analisis Faktor-Faktor Yang Mempengaruhi Kualitas Laporan Keuangan Pemerintah. *Jurnal Akuntansi*, 10(1), 148–164.
20. Saepulloh. (2022). Tantangan Penerapan Aplikasi SAKTI dalam Pengelolaan Keuangan Satker Pemerintah. <https://Kumparan.Com/Bendaharasetban/Tantangan-Penerapan-Aplikasi-Sakti-Dalam-Pengelolaan-Kuangan-Satker-Pemerintah-1yjlBrLksLB/Full>.
21. Sulistyono. (2019). SAKTI Dorong Kemudahan, Efisiensi, dan Transparansi Keuangan Negara. Sulistyono.
22. Sumaryati, A., PRAPTIKA NOVITASARI, E., & Machmuddah, Z. (2020). Accounting information system, internal control system, human resource competency and quality of local government financial statements in Indonesia. *The Journal of Asian Finance, Economics and Business*, 7(10), 795–802.
23. Tarigan, J. I., & Sari, E. N. (2021). Pengaruh Penerapan Sistem Informasi Akuntansi, Sistem Pengendalian Internal Pemerintah Dan Kompetensi Sdm Terhadap Kualitas Laporan Keuangan Pada Kepolisian Daerah Sumatera Utara. *Kajian Akuntansi*, 22(2), 175–205.
24. Tiarno, S. M., & Budiwitjaksono, G. S. (2023). Pengaruh Kompetensi Sumber Daya Manusia, Sistem Pengendalian Intern Pemerintah (Sip), Dan Penggunaan Siskeudes Terhadap Akuntabilitas Pengelolaan Dana Desa. *Jurnal Ilmiah Manajemen, Ekonomi, & Akuntansi (MEA)*, 7(2), 1596–1608.
25. Tywoniak, S., Rosqvist, T., Mardiasmo, D., & Kivits, R. (2009). Towards an integrated perspective on fleet asset management: engineering and governance considerations. *Proceedings of the 3rd World Congress on Engineering Asset Management and Intelligent Maintenance Systems*, 1553–1567.
26. Umar, H., Usman, S., & Purba, R. B. (2018). The influence of internal control and competence of human resources on village fund management and the implications on the quality of village financial reports. *International Journal of Civil Engineering and Technology*, 9(7), 1526–1531.
27. Wibowo, A., & Darmanto, S. (2020). The Role of Management in the Successful Implementation of Computer Based Accounting Information Systems ( Study on Cooperatives in Semarang The Role of Management in the Successful Implementation of Computer Based Accounting Information Systems. *Journal of Economics and Finance*, 10(6), 57–65.
28. Yanti, N. S., & Made, A. (2020). Pengaruh Penerapan Standar Akuntansi Pemerintah, Pemanfaatan Sistem Informasi Akuntansi Dan Pengawasan Keuangan Terhadap Kualitas Laporan Keuangan Pemerintah Daerah. *Jurnal Riset Mahasiswa Akuntansi*, 8(1).
29. Yusran, I. N. (2023). Determinants of the quality of financial reports. *International Journal of Professional Business Review: Int. J. Prof. Bus. Rev.*, 8(3), 11.