Determining Factors for Enhancing Accounting Information Quality in Public Service Agencies

Nabilah Afifah Anastasia
Universitas Hayam Wuruk Perbanas, Surabaya, Indonesia
Email: nabilah.afifah288@gmail.com

Pepie Diptyana*
Universitas Hayam Wuruk Perbanas, Surabaya, Indonesia
Email: pepie@perbanas.ac.id

*NCorrespondence Author
Nur'aini Rokhmania
Universitas Hayam Wuruk Perbanas, Surabaya, Indonesia
Email: nuraini@perbanas.ac.id

Abstract
This research examines whether personnel competency, information technology (IT) utilization and government accounting standard (GAS) proficiency have influenced accounting information quality and internal control as moderates in public service agencies (PSA). We performed a quantitative method and collected data by questionnaires. We distributed The questionnaires to the chief or head of public services agencies and their financial and accounting department staff in Surabaya as Population. Despite the minimum number based on Slovin being 80, the total number of collected samples for this study is 100. SEM-PLS conducted a hypotheses test. There are three research findings: (1) IT utilization and GAS proficiency are positively significant toward accounting information quality; (2) Internal control is supported as a moderating variable, positively significant to the relationship between personnel competencies and accounting information quality. These findings imply that IT infrastructure has to be well maintained and updated to assure accounting data reliability. Public service agencies need government accounting standard expertise by hiring experts, consultants, or well-trained accounting department personnel. Finally, to enhance the accounting information systems’ quality, internal control is also an essential factor in ensuring that all components in the accounting system are running well.

Keywords: Accounting Information Systems, Government Accounting Standards Proficiency, Information Technology Utilization, Internal Control, Personnel Competencies

Abstrak
Penelitian ini bertujuan untuk menguji peran kompetensi pegawai, penggunaan teknologi informasi (TI), dan pemahaman standar akuntansi pemerintahan (SAP) dalam memengaruhi kualitas informasi akuntansi dengan pengendalian internal sebagai variabel moderasi di Badan Layanan Umum (BLU). Data dikumpulkan menggunakan kuesioner. Kuesioner didistribusikan kepada kepala BLU, serta pegawai bagian akuntansi dan keuangan di wilayah kota Surabaya sebagai populasi. Total kuesioner yang dapat diolah adalah sejumlah 100. Jumlah ini telah memenuhi syarat pengolahan data karena melebihi 80 (jumlah minimum sampel berdasarkan perhitungan slovin). Hipotesis diuji dengan SEM-PLS. Hasil riset ini menemukan bahwa : (1) penggunaan TI dan pemahaman SAP berpengaruh signifikan positif terhadap kualitas informasi akuntansi; dan (2) Pengendalian internal terbukti signifikan memoderasi pengaruh kompetensi sumber daya manusia dan kualitas informasi akuntansi. Dengan demikian, BLU perlu menjaga dan memperbarui infrastruktur TI agar dapat memelihara reliabilitas data dan proses akuntansi, mempekerjakan tenaga ahli yang memahami SAP baik dengan cara melatih pegawai atau bersama konsultan SAP. Pengendalian internal di BLU juga penting diterapkan untuk memastikan bahwa sistem akuntansi berjalan dengan lancar.

Kata Kunci: Sistem Informasi Akuntansi, Pemahaman Standar Akuntansi Pemerintahan, Pemanfaatan Teknologi Informasi, Pengendalian Internal, Kompetensi Sumber Daya Manusia
1. Introduction

In Indonesia, the Public Service Agency (Ind. = Badan Layanan Umum) is established based on New Public Management concept (Novianti & Suhanda, 2023). The New Public Management concept adoption is intended to improve public service management to be more effective and efficient by using the private sector model. The legal basis for Public Service Agencies (PSA) is Law No. 1 of 2004 which regulates the State Treasury. This Law determined that the Public Service Agency is an agency within the Government that was established to sell goods/services without prioritizing profit and to run a business based on the principles of efficiency and productivity. PSA has the autonomy to collect money and recognize income from selling products and services, and PSA can directly spend it for expenditures.

PSA utilizes financial reporting and budgeting applications. Directorate General of Fiscal Balance in the Ministry of Finance of Republic of Indonesia developed the Regional Financial Information System (SIKD) applications. For PSA in regional government, the Directorate General of Regional Fiscal Development in the Ministry of Home Affairs also created a Regional Financial Management Information System (SIPKD) which is related to financial planning and management. Implementation of this application is intended to increase consistency and accuracy in document management, financial administration, and data storage in PSA.

Information quality is important for decision-making (Houhamdi & Athamena, 2019). Complete and accurate information produces better decisions. Complete and accurate information can provide an overview of the entity’s problems and potential solutions according to the entity's conditions. (Hadid & Al-Sayed, 2021) concluded that management accountants who interact or communicate with other decision-makers may find it easier to propose and implement Strategic Management Accounting practices due to high-quality IS as well as high information quality.

PSA must consider the quality of accounting information due to the implementation of the New Public Management concept. According to Government Regulation No. 23 / 2005 and No. 74/2012, PSA is required to maintain and publish work plans, budgets, and annual financial reports. Those reports will be consolidated to the relevant ministries/institutions/regional governments. PSA financial reports are prepared based on Government Accounting Standards (GAS) which is regulated by Government Regulation No. 71/2010. PSA’s financial statements will be audited by the Audit Board of Republic Indonesia (Ind. = Badan Pemeriksa Keuangan) annually.

In PSA, the quality of accounting information in reporting and performance measurement is challenging. Waluyo (2014) found that there are some accounting problems in PSA impact information accuracy and availability. For example: (1) double counting for cash balance due to inconsistency recording: cash balance can be presented twice on “Cash at PSA”, and also on “Short-term Investment”; (2) due to limited account list or account name options on PSA accounting software, data operator recorded tangible assets grant revenue as cash revenue. Those problems might cause a slower consolidation process, delayed reports, and unfavorable audit findings.

Resource-Based Theory (RBT) explains how organizations can achieve competitive advantage as their goals. According to RBT, an organization must find unique resources that provide superior performance. In IS/IT research, RBT can be used to explain the successfulness of IS/IT adoption (Caldeira & Ward, 2003; Wade & Hulland, 2004). IS/IT success is defined as the final result of task accomplishment for which IS developed. In other words, IS/IT success is demonstrated by its adoption goal achievement. When IS/IT is adopted to gain a better quality of accounting information for the organization, IS/IT success can be characterized by timeliness and accurate accounting information. Two resource determinant factors that impact IS/IT success are people capability (personnel competency and personnel with specific knowledge –in this research, government accounting standard proficiency) and management support (control and communication). The type of IT utilized (IT utilization) is determined as secondary resources.
Previous research about resources and accounting information quality shows inconsistent results. Indriasari & Nahartyo (2008) and Nurjaya et al. (2021) proved that personnel competency significantly influences accounting information quality. Otherwise, Erawati & Abdulhadi (2018), Kapriana & Agung (2020), and Fauziyah (2019) stated that personnel competency has no influence on accounting information quality. In IT utilization, the results are also inconsistent. Some research shows that IT utilization is increasing accuracy and timeliness (Johnston & Zhang, 2018; Pebriani, 2019, Kuntadi et al., 2023). But Srihastuti et al. (2020) and (Fauziyah, 2019) concluded that accounting application does not have effect to quality of financial reporting. Due to the various educational backgrounds of staff in government institutions, it is important to consider specific accounting skills as an independent variable. Some studies proved that accounting standard proficiency influence is significant toward the quality of accounting information (Kapriana & Agung, 2020; Lakhiris & Bustami, 2021; Mustapha et al., 2019; Rohmah et al., 2020). Despite that, Inapty & Martiningsih (2016) and Pebriani (2019) concluded it is not significant.

Agency theory implies that internal control can be used to strive for goal alignment between the principal and the agency. In RBT, internal control can be viewed as management behavior for organizing resource allocation. Some research reveals that internal control has significantly moderated the relationship between personnel competency and quality of accounting information (Abernathy et al., 2023; Hiep & Phuong, 2022), and also between accounting standard proficiency and quality of accounting information (Caplan et al., 2018). Somehow, there are some studies conclude that internal control is not significant as a moderating variable in the relationship between personnel competency and government accounting standards proficiency toward quality of accounting information (Inapty & Martiningsih, 2016; Langwo & Syahdan, 2022; Saputra et al., 2020). In IT utilization research, Tadesse et al. (2022) emphasize that internal control moderates the quality of accounting information. Otherwise, Hardyansyah & Khalid (2016) stated that internal control is not a significant moderating variable.

This research was conducted to examine factors for improving the quality of the accounting information quality at PSA. As a result, a good quality PSA accounting information system will help make better decisions about resource allocation and performance, so that effective and efficient community services can be realized.

2. Literature Review

Recently, agency theory and stewardship theory have been used as a basis for research on governmental accounting and management (Schillemans, 2013; Schillemans & Bjurstrom, 2020). The agency theory perspective explains that high-quality financial information concerns efforts to minimize agency problems or information asymmetry, and it is also a monitoring process. Based on the perspective of Stewardship Theory (Davis et al., 1997), the presentation of high-quality information is as the manager acts to serve. Presenting highly qualified financial reports is an excellent service responsibility and communication with the principal. In a public service agency, accounting information quality is represented as a product of managers’ acts to serve internal and external entities. As “stewards”, subordinates depict as collectivists, pro-organizational, and trustworthy. They have self-actualizing behaviour and collective serving and so they need a mutual stewardship relationship, to achieve aligning organizational goals. However, Davis (1992) stated that they do not assume that agency theory is inferior to stewardship theory. This statement reveals that researchers can combine these theories in their studies.

Fehrenbacher (2016) found that commodity theory can be used as a basis for information quality research. Information is a product of data processing, which can be exchanged, and it requires costs and time to obtain. Thus, some information can be rare. Therefore, information can be viewed as a commodity or a product. As a commodity, the quality of information can be expressed as a subjective
concept. Information quality is a part Information Success Model (DeLone & McLean, 2003). According to the model, Delone & McLean (2003) stated that the quality of information can be measured by accuracy, accessibility, completeness, and timeliness dimensions.

Resource-Based Theory (Wernerfelt, 1984) states that a firm can arrange of its information technology (IT) strategy by addressing the resources. Possible resources that influence firm performance include machine capacity, customer loyalty, production experience, and technology adoption. Recently, human capital has also been recognized as an important resource in RBT (Freeman et al., 2021). The involvement of a skilled person versus an unskilled person has different effects on organizational achievement. Quality of information is viewed as the output level of IT firms’ strategy. The success of IT or information system (IS) strategy can interpreted using RBT (Caldeira & Ward, 2003). Based on RBT, Caldeira & Ward (2003) found two factors of IS/IT Success: (1) determinant factors and (2) secondary factors that are important for IS/IT adoption but are not critical in IS/IT success. The determinant factors include (1) people's competencies and knowledge available, and (2) management perspectives and attitudes toward IS/IT adoption and use. The secondary factors are the availability of financial resources, the type of IS/IT implemented, the time of IS/IT adoption, IS/IT vendors’ support, IS/IT training, people involved in the process of IS/IT development, and business pressure to adopt IS/IT. Refer to RBT, higher quality of accounting information is determined by more competent personnel, and better management support.

Hypotheses Development
Accounting information is an output of a financial reporting system. As an output, information quality can be determined by the input and process. Human resources or personnel technology devices support are financial reporting systems components. Personnel competency is an ability based on the skills, knowledge and experience to produce the expected performance (Nurjaya et al., 2021). Personnel competency plays an important role in improving the financial report information quality (Bachmid, 2016; Dewi et al., 2019; Fehrenbacher, 2016; Ritchi et al., 2015; Zubaidi et al., 2019). Competent personnel can maximize the completion of tasks and functions which in line with agency goals (Ternalemta et al., 2021). They can sort data more precisely, and solve the problems quickly, thus it enabling the information production process to run well. In a company that uses IT for financial reporting, Abernathy et al. (2023) found that personnel also are still associated with financial reporting quality. Companies that have IT-competent personnel have fewer financial reporting misstatements and internal control issues. Internal control components consist of organizational structure, separation of functions, company values, communication and monitoring. Internal control ensures that personnel work according to their field and can meet their performance targets.

When the presentation of financial reports involves applications such as SIKD and SIPKD, competent application users can become good information system users (Yanti & Pratiwi, 2022). Competent application users can understand and interpret the flow of information, and maintain the quality of transaction and event data input, as well as its processing. Competent human resources can minimize input, processing and reporting errors. Internal control components, such as monitoring and communication can ensure that all personnel are doing the process consistently so that financial report information can be timely, complete, and relevant.

H1a: personnel competency is positively significant to the accounting information quality
H1b: internal control moderates the relationship between personnel competency and accounting information quality

Information technology (IT) consists of hardware, software, and networks. These three devices carry out four dimensions of activity: collecting, processing, storing, transmitting, and information (Abdelraheem et al., 2021). Adequate computers, appropriate software, network availability, and
equipment maintenance will help the process of collecting documentation and presenting financial reports run smoothly. Several studies confirm that information technology helps the presentation of financial reports to be timely (Johnston & Zhang, 2018; Kuntadi et al., 2023) and comply with the format requirements of accounting standards (Kuntadi et al., 2023; Thoa & Nhi, 2022). Information sharing and storage automation shortens transaction processing time. Fast transaction processing allows financial reports to be presented on time.

IT utilization will be better if there is an internal control system. (Tadesse et al., 2022) found significant differences in the quality of financial report information based on the implementation of internal control. Institutions that are slow to implement COSO 2013 as its internal control standards tend to have material weaknesses. This shows that when internal control is weak, the institution's financial reports will be presented late, incomplete, contain errors, and then be less relevant to users' information needs, even though the process of preparing financial reports has utilized IT.

H3a: IT utilization is positively significant on accounting information quality
H3b: internal control moderates the relationship between IT utilization and accounting information quality

Financial reporting that is required to meet accounting standards. It can make the work of preparing financial reports even more complicated (Albu et al., 2011; Cohen & Karatzimas, 2015). Therefore, understanding government accounting standards is an important factor in financial reporting (Kapriana & Agung, 2020; Lakharis & Bustami, 2021; Mustapha et al., 2019; Rohmah et al., 2020). Government accounting standards proficiency is needed for professional judgments, such as classifying transactions, assigning valuation methods, and disclosures. The classification and assessment of transactions are important because they determine account balances and ratios in financial statements. If the preparer of financial reports understands accounting standards, he/she will be able to make appropriate professional judgments, so that the accounting information becomes better.

Caplan et al. (2018) concluded that financial reports containing material weaknesses can cause managers to make wrong decisions. Material weaknesses arise due to weak internal controls. Internal control plays an important role in ensuring that the presentation of financial reports complies with accounting standards and regulations. Control activities such as monitoring and auditing are carried out to monitor personnel work so that the process of preparing financial reports is accurate, reliable, and timely. Thus, internal control strengthens the relationship between personnel capability in understanding accounting standards and the quality of financial report information.

H4a: government accounting standards proficiency is positively significant on accounting information quality
H4b: internal control moderates the relationship between government accounting standards proficiency and accounting information quality
3. Research Method

This research uses primary data. Population of this study is PSA in Surabaya. For data gathering, researchers confirmed the number of population members based on the organizational structure of each institution, as well as ensuring the number of population and the willingness of respondents. Data were gathered by two types of questionnaires: paper-based form and google-form questionnaires. These types were distributed based on respondents' requests. The questionnaires were distributed to heads of Public Services Agencies, middle managers, and accounting and finance personnel. The Slovin formula is used to determine the minimum sample size.

\[
n = \frac{N}{1 + N(e)^2}
\]

where:
- \(n\) = sample size/Number of respondents
- \(N\) = population size
- \(e\) = tolerable sampling error accuracy (\(e = 5\%\))

Slovin formula calculation result the minimum number of samples was 80.

<table>
<thead>
<tr>
<th>Variable and Indicators</th>
<th>Indicator</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Information Quality (AIQ)</td>
<td>Relevance, Reliable, Understandable, Comparable</td>
<td>(Fehrenbacher, 2016; Indriasari &amp; Nahartyo, 2008)</td>
</tr>
<tr>
<td>Personnel Competency (PC)</td>
<td>Responsibility, Participation in training, Experience in accounting and/or finance</td>
<td>(Indriasari &amp; Nahartyo, 2008; Nurjaya et al., 2021)</td>
</tr>
<tr>
<td>IT Utilization (ITU)</td>
<td>Computer adequacy, Supporting software, Computerization of financial reporting, IT maintenance, Internet network condition</td>
<td>(Ariesta, 2013)</td>
</tr>
<tr>
<td>Government Accounting Standards Proficiency (GASP)</td>
<td>Accrual basis, Budget realization report, Report on changes in the remaining budget, Balance sheet</td>
<td>(KSAP (Komite Standar Akuntansi Pemerintahan), 2021)</td>
</tr>
</tbody>
</table>
### 3.1 Validity and Reliability Test

Validity tests and reliability tests are necessary to determine the research questionnaire quality. When a question in a questionnaire shows something that will be measured by the questionnaire, it can be said to be valid. The validity test consists of two models: convergent validity and discriminant validity. Convergent validity was determined by Average Variance Extracted (AVE) of at least 0.50 which explains that the construct accounts for at least 50% of the variation in the object, thus an AVE value > 0.50 indicates convergent validity (Hair et al., 2019). Discriminant validity is evaluated using the Fornell-Larcker criterion which is the root of the AVE must be greater than the correlation of that variable with other variables, and also evaluated by cross loading which is more than 0.7. The reliability test can be assessed with Cronbach’s Alpha (CA) and Composite Reliability (CR) which has a value range of 0.70 - 0.95. (Hair et al., 2019). CA & CR value which more than 0.70 indicates that the construct is reliable (Hair et al., 2019)

### 3.2 Hypotheses Testing

Hypotheses were tested by Structural Equation Modeling (PLS-SEM) analysis with SmartPLS4.0 software. Partial Least Square (PLS) is a process that is carried out interactively or as an iterative process involving a diverse structure between independent variables and dependent variables with limited information (Nurhasanah et al., 2012). PLS measures structural models by testing the relationships between latent constructs simultaneously (Latan & Ghozali, 2012). There are two models in PLS-SEM: (1) inner model, and (2) outer model. The mathematical equations of structural model inner model is:

\[
\eta = \Gamma_1 \xi_1 + \Gamma_2 \xi_2 + \Gamma_3 \xi_3 + \xi
\]

\[
\eta = \Gamma_1 \xi_1 + \Gamma_2 \xi_2 + \Gamma_3 \xi_3 + \Gamma_4 \xi_4 + \zeta
\]

Symbol description:
- \( \eta \) = AIQ (as exogenous variable)
- \( \beta \) = coefficient matrix
- \( \xi_1 \) = PC
- \( \Gamma_1 \) = coefficient matrix for PC and AIQ relationship
- \( \xi_2 \) = ITU
- \( \Gamma_2 \) = coefficient matrix for ITU and AIQ relationship
- \( \xi_3 \) = GASP
- \( \Gamma_3 \) = coefficient matrix for GASP and AIQ relationship
- \( \xi_4 \) = IC
- \( \Gamma_4 \) = coefficient matrix for IC as moderating variable
- \( \zeta \) = residual

\( \Gamma_1 \) and \( \Gamma_2 \) are coefficient matrix for the relationship between constructs.
Figure 2. Structural Model

Source: Researcher, 2023

We employ reflective model to measure the exogenous variable and endogenous variable. According to Bollen (1989), the mathematical equations of structural model for outer model are:

\[ X = \Lambda_X \xi + \delta \]

\[ Y = \Lambda_Y \eta + \epsilon \]

The X refers to the indicator effect of exogenous variable, and the Y refers to the indicator effect of endogenous variable. \( \Lambda_X \) and \( \Lambda_Y \) are symbols for loading matrix as a simple regression coefficient that explain the relationship between latent variable and its indicators. The symbol \( \delta \) and \( \epsilon \) refers to residuals or measurement errors of the indicator.

4. Result and Discussion

Data was obtained from 100 questionnaires. This amount is eligible because it is more than 80 which were calculated based on the Slovin method. These questionnaires were gathered from the head of PSA, financial and accounting department in nine institutions, they are: Pusat Veteriner Farma (Veterinary Pharma Center), Universitas Islam Negeri Sunan Ampel, Universitas Pembangunan Nasional Veteran Jawa Timur, Politeknik Kesehatan Surabaya, Politeknik Penerbangan Surabaya, Politeknik Pelayaran Surabaya, Balai Besar Laboratorium Kesehatan Surabaya, Rumah Sakit Bhayangkara Tingkat II HS Samsoeri Mertojoso, and Rumah Sakit Pusat TNI Angkatan Laut Dr. Ramelan Surabaya. Gender, age, level of education and field of education, are shown in Error! Reference source not found.. According to Table 2, respondents' accounting education background composition is 47% accounting and 53% non-accounting. Non-accounting educational backgrounds were from management, engineering, law, and other fields.
The convergent validity of the instrument was tested using AVE. The AVE test results (ERROR! REFERENCE SOURCE NOT FOUND.) show that all AVE values are more than 0.5. It means that the research instrument has good convergent validity.

Table 3 AVE Test Result

<table>
<thead>
<tr>
<th>Variable</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Information Quality (AIQ)</td>
<td>0.606</td>
</tr>
<tr>
<td>Personnel Competency (PC)</td>
<td>0.590</td>
</tr>
<tr>
<td>IT Utilization (ITU)</td>
<td>0.679</td>
</tr>
<tr>
<td>Government Accounting Standard Proficiency (GASP)</td>
<td>0.621</td>
</tr>
<tr>
<td>Internal control (IC)</td>
<td>0.647</td>
</tr>
</tbody>
</table>

Root AVE Test (Table 4) and cross loading (Appendix 1) of instruments are more than 0.7, and it also shows that the instrument has met discriminant validity requirements.

Table 4 AVE Root for Discriminant Validity Test Result

<table>
<thead>
<tr>
<th></th>
<th>PC</th>
<th>AIQ</th>
<th>GASP</th>
<th>ITU</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>PC</td>
<td>0.768</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIQ</td>
<td>0.638</td>
<td>0.778</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GASP</td>
<td>0.625</td>
<td>0.594</td>
<td>0.788</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ITU</td>
<td>0.738</td>
<td>0.641</td>
<td>0.601</td>
<td>0.824</td>
<td></td>
</tr>
<tr>
<td>IC</td>
<td>0.727</td>
<td>0.635</td>
<td>0.666</td>
<td>0.607</td>
<td>0.804</td>
</tr>
</tbody>
</table>

Reliability (Table 5) test results show that Cronbach’s Alpha (CA) and Composite Reliability (CR) values are more than 0.7. This means that data are reliable and can be used for further analysis.
Table 5 Reliability Test Result

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIQ</td>
<td>0.837</td>
<td>0.885</td>
</tr>
<tr>
<td>PC</td>
<td>0.900</td>
<td>0.920</td>
</tr>
<tr>
<td>ITU</td>
<td>0.905</td>
<td>0.927</td>
</tr>
<tr>
<td>GASP</td>
<td>0.923</td>
<td>0.936</td>
</tr>
<tr>
<td>IC</td>
<td>0.945</td>
<td>0.953</td>
</tr>
</tbody>
</table>

Source: Data processed

Table 6 shows the results of the hypotheses testing. As seen in Table 6, $H_1a$ is not supported (p-value=0.413). The original sample value is 0.118. It means that the direction statistical relationship between PC and AIQ is positive. Unfortunately, the t-statistic is 0.819 (<1.96), and the p-value is 0.413 (>0.05). It indicates that personnel competency is not supported as a determinant factor for increasing AIQ. This is in line with (Erawati & Abdulhadi, 2018; Kapriana & Agung, 2020). Good experience and responsible staff are inadequate to increase the quality of accounting information in PSA. This result cannot support RBT Theory. However, $H_1b$ is supported (p-value = 0.029, t-stat=2.183, O=0.074). The original sample value is 0.074, so internal control has a positive statistical relationship. The p-value is 0.029 (<0.05), and the t-statistics is 2.183 (>1.96). It means that IC is significant as a moderating variable. Internal control is important for strengthening the relationship between personnel competency and AIQ. IC has the potential to encourage personnel competency role in increasing AIQ. IC mechanisms such as accounting employee training, communication, and monitoring are important to support personnel competency for increasing AIQ. The demographics of respondents (Table 2) show that 53% of the total respondents have a non-accounting background. It clarifies that the respondent's knowledge and experience regarding accounting is limited, so it does not have a significant role in AIQ. The significant role of IC indicates that agency theory is supported: IC is noteworthy to accounting information quality. PSA should pay more attention to internal control practices in the organization.

Table 6 Hypotheses Test Result

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Original sample (O)</th>
<th>Sample mean (M)</th>
<th>Standard deviation (STDEV)</th>
<th>T statistics (O/STDEV)</th>
<th>P values</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1a$</td>
<td>0.118</td>
<td>0.118</td>
<td>0.144</td>
<td>0.819</td>
<td>0.413</td>
</tr>
<tr>
<td>$H_1b$</td>
<td>0.074</td>
<td>0.073</td>
<td>0.034</td>
<td>2.183</td>
<td>0.029</td>
</tr>
<tr>
<td>$H_2a$</td>
<td>0.285</td>
<td>0.275</td>
<td>0.141</td>
<td>2.016</td>
<td>0.044</td>
</tr>
<tr>
<td>$H_2b$</td>
<td>0.072</td>
<td>0.075</td>
<td>0.029</td>
<td>2.465</td>
<td>0.014</td>
</tr>
<tr>
<td>$H_3a$</td>
<td>0.220</td>
<td>0.208</td>
<td>0.090</td>
<td>2.454</td>
<td>0.014</td>
</tr>
<tr>
<td>$H_3b$</td>
<td>0.026</td>
<td>0.025</td>
<td>0.025</td>
<td>1.055</td>
<td>0.291</td>
</tr>
</tbody>
</table>

Source: Data processed

$H_2a$ is supported (p-value=0.044, O=0.285). The original sample value of 0.285 indicates IT utilization has a positive statistical relationship. P-value 0.044 (<0.05) and t-statistics 2.016 (>1.96) have denoted that IT utilization is significant toward AIQ. This result supports RBT. AIQ can be increased by maintaining the availability of good IT infrastructure. Adequate hardware, software, and networks facilitate governmental financial application (SIKD/SIPKD) users for documenting transactions and preparing financial reports. These results finding is in line with Erawati & Abdulhadi (2018), Hardyansyah & Khalid (2016), and Rohmah et al. (2020).

$H_2b$ is supported as shown as the p-value is 0.014 (<0.05) and the t-statistics is 2.465 (>1.96). It indicates that IC significantly moderates the relationship between IT Utilization and AIQ. Nevertheless, the original sample value is negative (-0.072). IC weakens the relationship between IT
utilization and AIQ. It means that H₂b is not supported. We conducted in-depth interviews with respondents to obtain some reasons why this might happen. The treasurer at the Veterinary Farm Center explained that the treasurer and accounting department employ two applications: SIKD and Excel. At the Veterinary Farm Center, various types of mice are sold for scientific research and the mice have no account classification yet in SIKD, so they need to be recorded first in Excel. Data accuracy needs to be evaluated before the sales transaction data is submitted to the personnel who compile the financial reports. The Excel used has not been integrated with financial reporting applications yet. The consequences are the input occurs twice, and data control must be done manually before data is transmitted from Excel to SIKD. Therefore, IC can weaken the relationship between IT utilization and AIQ because the use of two applications that are not integrated can cause reporting delays. The results of this research are in line with (Fauziyah, 2019).

H₃a is supported. The hypotheses test result were significant with the p-value is 0.014 (<0.05) and the t-statistics is 2.454 (>1.96). The original sample (0.220) denotes that GASP has a positive statistical direction. This result supports RBT. The specific skills can increase organizational performance. In PSA, GASP expertise is important factor in producing quality financial report information. By understanding the accrual accounting system in government, and its impact on account classification, recording, and valuation, you can minimize the risk of material misstatement of financial statement information. These results are in line with research (Rohmah et al., 2020). Nevertheless, H₃b is not supported. The original sample value is -0.026 and it indicates negative direction statistical relationship of IC. The p-value 0.291 (>0.05) and t-statistics 1.055 (<1.96) indicate that IC is not proven as a moderating variable in GASP influence on AIQ. These results are in line with (Inapty & Martiningsih, 2016; Langwo & Syahdan, 2022).

This implies that encouraging GASP proficiency is necessary for AIQ. The government accounting standard expertise will maintain accounting data more carefully. They can verify financial reporting process to the accounting standards, and it will reduce the incompliance with government accounting standards.

5. Conclusion

The quality of financial report information at public service agencies (PSA) needs to be considered as a form of financial management accountability. However, the complexity and variability of business processes at PSA have the risk of causing misclassification and misstatement in financial reporting. Our hypotheses supported that accounting information quality is significantly influenced by IT utilization and government accounting standard proficiency. Furthermore, an internal control system has a significant positive effect on moderating the relationship between personnel competencies. This implies that IT infrastructure has to be well maintained and updated to assure accounting data reliability. Personnel with expertise in government accounting standards are also required. Accounting information system technology must be accompanied by accounting experts who understand government accounting standards. To enhance accounting information quality, PSAs need three main factors: (1) well-maintained IT infrastructure; (2) government accounting standard expertise; and (3) an internal control system.

The limitation of this study is shown by R-square = 58%. It means that 58% of accounting information quality in this model is influenced by personnel competency, information technology utilization, government accounting standards proficiency and internal control systems as moderators. However, 42% is influenced by other variables which are not included in this study. Therefore, further research can be expanded to other variables.
6. References


### Appendix 1

#### Cross Loading

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