Impact of Digital Technology and Time Precision on The Quality Of Destinational Reports in Pinrang District

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Abstract

The study aims to investigate and study the impact of digital technology and timeliness on the quality of financial reporting in the village in Pinrang District. The research used quantitative methods and involved 15 villages in Patampanua, Duampanua and Lembang districts of Pinrang. Sample selection using convenience sampling method with criteria, namely, experience in village financial management, use of digital technology, involvement in the financial reporting process. So the total number of respondents is 100 people consisting of the village chief, the village secretary, the treasury and the village staff. The data source used is primary data by distributing questionnaires to the village appliances. The data analysis techniques used are validity tests, reliability tests, double linear regression analysis, and t tests. The results of this research identify that digital technology and timing accuracy have a significant impact on the quality of the financial reporting of the village in Pinrang District. The implications of this study are beneficial in reducing the risk of human error in recording and ensuring that the financial information presented in the financial statements is more reliable. This will make it easier for the village apparatus to make quick decisions and can improve the village's competitiveness in obtaining resources and support.

Keywords: Digital Technology; Time Accuracy; Quality of Village Financial Reporting

1. Introduction

Digital technology has had a huge impact in many aspects of life, as a result of the increasingly rapid technological development in the era of digitalization, all fields of work must continue to find ways to work quickly and efficiently. [1]included in the preparation of the village financial report. Since calculating action is a social science whose practice is always related to the environment, capitalism will have the ability to change accounting-related behavior [2]. Technological advances have enabled the financial reporting process to be more efficient and accurate, but on the other hand, the impact of the use of digital technology also needs to be balanced with timeliness in order to maintain the quality of village financial reports.In the context of the village, financial reporting has a very important role in demonstrating transparency and accountability of the financial management. Disclosure in the form of a report is used by the public to provide an assessment of the performance of the rural equipment as well as as as a medium in showing the transparency of all information related to the village's financial management [3]

The financial statements of the village according to Permendagri No. 113 Year 2014, which are required to be by the village government include: Budget, Cash Book, Tax Book, Bank Book, and Budget Realization Report (LRA).Public financial liability is vulnerable to fraud in the management of village funds, so it does not exclude the possibility of fraud.[4]. Village governments often face problems such as corruption, financial misconduct, budget waste, and poor financial reporting. Therefore, they must establish and have an effective internal control system to carry out their duties. (Sagitarini et al., 2022). The use of digital technology in the village financial reporting process can facilitate the collection, processing, and reporting of financial data. According to PP No. 71 of 2010, accurate and good-quality financial reports are financial reports that are relevant, credible, comparable, and understandable so as to provide useful information to its users.

However, the influence of digital technology can also bring new challenges related to data security and the availability of technology infrastructure in the villages. In addition, timeliness is also a very important factor in the preparation of village financial reports. Delays in financial reporting can lead to uncertainty in decision-making and evaluation of village financial performance. When information can be trusted and used by the person who uses it, it is considered useful [5]. A financial report is a product produced by a field or discipline of accounting[6].The use of information technology can improve the reliability of financial statements by reducing the likelihood of errors. Nurillah research (2014:7) resulted that the use of digital technology has a positive impact on the quality of the financial report of the local government. The results of the research are inconsistent with Harnoni research (2016:12) which results that the utilization of the digital technology does not have a significant impact on quality of financial reporting of the regional government. Therefore, the quality of the village's financial report depends not only on technological progress, but also on the accuracy of its preparation. Looking at this background, it is important to understand how the influence of digital technology and timing accuracy can affect the quality of financial statements. With the aim of highlighting the extent to which the impact of digital technology and timeliness on the quality of village financial reporting.

2. Methodology

This research uses a quantitative method in which the research was carried out on villages in the Patampanua, Duampanua and Lembang district of Pinrang district which comprises 15 villages: Leppangeng, Massewae, Kaballangang, Barugae, Bungi, Kaliang, Katomporang, Buttu sawe, Kariango, Rajang, Pakeng, Pincara, Masolo and Pammesakan. In determining the purchase sample using convenience sampling with criteria i.e. (1) experience in village financial management. (2) Use of digital technology. (3) Participation in the financial reporting process. The population of 100 respondents consisted of the village head, village secretary, village treasurer, and village staff. Besides, the data collection technique uses a questionnaire. Data analysis techniques use the Statistical Package for the Social Sciences (SPSS) application that includes validity tests, reliability tests, double linear regression analysis and t tests.

3. Result and Discussion

3.1. Result

Table.1 Respondent Characteristics Based on Gender

No.	Gender	Frequency	Percentage %
1.	Male	48	48%
2.	Female	52	52%
	Amount	100	100%

From table 1 it can be seen that the number of respondents is predominantly female i.e. 52 or 52% and men 42 or 42%. From the data above it is known that there are more women than men, this is because women have the ability in terms of rigour when compared to men and according to the object studied is the quality of village financial reporting, where in managing the financial problems of the village requires more rigour.

Table.2 Validity and Reliability Test

Variable	Indicator	Cronbach' Alpha	Correlation coefficient	r-table	Description	source
Digital Technology (X1)	Presented accuracy level	0,657 (Reliable)	0,570	0,194	Valid	Kusdarianto (2023)
			0,616	0,194	Valid	
			0,535	0,194	Valid	
			0,558	0,194	Valid	
			0,658	0,194	Valid	
			0,593	0,194	Valid	
			0,485	0,194	Valid	
Time accuracy (X2)	Accuracy of presentation of financial statements	0,706 (Reliable)	0,533	0,194	Valid	Dewi (2019)
			0,603	0,194	Valid	
			0,560	0,194	Valid	
			0,713	0,194	Valid	
			0,528	0,194	Valid	
			0,636	0,194	Valid	
			0,671	0,194	Valid	
Financial report quality (Y)	Efficiency in the financial reporting process	0,735 (Reliable)	0,655	0,194	Valid	Sudiarianti (2015)
			0,523	0,194	Valid	
			0,639	0,194	Valid	
			0,703	0,194	Valid	
			0,585	0,194	Valid	
			0,666	0,194	Valid	
			0,570	0,194	Valid	

Based on the result in the table above the correlation value of each variable above 0.194 then it is said to be valid. When the cronbach's alpha value is 0.657 > 0.5 on the digital technology variable (X1), then the reliable digital technology (X1) variable can be inferred. When the time accuracy variable is 0,706 > 0,5 on the chronbach alpha variable, it is possible to infer a reliable time accurate (X2) variable.

Table.3 Double Linear Regression Test

Model	Unstandarddized	Coefficients	Standardized Coefficients
	B	Std.Error	Beta
(Constant)	4.165	2.875	
Digital Technology	.503	.106	.438
Time accuracy	.349	.098	.327

Based on the results of the double linear regression test in the table above, the double regression equation can be determined as follows:

Y = 4,165 + 0,503 X1 + 0,349 X2 + e

Then it can be concluded that: The value of the effectiveness of the digital variable technology (X1) is 0.503, which indicates that if the digital technology increases by 1%, then its impact on the quality of the financial report (Y) is 0,503 or 50,3%. Assuming other independent variables are fixed, the impact of the quality variable of the finance report (X) will decrease by 0. 503 or 50.3% if the value of a digital technology variable efficiency(X1) drops by 1%. With a positive coefficient value of 0.349, the time precision variable (X2) indicates that if the time accuracy increases by 1%, its impact on the quality of financial statements (Y) is 0.349 or 34.9%. Assuming that other independent variables remain, the impact of the financial report quality variable(Y) will decrease by 0.349% or 34.9% if the value of the variable coefficent of the time précision (X2) decreases by 1% with the assumption of another independent variable changing.

Table.4 Test for H1 and H2 with a significant value of 0.05

Model	Unstandarddized	Coefficients	Standardized Coefficients	t	Sig.
	B	Std.Error	Beta		
(Constant)	4.165	2.875		1.449	.151
Digital Technology	.503	.106	.438	4.754	.000
Time accuracy	.349	.098	.327	3.552	.001

A known significant value of the digital technology variable (X1) of 0,000 less than 0.05 and a t-count value of 4.754 greater than the t-table of 1.660, which indicates that H1 is accepted. It shows that digital technology partially affects the quality of village financial reporting, the towns of Patampanua, Duampanua and Lembang. It is known that the time accuracy variable (X2) has a significant value of 0.001 less than 0.05 and a t-count value of 3.552 greater than the t-table of 1.660. It shows that timing accuracy has a partially positive influence on the quality of the financial reports of the villages, Patampanua districts, Duampanua, and Lembang.

3.2. Discussion

Impact of Digital Technology on the Quality of Village Financial Reporting

The above results show significant on the Digital Technology (X1) variable of 0,000 < 0.05 and t-count value of 5,107 > t-table of 1,676 can be concluded H1 accepted which means there is a positive influence of digital technology partially on the quality of village financial reporting, the situation of Patampanua, Duampanua and Lembang. That digital technology affects the quality of financial statements. It is in line with research [7] that accounting in terms of internal audit shifts from conventional accounting tasks to more analytical tasks where it will be more easy to use time and more automation. In line with the technology theory Acceptance Model where with the presence of digital technologies such as computers, Microsoftexcel, the

Siskeudes application can facilitate village appliances in compiling financial reports. It also provides convenience for the village apparatus in compiling the financial statements, to avoid errors in every process of compilation. Thus, the village financial statements can be prepared faster and more accurate, in addition to the digital technology will also demonstrate better transparency and accountability in the preparation of village financial reports.

Accountability, according to the Financial Supervisory Authority and Development Authority (BPKP) and the National Administration (LAN) (2000), means giving responsibility and explaining the actions or performance of a person or the leadership of an organization to the parties who have the right and the right to claim responsibility. According to Mardiasmo (2009), transparency is when governments show information to people or the general public to prevent fraud in financial reporting. In line with research [8] that says that information technology has a significant impact on accountability and transparency. Where when the intermediary hides information unknown to the other party to meet their personal interests. Then information technology helps prevent conflict of such agencies by improving the accuracy of information provided by the principle as a form of application of the principles of transparency and accountability.

It can increase the agency's confidence in the information delivered by the principle, creating a better relationship between the Principle and his agent. Therefore, information technology has become one of the key elements in preventing agency conflict. With an integrated financial information system, villages can easily track and manage their financial resources, making the financial reports generated more reliable. It is also in line with research[9] that the accounting information system affects the quality of financial statements. Using a good accountancy information system will speed up the process of producing financial reports and financial reports will be presented clearly and easily understood.

The impact of timing accuracy on the quality of financial statements

In addition to the digital technology variable, there is also a time accuracy variable which results in a significant t test on the time precision variable (X2) of 0,000 < 0.05 and a t-calculation value of 4,234 > t-table 1,676 so that it can be concluded H2 received which means that there is a positive influence of partial timeliness on the quality of the financial reports of the villages, Patampanua districts, Duampanua and Lembang. It is in line with the research [10] that the timelines influence on the Quality of the village financial reports. Government financial statements are essential to demonstrate the accountability of the state's financial management as they meet all the information required to the quality of government financial reporting required by the standards.In line with the agency theory where the village government (agency) is responsible for reporting its financial reports transparently, to the public (principal) in a timely manner. Government financial accounting information should be presented as complete as possible, and should include all accountancy information that may influence decision-making. And in contrast to research[10] that timing accuracy has no impact on the quality of village financial reports. In the context of village financial management, the quality of financial reporting is very important as it reflects the health and financial performance of the village. This is where the perception of ease of use is the primary determinant of technology acceptance. The better the use of time, the better the quality of the village's financial report.

In implementing the use of digital technology in the preparation of financial statements the village is not independent of the village apparatus that operates the digital technology (software) so there is a need for training, skills and experience in the management of the financial village based on technology. It is also supported by research [11] that personal engineering skills have a positive influence on the effectiveness of financial information systems. It shows that the personal engineering capabilities of employees influence how well the government's accounting information system works. This is also in contrast to research [12] that says that human resources competence does not have a significant influence on the accountability of the village fund management. that SPIP does not affect the responsibility of the rural management. This is because the village apparatus has not taken note of some of the SPIP components that have to be implemented, such as the organizational structure that has not been well formed to deliver information effectively. As a result, there is a risk that could impede the achievement of government goals. Besides, the technology infrastructure is also becoming a necessity to support all parties to access technology easily and in a timely manner. One of them is the tools used to manage financial reports such as software, internet access and adequate human resources. It is also supported by research [13] that the computerized accounting system affects the quality of financial reporting. This means that the rate of use of accounting computerized system is associated with the higher quality of the financial report of the village government, and, on the contrary, the lower level of problems with financial reports is linked to the reduction in the use of computerised accounting systems.

4. Conclusion

Based on the results of this research concerns the theory and policy of usage perception. Where the implications of the theory are not only related to the acceptance theory but also to the use of a good financial governance system where it is not independent of the application of agency theory theory and the TAM theory of improved accuracy and reliability, with the presence of digital technology the process of recording financial transactions of the village becomes more accurate because it is done automatically by accounting software. This will reduce the risk of human error in recording and ensure that financial information presented in financial statements is more reliable. Availability of real-time financial information and timely presentation of financial reports will increase transparency related to village financial management.

This enables the parties concerned to be able to conduct more effective evaluation and supervision of the financial management of the village. The implementation of digital technology will accelerate the process of drafting the village financial report, so that the financial report can be presented in a shorter time. This will facilitate the village apparatus in rapid decision-making and can improve the competitiveness of the village in obtaining resources and support. It will help in building the village's reputation as an entity that has reliable and accountable financial management. Based on the implications already presented, then some of the recommendations of this study that are available to readers and the village government in the implementation of the use of digital technology and timeliness ahead are, considering to adopt an integrated financial information system, conduct training and education to the village apparatus, implement monitoring and evaluation mechanisms, build cooperation with the parties concerned and build openness to the public.

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