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Characteristics of Good Governance and its Impact onVillage Financial Management

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ABSTRACT

Purpose: This study aims to test and analyze the characteristics of good governance and its impact on village financialmanagement in Sumpira village, Baebunta Selatan sub-district.

Design/methodology/approach: This research uses quantitative methodology based on quantitative through distributing questionnaires. In this study the population was employees in the Sumpira village office. While the sampling technique is saturated side (census) which means that sampling utilizes the entire population. Then the data was analyzed with the SPSS 26 program.

Findings: Show your finding here Accountability has a positive effect on village financial management in Sumpira Village, while transparency has a positive effect on village financial management in Sumpira Village.

Research limitations/implications: The study also revealed several obstacles in the implementation of good governance, such as the lack of human resource capacity and resistance to change.

Practical implications: By applying the characteristics of good governance in village financial management, it is expected that transparent, accountable, participatory, efficient, fair, responsive, consensual, and law-abiding management can be achieved. This will have a positive impact on improving the welfare of village communities and sustainable development.

Originality/value: This title is not only original but also has significant potential value in various aspects both theoretical and practical. By examining the characteristics of good governance and its impact in the context of village financial management, this research can make a meaningful contribution to improving governance and welfare at the village level.

Paper type: Research paper

Keyword: *Characteristics of Good Governance, Village Financial Management*

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I. INTRODUCTION

State the objectives of the work and provide an adequate background, avoiding a detailed literature survey or a summary of the results. Explain how you addressed the problem and clearly state the aims of your study. As you compose the introduction, think of readers who are not experts in this field. Introduction must be written using 750 until 1000 words. Law No. 6/2014 on Villages Article 1 explains that the village is a legal community unit that has boundaries that are authorized to regulate and manage government affairs, the interests ofthe local community based on community initiatives, origin rights, and/or traditional rights that are recognized and respected in the government system of the Unitary State of the Republic of Indonesia. Based on this law, villages are given the authority to oversee their governance independently, including in managing finances. Based on the Regulation of the Minister of HomeAffairs Number 113 of 2014 concerning Village Financial Management states that village financesare all village rights and obligations that can be valued in money and everything in the form of money and goods related to the implementation of village rights and obligations, besides that village finances must be managed based on the principles of transparency, accountability, participation, and carried out in an orderly and disciplined budget.

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Sumpira Village itself received the Village Fund Allocation (ADD) in 2023, phase I amounting to IDR 95,588,838, phase II amounting to IDR 97,387,679, and phase III amounting to 76,200,970. Thus, the total allocation of village funds in 2023 is 269,177,487 rupiah. The amountof the village fund allocation budget, therefore in realizing good management of village funds in Sumpira Village, South Baebunta Subdistrict, it is necessary to apply the principles of good governance as a basis for the preparation and implementation of policies in the implementation of village financial management (APBDes). Governance is a process of managing, managing, directing, guiding, organizing, and can also be interpreted as government (Syairozi, 2021). (Ngakil & Kaukab, 2020). Good governance in financial management has been widely proven to have a positive effect on governance. (Sukmawati & Nurfitriani, 2019)stated that the two most important terms in good governance are accountability and transparency.

Accountability is the obligation to provide accountability and explanation of the performance and activities of the legal authority that governs an organization to people who havethe right or authority to request information or accountability (Goo & Sanda, 2022). Accountabilitywill improve if the accounting system produces accurate, reliable, timely, and accountable information. This study refers to previous research, namely research (Faizzatus Solihah et al., 2022) which shows that accountability has a positive effect on village financial management. However, this research contradicts research (Agustina & Andayani, 2016) which shows that accountability for financial management of village fund allocations has a significant negative effect.

Not only accountability but transparency is also very necessary in village financial management. Transparency is information about government finances that is processed and published in a timely, accurate, complete, current, reliable, and available in sufficient time to allowanalysis and evaluation by relevant stakeholders (Alfiani & Estiningrum, 2021). Transparency inthe village fund management system is to realize an open and responsible government. The principle of transparency guarantees access for everyone to obtain available information about government operations that can be reached by the public (Sari & Mildawati, 2020). This researchrefers to previous research, namely research (Septian et al., 2022) which shows that transparency has a significant effect on village financial management. However, this research contradicts research (Making & Handayani, 2021) which says that transparency has no effect on the management of village funds.

Based on the things that have been explained and presented, this study aims to determine the effect of accountability and its impact on village financial management, and the effect of transparency and its impact on village fund management. As for some of the benefits that are then to be obtained from this research, among others, from a theoretical point of view, the results of the study are expected to be a means of proving (verification) the applicability of the theories referred to in this study, such as Stewardship Theory in relation to empirical proof of the characteristics of good governance and itsimpact on the management of village funds. Meanwhile, from a practical point of view, it provides an overview in conducting village financial management such as improving the conditions of planning, implementation, administration, accountability, and reporting in presenting them so as to producetransparent and accountable financial reports.

A. Literature Review

1. Stewardship Theory

Stewardship theory is built on the philosophical perception of human nature, namely that people are, in fact, reliable, capable of acting with full responsibility, integration, and honesty towards others. In other words, *stewardship theory* states that management can be relied upon in acting in the interests of the general public and shareholders in particular (Astuti & Yulianto, 2016). The implications of *stewardship* theory for this research can explain the existence of the Village Government (*stewardship*) as an institution that can be trusted to act in the public interestby carrying out its duties and functions effectively for the welfare of the community (principal). The village government fulfills its obligation to ensure financial responsibility by providing accountable and transparent financial reports that are in line with the characteristics of financial statements (relevant, reliable, understandable and comparable).

a. Accountability

According to (Dewi, 2016) accountability is the obligation to report failure or success in achieving organizational goals. The concept of accountability in public responsibility dictates that the entire law enforcement process, including planning, preparation, and implementation, must be fully reportable and accountable to the DPRD and the community. The public has the right to know the budget as well as accountability for the budget plan or implementation.

b. Transparency

Transparency is the government's ability to make local financial policies in an open manner, allowing the public and DPRD to easily know and oversee them. In the end, transparency in financial management will create horizontal accountability between local governments and their communities, thus creating a government that is clean, transparent, responsible, effective, efficient, and responsive to the aspirations and desires of the community (Sari & Mildawati, 2020). Transparency is necessary to ensure that people's rights are maintained and to prevent any conflicts. Oversight of village finances can be carried out by the authorities when transparency is implemented (Mutia Basri et al., 2020).

c. Village Financial Management
Permendagri No. 113/2014 article 1 paragraph 5 on Village Financial Management, explains that village finances are all village rights and obligations that can be valued in money and everything in the form of money and goods related to the implementation of village rights and obligations. There are various ways to examine the condition of village finances. By definition, village finances are all rights followed by monetary responsibilities, as well as everything in the form of goods and money related to the implementation of village rights and obligations. When viewed through its management cycle, it covers one fiscal year, from January 1 to December 31, including the phases of planning, implementation, administration, reporting, and accountability (Mais & Palindri, 2020).

B. Hypothesis Development

1. The Effect of Accountability on Village Fund Management

Accountability is the village financial management team to the community, where the village head is the main responsible party. According to (Siregar, 2020) accountability is the abilityto give answers to higher authorities for the actions of individuals or groups of individuals againstthe general public in an organization. With accountability, the party responsible for managing village funds must be able to provide clear accountability related to the use of these funds. This creates strong internal controls.

Accountability also encourages the management of village funds in a more efficient and effective manner. Good oversight and rigorous monitoring can help ensure that village funds are used for their intended purpose and deliver the expected results. Therefore, it is imperative that mandatory accountability is implemented by government and oversight organizations with legal consequences. After that, government law enforcement mechanisms will try to implement the concept of accountability in government management, including financial management. From theexplanation above, it is in line with research (Faizzatus Solihah et al., 2022) which says that accountability has a positive effect on village financial management. Based on this, the hypothesis in this study is:

H1: Accountability has a positive effect on village financial management

2. The Effect of Transparency on Village Fund Management

Authorities must be informed of all activities related to village financial management. Transparency means openness, namely the government provides parties who need information about the management of public resources to parties who need information (Ardelia & Handayani, 2022). Transparency helps build public trust in the management of village funds. When information related to the use of village funds is clearly available and easily accessible to the community, this creates a sense of trust that the funds are being used for the common good. Transparency also allows the community to monitor the use of village funds. Open information allows the community to more easily understand how the funds are used and whether there is potential for misuse. From the explanation above, it is in line with the research (Septian et al., 2022) which says that transparency has a significant effect on village financial management. Based on this, the hypotheses in this study are:

H2: Transparency has a positive effect on village financial management

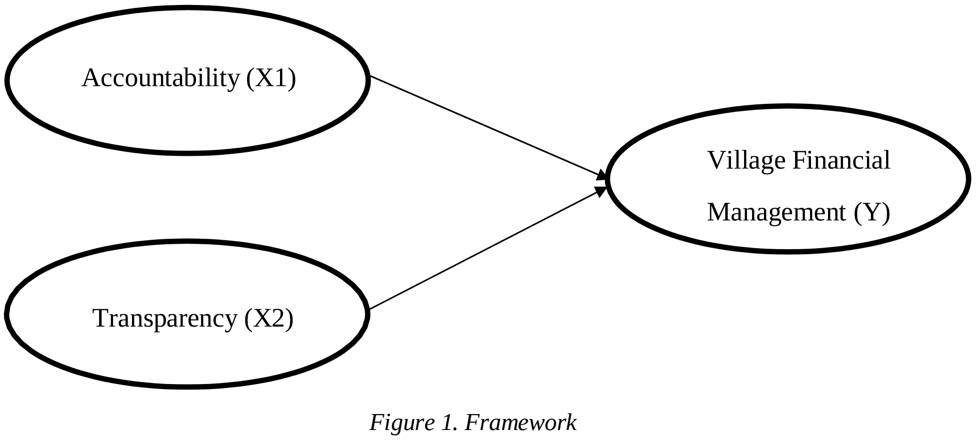

Figure 1. Framework

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II. METHODS

This research is quantitative research with a causality approach by distributing questionnaires to respondents measured using a Likert scale. The population in this study was Sumpira Village, South Baebunta District while the sampling technique was saturated sampling. According to (Sugiyono, 2016) this technique is a sampling that uses the entire population. This method is used because the population in the Sumpira Village office is less than 50 people. This study all data were processed and tested with SPSS 26. By using descriptive statistical analysis, validity test, reliability test, classical assumption test consisting of data normality test, multicollinearity test, heteroscedasticity test, multiple linear regression test, t test, f test, and coefficient of determination test.

III. RESULTS AND DISCUSSION

A. Results

The number of samples in the study amounted to 40 respondents. Of the 40 questionnaires, the questionnaires used in this study were 40 (100%). Because all questionnaires were returned and no questionnaires were missed. The following is a table of descriptive statistics on several variable results calculated using the SPSS26 program.

Table 1 Descriptive Statistical Analysis Test

Descriptive Statistics

	N	*Minimum*	*Maximum*	*Mean*	*Std. Deviation*
Accountability	*40*	*15.00*	*34.00*	*27.0250*	*3.47509*
Transparency	*40*	*18.00*	*31.00*	*23.3250*	*2.81377*
Village Fund Management	*40*	*22.00*	*35.00*	*29.1750*	*3.71337*
Valid N (listwise)	*40*				

Source: IBM spss output 26, 2023

Based on table 1. 3 general descriptions of the research results can be drawn as follows. First, Accountability data (X1) has a minimum score of 15.00 and a maximum score of 34.00. Theaverage score is 27.0250 with a standard deviation of 3.47509. The large enough standard deviation indicates a large variation from the lowest value and the highest value for variable X1. Second, the Transparency (X2) data has a minimum score of 18.00 and a maximum score of 31.00.The average score is 23.3250 with a standard deviation of 2.81377. A large enough standard deviation indicates a large variable from the lowest and highest values for variable X2. And third,village financial management data has a minimum score of 22.00 and a maximum score of 35.00. The average score is 29.1750 with a standard deviation of 3.71337. A large enough standard deviation indicates a large variation from the lowest value and the highest value for the Y variable.

Validity test (validity test) is a tool for which is used to measure whether the questionnaireis valid or not. The validity test is carried out by testing the correlation between the item score andthe total score of each variable, using the Pearson correlation. The statement item is said to be valid if the significant level is below 0.05.

Table 2 Validity Test Results

Variables	*Item*	*N*	*Significant*	*r-count*	*r-table*	*Description*
	X1.1	*40*	*0,000*	*0,726*	*0,263*	*Valid*
	X1.2	*40*	*0,000*	*0,720*	*0,263*	*Valid*

	X1.3	*40*	*0,000*	*0,703*	*0,263*	*Valid*
Accountability (X1)	*X1.4*	*40*	*0,000*	*0,665*	*0,263*	*Valid*
	X1.5	*40*	*0,000*	*0,667*	*0,263*	*Valid*
	X1.6	*40*	*0,002*	*0,483*	*0,263*	*Valid*
	X1.7	*40*	*0,001*	*0,511*	*0,263*	*Valid*
	X2.1	*40*	*0,003*	*0,454*	*0,263*	*Valid*
	X2.2	*40*	*0,000*	*0,562*	*0,263*	*Valid*
Transparency (X2)	*X2.3*	*40*	*0,002*	*0,466*	*0,263*	*Valid*
	X2.4	*40*	*0,000*	*0,682*	*0,263*	*Valid*
	X2.5	*40*	*0,000*	*0,681*	*0,263*	*Valid*
	X2.6	*40*	*0,001*	*0,523*	*0,263*	*Valid*
	X2.7	*40*	*0,001*	*0,509*	*0,263*	*Valid*
	Y.1	*40*	*0,000*	*0,771*	*0,263*	*Valid*
	Y.2	*40*	*0,000*	*0,770*	*0,263*	*Valid*
	Y.3	*40*	*0,000*	*0,930*	*0,263*	*Valid*
Village Financial Management (Y)	*Y.4*	*40*	*0,000*	*0,915*	*0,263*	*Valid*
	Y.5	*40*	*0,000*	*0,626*	*0,263*	*Valid*
	Y.6	*40*	*0,004*	*0,447*	*0,263*	*Valid*
	Y.6	*40*	*0,000*	*0,678*	*0,263*	*Valid*

Source: IBM spss output 26, 2023

Based on table 2, it shows that all indicators used for the Accountability, Transparency, and Village Financial Management variables used in this study show a significant level smaller than 0.05 or 5% and Cronbach alpa is greater than the r-table with a number of 0.263. This meansthat all indicators and statements in each variable in this study are said to be valid, so that the reliability test can be carried out for the next test.

The tool for measuring a questionnaire that functions as an indicator of a variable or construct is the reliability test. This reliability test was carried out using the Cronbach's Alpha statistical method with a significance value of more than (>) 0.6 to assess the consistency of respondents' answers based on the statements given.

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Table 3 Reliability Test Results

Variables	Cronbach Alpha	Description
Accountability	0,756	Reliable
Transparency	0,616	Reliable
Village FinancialManagement	0,855	Reliable

Source: IBM spss output 26, 2023

Table 3 shows that the variables of Supervision, Control, Audit and Quality of Financial Statements have a Cronbach's alpha value greater than 0.6 which indicates the reliability of the measurement results. This shows the validity of the statement items used in this study. to ensure that each statement item used can produce consistent data and if the statement is submitted again,a response is obtained that is mostly similar to the previous response.

The normality test aims to test whether in the regression model, confounding or residual variables have a normal distribution or not. The normality test in this study used the KolmogorovSmirnov test processed with SPSS version 26. The conclusion of the normality test results can beseen, namely, if the significance value> 0.05, then it is stated that the data is normally distributedand if the significance value <0.05, then it is stated that the data is not normally distributed**.**

Table 4 Normality Test Results

		Unstandardized Residual
N		40
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	2.59360022
Most Extreme Differences	Absolute	.058
	Positive	.053
	Negative	-058
Test Statistic		.058
Asymp. Sig. (2-tailed)		.200[c,d]

Source: IBM spss output 26, 2023

Based on table 4, it shows that the significance value of 0.200 is greater than 0.05 so it canbe concluded that the data of the three variables tested are declared normally distributed.

The multicollinearity test aims to test whether the variables in the regression model are determined by the correlation between the independent variables. The multicollinearity test can bedone in two ways, namely by looking at the VIF (Variance Inflation Factor) and tolerance value. If VIF> 10 and tolerance value <0.10 then multicollinearity occurs. Below are the results of the multicollinearity test by looking at the Tolerance and Variance Inflation Factor (VIF).

:: IJEBD ::
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Table 5. Multicollinearity Results (Tolerance and VIF)

Model	*Unstandardized Coefficients*		*Standardized Coefficients*			*Collinearity Statistics*	
	B	*std. Error*	*Beta*	*t*	*Sig.*	*Tolerance*	*VIF*
(Constant)	*3.86*	*4.094*		*0.943*	*0.35*		
Accountability	*0.366*	*0.135*	*0.342*	*2.705*	*0.01*	*0.825*	*1.213*
Transparency	*0.662*	*0.167*	*0.502*	*3.966*	*0*	*0.825*	*1.213*

a. Dependent Variable: Village Financial Management

Source: IBM spss output 26, 2023

The data in table 5 shows that all the VIF values of the independent variables are below 10, which is 1.213, which means that there is no multicollinearity.

Table 6 presents the results of heteroscedasticity testing using Spearman rank where each variable obtained numbers 0.844, 0.634 and 0.794 which are greater than 0.05 so the conclusion is that there is no heteroscedasticity problem.

Table 6 Heteroscedasticity Test

Model	*Unstandardized Coefficients*		*Standardized Coefficients*		
	B	*Std. Error*	*Beta*	*t*	*Sig.*
(Constant)	*0.469*	*2.374*		*0.198*	*0.844*
Accountability	*0.038*	*0.078*	*0.086*	*0.48*	*0.634*
Transparency	*0.025*	*0.097*	*0.047*	*0.263*	*0.794*

Source: IBM spss output 26, 2023

Table 7 Regression Analysis Results

Coefficients[a]		
Model	*Unstandardized Coefficients*	
	B	*Std. Error*
(Constant)	*3.860*	*4.094*

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Accountability	*.366*	*.135*
Transparency	*.662*	*.167*

a. Dependent Variable: Village Financial Management

Source: IBM spss output 26, 2023

From this table, a multiple linear regression equation can be compiled as follows:

Y=3.860+0.366X1+0.662X2 + e

Based on the multiple linear regression equation above, it can be described as follows:

a. The Village Financial Management variable has not been influenced by the Accountabilityvariable (X1) and the Transparency variable (X2), so the constant value (a) is conditionedat 3.860.
b. The accountability variable regression coefficient is positive, which is 0.366. This shows that if Accountability (X1) increases, then Village Financial Management (Y) will increaseby 0.366 assuming other independent variables are constant.
c. The regression coefficient of the Transparency variable (X2) is positive, namely 0.662. thisshows that if Transparency (X2) increases, then Village Financial Management (Y) will increase by 0.662, assuming that the other independent variables are constant.

After testing whether the data is suitable for use or not the test results say the data is suitablefor use, the next test is hypothesis testing. Hypothesis testing aims to predict how much influence the independent variables (internal audit influence and accounting understanding) have on how totest the hypothesis by testing the coefficient of determination (R2), F test, and t test. From the calculation and processing of data using SPSS 26 is obtained.

Table 8 Test Results of the Coefficient of Determination

Model Summary

Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*
1	*.716[a]*	*0.512*	*0.486*	*2.66278*

a. Predictors: (Constant), Transparency, Accountability
b. Predictors: (Constant), Transparency, Accountability

Source: IBM spss output 26, 2023

Table 8 shows that the Adjusted R Square value is 0.486 or 48.6%, this means that the independent variable affects the dependent variable by 48.6% while the remaining 51.4% is influenced by other variables not included in this study.

The simultaneous test (F-test) was conducted to see how much influence all independent variables (Accountability and Transparency) had on the dependent variable (Village Financial Management).

Table 9 F test

ANOVA[a]

Model	*Sum of Squares*	*Df*	*Mean Square*	*F*	*Sig.*
Regression	*275.431*	*2*	*137.716*	*19.423*	*,000[b]*

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Residuals	*262.344*	*37*	*7.09*
Total	*9537.77572.510*	*39*	

Dependent Variable: Village Financial Management

Predictors: (Constant), Transparency, Accountability Source:

Source: IBM spss output 26, 2023

Table 9 shows that the F-count value is 32.707 and the significant F-table value is 0.05 with the formula, namely F-table = F (k; n-k) = F (2; 40-2) = F (2; 37) so that the F-table becomes 3.25. The results obtained are F-count> F-table (19.423> 3.25) with a significance of 0.000 <0.05.So that the Accountability and Transparency variables have a significant influence on Village Financial Management in Sumpira Village (Y).

The next stage is partial testing (t-test) aims to determine the effect of each independent variable on the dependent variable. The test criteria used are if the value <0.05 then Ha is acceptedand if the value> 0.05 then H0 is rejected.

Table 10 Partial Test Results (t Test)

Coefficients[a]

Model	*Unstandardized Coefficients*		*Standardized Coefficients*		
	B	*Std. Error*	*Beta*	*t*	*Sig.*
(Constant)	*3.860*	*4.094*		*.943*	*.352*
Accountability	*.366*	*.135*	*.342*	*2.705*	*.010*
Transparency	*.662*	*.167*	*.502*	*3.966*	*.000*

a. Dependent Variable: Village Financial Management

Source: IBM spss output 26, 2023

1. Accountability (X1)
   Based on the table above, the processing results of the Accountability variable (X1) obtained a t value of 2.705 with a probability of 0.010. With t count 2.705> from table 0.025 (37) 2.02619 or probability 0.010 < from 0.05; then H0 is rejected, which means thatthe Accountability variable (X1) partially or individually has a significant positive effect on Village Financial Management in Sumpira Village.
2. Transparency (X2)
   Based on the table above, the results of managing Transparency (X2) obtained a t value of3.966 with a probability of 0.000. With t count 3.966> from t table 0.025 (37) 2.02619 or probability 0.000 <0.05; then H0 is rejected, which means that the Transparency variable (X2) partially or individually has a significant positive effect on Village Financial Management in Sumpira Village.

B. Discussion

1. The Effect of Accountability on Village Fund Management in Sumpira Village.

Accountability has a positive effect on village financial management in Sumpira Village. This means that the higher the level of accountability that village financial management in Sumpira Village is also getting better. Accountability encourages the management of village funds in a more efficient and effective manner. Good oversight and close monitoring can help ensure that village funds are used for their intended purpose and deliver the expected results. Therefore, it is very important that accountability must be implemented by the village government to create Good Governance in financial management. Accountability affects village financial management, namely with high accountability encouraging active community participation in supervision and

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decision making related to village finances. Involved communities can oversee budget implementation, ensuring village funds are used in accordance with local needs and priorities. Good accountability can help ensure that village funds are used efficiently and effectively. With good performance measurement and reporting mechanisms in place, villages can assess whether financial resources are being used optimally to achieve development goals. Accountability is a bulwark against corruption. With rigorous monitoring systems and fraud prevention mechanisms in place, the risk of corruption can be reduced. This helps ensure that village funds are not misusedby irresponsible parties. A high level of accountability increases community trust in the village government. Communities that feel that village financial management is done well and transparently are more likely to support government policies and contribute positively to local development.

Accountability also includes compliance with applicable rules and regulations. An accountable village government will strive to comply with established accounting standards and financial regulations. It is important to remember that accountability is not only the responsibilityof the village government, but also involves the active participation of the community and other relevant parties. In the context of *good governance*, the involvement of all stakeholders can form a mutually supportive system to achieve village development goals in a sustainable manner. In thecontext of village financial management and *good governance*, *Stewardship* theory can play an important role in strengthening accountability. *Stewardship* theory emphasizes the understandingthat village governments act as "*stewards*" who have the responsibility to manage resources in good faith. The application of this concept can increase awareness of responsibility towards the community and the owners of village finances, which in turn can strengthen accountability. The *Stewardship* concept can create awareness of the importance of involving the community in decision-making related to village finances. By empowering the community to understand and oversee the management of village funds, this theory can strengthen accountability through active participation. *Stewardship* highlights the importance of accountability and performance measurement. A village government based on *Stewardship* theory can develop an effective performance evaluation system to assess the achievement of development goals and responsible financial management. By integrating *Stewardship* theory in village financial management practices, it can be expected that village leaders will focus more on their duties as "*stewards*" andthus, will improve their accountability to the community and the owners of village funds.

The result of the first hypothesis of this study is that accountability has a positive effect onvillage financial management in Sumpira Village. Thus, it can be concluded that Ha is accepted while Ho is rejected. This is in accordance with the findings of previous research by (Faizzatus Solihah et al., 2022) which states that accountability has a positive effect on village financial management.

2. The Effect of Transparency on Village Fund Management in Sumpira Village.

Transparency has a positive effect on village financial management in Sumpira Village. This means that the higher the level of transparency, the better the village financial management in Sumpira Village. Transparency helps build public trust in the management of village funds. When information related to the use of village funds is clearly available and easily accessible to the community, this creates a sense of trust that the funds are being used for the common good. Transparency affects village financial management by having a very important role in the contextof good governance, especially in relation to village financial management. Transparency is a key element in building public trust in the village government. Communities that have easy access to transparent village financial information are more likely to trust government policies and decisions. This creates a more positive relationship between the village government and the community. With transparent financial information, village governments can be evaluated more effectively. Communities and stakeholders can help identify areas where fund management can beimproved, thereby increasing the efficiency and effectiveness of the use of village funds. Transparency empowers communities by giving them access to information needed to make betterdecisions. With a better understanding of village finances, communities can participate in development planning processes and advocate for policies that better suit local needs. Transparency supports village government compliance with applicable rules and regulations. By openly presenting financial information, village governments can demonstrate that they comply with accounting standards and financial regulations. Overall, transparency contributes significantly to *good* village financial management and creates an enabling environment for *goodgovernance*. By strengthening transparency, village governments can build trust, encouragecommunity participation, and improve accountability in the management of village funds.

Stewardship theory can strengthen the influence of transparency in *good governance* on village financial management by focusing on the roles and responsibilities of those responsible formanaging village resources. *Stewardship* theory emphasizes responsibility and ethics in resource management. By applying *Stewardship* principles, village governments are directed to be ethically responsible in the management of village funds. Transparency reinforces this by allowing interested parties to see directly how resources aremanaged. *Stewardship* and transparency supporteach other in improving accountability. *Stewardship* theory asserts that *stewards* should be accountable to owners or the community. With transparency, relevant parties can monitor and evaluate the performance of the village government, thereby increasing accountability. *Stewardship* encourages the active involvement of stakeholders in decision-making. With transparency, easily accessible financial information can motivate the participation of the community and other parties in monitoring and providing input on village financial management.*Stewardship* theory and transparency contribute to increased public trust. The combination of being ethically responsible (*stewardship*) and information disclosure (transparency) creates a situation where the public feels confident that village financial management is done in good faith. By combining *stewardship* theory with transparency practices, village governments can create anenabling environment for good governance and effective village financial management. *Stewardship* provides the philosophical basis for responsible action, while transparency provides the concrete tools to make that action open and accountable.

The result of the second hypothesis of this study is that accountability has a positive effecton village financial management in Sumpira Village. Thus, it can be concluded that Ha is acceptedwhile Ho is rejected. This is in accordance with the findings of previous research by (Septian et al., 2022) which states that transparency has a significant effect on village financial management.

IV. CONCLUSION

The results of this study, it can be concluded that accountability has a positive effect on village financial management in Sumpira Village. This means that the higher the level of accountability that village financial management in Sumpira Village is also getting better. Accountability encourages the management of village funds in a more efficient and effective manner. Good oversight and close monitoring can help ensure that village funds are used for their intended purpose and deliver the expected results. Therefore, it is very important that accountability must be implemented by the village government to create *Good Governance* in financial management. The results of the research on transparency variables have a positive effecton village financial management in Sumpira Village. This means that the higher the level of transparency that village financial management in Sumpira Village is also getting better. Transparency helps build public trust in the management of village funds. When information related to the use of village funds is clearly available and easily accessible to the community, thiscreates a sense of trust that the funds are being used for the common good. Transparency affects village financial management by having a very important role in the context of good governance,especially in relation to village financial management. Transparency is a key element in buildingpublic trust in the village government.

The author provides suggestions for the Government in Sumpira Village, especially thoseinvolved in village financial management, namely to increase the accountability and transparency.

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