

## THE INFLUENCE OF HUMAN RESOURCE COMPETENCY, UTILIZATION OF INFORMATION TECHNOLOGY, AND ORGANIZATIONAL COMMITMENT TO FINANCIAL MANAGEMENT OF THE REGIONAL GOVERNMENT OF KOTA PARIAMAN

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### ABSTRACT

Local government financial management plays an essential role in ensuring the effective allocation and use of resources. This study aims to evaluate the impact of organizational commitment, human resource competence, and information technology on the financial management of the Regional Government of Kota Pariaman. The method used in this study is a quantitative approach, using surveys and statistical analysis to collect data. The sample selection in this study used a proportional random sampling technique with a total sample of 94 employees. The study results show that: 1) Organizational commitment influences local government financial management. 2) Human resource competence influences regional government financial management. 3) The use of information system technology influences regional government financial management. 4) Organizational commitment, competence of human resources, and utilization of information system technology simultaneously influence the financial management of regional governments. Previous research (such as Indriasari and Nahartyo (2008), Winidyaningrum and Rahmawati (2010), Sukmaningrum (2012), Sugandi et al. (2013), and Nugraha (2015)) regarding factors that influence the quality of government financial reports, although interesting, is limited to one government agency, so its findings may not apply to others. Meanwhile, each current government structure is unique.

**Keywords:** organizational commitment, human resource competence, information systems technology, local government financial management

### BACKGROUND

Local governments are responsible for managing and allocating financial resources to support the socio-economic development of their respective regions. They must ensure these resources are used efficiently and effectively to achieve their goals and objectives. One of the key factors influencing the success of financial management in local governments is organizational commitment (Chen et al.,

2022). Organizational commitment refers to the level of dedication and loyalty that employees have towards their organization. Organizational commitment can significantly impact the quality of financial management in local governments. According to Mowday et al. (2013), organizational commitment creates employee trust and support, which leads to greater loyalty to organizational values and goals. This commitment can foster a sense

of responsibility and accountability in financial management, resulting in increased accuracy and integrity of financial reports. In addition, human resource competencies also play an essential role in managing local government finances (Wu & Kao, 2022). Human resource competence refers to the knowledge, skills, and abilities individuals possess in an organization. This competency is essential to effectively carry out financial management tasks, such as budgeting, financial analysis, and reporting. Research by Firmansyah and Devi (2017) highlights the importance of professional human resources in finance in producing quality financial information. In addition to organizational commitment and human resource competence, information technology is essential in improving the financial management process.

Information technology enables local governments to automate and streamline financial management tasks such as budgeting, accounting, and reporting (Simpson et al., 2020). This automation reduces the possibility of human error and increases efficiency in the financial management process.

Information technology positively affects the quality of information on regional financial reports (Furqan et al., 2020). This improves data accuracy, increases the speed of financial transactions and reporting, and provides access to real-time financial information. In addition, information technology enables data analysis and better decision-making in financial management. By leveraging the power of data and analytics, local governments can gain valuable insights into their financial performance, identify areas for

improvement, and make decisions to optimize resource allocation. Furthermore, organizational commitment acts as an intermediary variable that strengthens the relationship between human resource competencies and the use of information technology in financial management. Organizational commitment refers to the extent to which employees of an organization are dedicated and loyal to its goals and objectives (Tremblay et al., 2010).

This commitment increases the adoption and effective use of information technology in financial management. Employees committed to the organization are more likely to embrace and adapt to technological changes because they believe in the benefits of technology (El-Kassar & Singh, 2019). In addition, employees committed to the organization are more likely to actively participate in training programs and skills-upgrading initiatives related to information technology. By increasing their knowledge and skills in utilizing information technology, these committed employees contribute to the efficient and effective use of technology in financial management. Human resource competence also plays a vital role in local government's use of information technology for financial management.

Human resource competency refers to employees' knowledge, skills, and abilities in their job responsibilities. In financial management, highly competent employees are more likely to use information technology tools and platforms effectively (Redmon, 2013). They can navigate financial management systems, analyze data, generate reports, and make informed decisions using technology. In

addition, employees with strong competence in financial management can also provide valuable input and insight in selecting, implementing, and optimizing the use of information technology in the financial management process. Understanding the regional financial accounting system will further influence the use of information technology in financial management. A solid understanding of regional financial accounting systems is essential to effectively utilize information technology in financial management. When employees clearly understand the accounting system and its processes, they are better equipped to use information technology tools in their financial management tasks.

The novelty of this research recently carried out on regional financial management of the Pariaman City government lies in examining the relationship between organizational commitment, human resource competence, and the use of information technology in financial management in local government. The findings show that organizational commitment significantly affects the quality of financial reporting information. Employees who commit to their organization are likelier to produce high-quality financial report information. In addition, organizational commitment is significant in encouraging employee loyalty and support for organizational values and goals. This, in turn, can positively influence the relationship between human resource competence and the use of information technology on the quality of financial reports. In addition, this research highlights the positive influence of information

technology on the quality of regional financial reporting information. Employees with a high level of competency in financial management are more likely to use information technology tools and platforms effectively for financial management purposes.

## **METHOD**

This study employs a quantitative methodology, specifically utilizing associative quantitative methods. The quantitative approach is distinguished by its utilization of measurements, calculations, formulae, and the assurance of numerical facts resulting from the methodologies employed in research concepts, processes, hypotheses, fieldwork, data analysis, and data conclusions, extending to the act of writing. Meanwhile, this research is correlational as it establishes a connection between two or more variables (Sugiyono, 2018).

Associative study seeks to establish the correlation between one or more variables and other variables. This research is considered the most advanced among other sorts of research, such as descriptive and comparative research. This research methodology can uncover many concepts that offer elucidations, forecasts, and mastery over an inevitable occurrence. The statistical test employed in this study is linear regression analysis, which commences with the conventional assumption test using regression analysis. This is done because the theory in this study aims to ascertain the impact of one or more independent variables on the dependent variable (Arikunto, 2019). The population of this study is the Financial Administration Officer (PPK) of the

Regional Government of Kota Pariaman, totalling 112 people. In this study, a proportional random sampling technique was employed to acquire the sample, considering the specific characteristics of the predetermined population. The reason for using this strategy is that it ensures that all members have an equal chance of being sampled in proportion to their representation (Sugiyono, 2018). The sample utilized in this study is representative, thereby enabling the extrapolation of the conclusions to the total population.

The study's sample comprised 94 Financial Administration Officers (PPK) from the Regional Government of Kota Pariaman. The sample strategy employed in this investigation utilized the Probability sample technique, namely simple random sampling. Sugiyo (2018) states that the Proportional Stratified Random Sampling technique involves randomly selecting elements directly from the population, with each element having an equal probability of being chosen. Every possible sample of this size is equally likely to be selected, regardless of any other component. The samples were acquired from the sampling frame utilizing random methodologies. This research instrument is designed as a questionnaire that utilizes a Likert scale. According to Sugiyono (2018), the Likert scale is a tool used to assess the attitudes, views, and perceptions of individuals or groups towards social phenomena.

The selection of the Likert scale in this study was based on the considerations to be measured, namely opinions, perceptions, and one's opinion on the value of Organizational Commitment, Human

Resource Competence, and Utilization of Information Technology in District Government Financial Management. Pariaman City. According to Riduwan (2015), The Likert scale is appropriate for assessing an individual or group's attitudes, opinions, or perceptions regarding social events or occurrences. Data analysis involves systematically and logically selecting, simplifying, concentrating, abstracting, and arranging data depending on study objectives. It also entails describing data using tables to enhance comprehension. The study findings in each table are assessed for significance, and conclusions are subsequently derived from them. This study examines four independent factors or predictors: organizational commitment, human resource competency, and exploitation of information technology. The study also investigates one dependent variable or criteria: regional financial management. Multiple regression is a statistical method employed to analyze data.

## **RESULTS AND DISCUSSION**

### **Normality test**

A normality test was conducted to determine whether the data originated from a population that follows a normal distribution. The Kolmogorov-Smirnov test is employed to determine the degree of normality. If the p-value (two-tailed) of the Shapiro-Wilk test is greater than or equal to 0.05, then the data is considered to have a normal distribution. For more details, please refer to the table provided below.

**Table 1.** Normality Test Results

NO	Variable	Sig.	Alpha	Distribution
1	Organizational Commitment ( $X_1$ )	0.2	0.05	Normal
2	Human Resources Competency ( $X_2$ )	0.2	0.05	Normal
3	Utilization of Information Technology ( $X_3$ )	0.052	0.05	Normal
4	Local Government Financial Management (Y)	0.078	0.05	Normal

The provided table shows that the significance value is statistically significant, with a value lower than 0.05. Since the significance level is more significant than 0.05, it may be concluded that the distribution of each variable is normal.

### Linearity Test

Moreover, the linearity test is employed to assess the accuracy of the model parameters and determine the preferred functional form (linear, quadratic, or cubic) for the empirical function. This exam will ascertain the appropriate mathematical model, whether linear, quadratic, or cubic.

**Table 2.** Linearity Test Result

NO	Variable	Sig.	Alpha	Information
1	Organizational Commitment ( $X_1$ )	0.054	0.05	linear
2	Human Resources Competency ( $X_2$ )	0.055	0.05	linear
3	Utilization of Information Technology ( $X_3$ )	0.105	0.05	linear

From the results of the linearity test that has been carried out, the significant value is greater than 0.05, which means the relationship is linear. This shows that organizational commitment, competency of human resources, and utilization of information technology have a linear pattern in the financial management of the regional government of Kota Pariaman.

### Heteroscedasticity Test

Heteroscedasticity tests determine if there is a varying variance in the residuals between different observations.

Heteroscedasticity means that the residual variance in a regression is not constant, leading to decreased efficiency. A reliable regression model exhibits homoscedasticity, meaning it lacks any indications of heteroscedasticity. The heteroscedasticity test can be conducted via the Spearman correlation approach. A heteroscedasticity test was conducted to ascertain the impact of the predictor variable on the residual value. Typical residuals exhibit a substantial value greater than 0.05. Additional information can be elucidated in the subsequent table:

**Table 3.** Heteroscedasticity Test Results

NO	Variable	Sig.	Alpha	Information
1	Organizational Commitment ( $X_1$ )	0.348	0.05	There is no Heteroscedasticity.
2	Human Resources Competency ( $X_2$ )	0.283	0.05	There is no Heteroscedasticity.

3	Utilization of Information Technology ( $X_3$ )	0.805	0.05	There is no Heteroscedasticity.
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Based on the table above for the Organizational Commitment variable ( $X_1$ ) of 0.348 with a significance value greater than 0.05 ( $0.348 > 0.05$ ), it is stated that the Organizational Commitment data ( $X_1$ ) is homogeneous. Then, the Human Resources Competency variable ( $X_2$ ) was obtained at 0.283 with a significant value greater than 0.05, which means ( $0.283 > 0.05$ ), and this variable shows a homogeneous variant. Information Technology Utilization Variable ( $X_3$ ) is 0.805 with a significant value greater than 0.05, which means ( $0.805 > 0.05$ ), and this variable shows a homogeneous variant.

### Multicollinearity Test

The multicollinearity test assesses if there is a correlation among the independent variables in the regression model. If there is a correlation between the independent variables, then the variables are not orthogonal. Orthogonal variables are independent variables with a zero-correlation value with other independent variables. The method to identify the existence or absence of multicollinearity in the regression model is as follows:

**Table 4.** Multicollinearity Test Results

NO	Variable	VIF value	Tolerance	VIF limit	Information
1	Organizational Commitment ( $X_1$ )	1.122	0.891	10	Multicollinearity Does Not Happen
2	Human Resources Competency ( $X_2$ )	1.153	0.867	10	Multicollinearity Does Not Happen
3	Utilization of Information Technology ( $X_3$ )	1,032	0.969	10	Multicollinearity Does Not Happen

The calculation of the tolerance value indicates that none of the independent variables have a tolerance value below 10%. This implies no correlation between the independent variables whose value exceeds 90%. The findings of computing the value of the variance inflation factor (VIF) likewise indicate the same outcome. None of the independent variables has a Variance Inflation Factor (VIF) value exceeding 10. No multicollinearity was seen among the independent variables in the regression model.

### Multiple Regression Analysis

The analysis involved multiple linear regression with four predictors: organizational commitment ( $X_1$ ), human resource competence ( $X_2$ ), adoption of information technology ( $X_3$ ), and local government budget management ( $Y$ ). This regression model can be utilized to ascertain the concurrent and partial impacts of organizational commitment, human resource competency, and the utilization of information technology, which exhibits a

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linear trend, on the financial management of the Pariaman City Regional Government. The regression analysis table is produced

from the calculation results of SPSS for Windows 26.0:

**Table 5.** Multiple Regression Analysis

	Model	Nonstandard coefficients		Standard Coefficient
		B	St. Error	Betas
1	(Constant)	4,295	4,313	
	Organizational Commitment ( $X_1$ )	0.260	0.095	0.246
	Human Resources Competency ( $X_2$ )	0.348	0.091	0.348
	Utilization of Information Technology ( $X_3$ )	0.420	0.139	0.262

The table above shows that the multiple regression equation obtained from the analysis results is as follows:

$$Y = 4.298 + 0.260 X_1 + 0.348 X_2 + 0.420 X_3$$

The regression model means:

Constant: 4.295

If the variables of organizational commitment, human resources competence, and information technology utilization are considered constant, then the average local government financial management is 4,295.

Regression coefficient  $X_1$  (Organizational Commitment)

From the multiple regression calculation, the coefficient ( $b_1$ ) is 0.260. This means that if the organizational commitment variable increases by 1 (one) point. In contrast, the human resource competency variable and information technology utilization are considered constant, increasing local government financial management by 0.260.

Regression coefficient  $X_2$  (Human et al.)

The multiple regression calculation's coefficient ( $b_2$ ) is 0.348. This

means that if the human resource competence variable increases by 1 (one) point while the variables of organizational commitment and utilization of information technology are considered constant, it will lead to an increase in local government financial management of 0.348.

Regression coefficient  $X_3$  (Utilization of Information Technology)

The multiple regression computation yields a coefficient ( $b_2$ ) of 0.420. Suppose the variable for information technology use increases by 1 point. In that case, keeping the variables for organizational commitment and human resource competency unchanged will result in a 0.348 increase in local government financial management.

## Hypothesis test

### Simultaneous Test (F)

The F test determines whether the independent variables simultaneously significantly affect the dependent variable. The degree of confidence used is 0.05. Suppose the calculated F value is greater than the F value according to the table. In that case, the alternative hypothesis states that all independent variables

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simultaneously significantly affect the dependent variable. The SPSS output analysis can be seen in the table below:

**Table 6.** Simultaneous Test Results (F) Organizational Commitment Variables (X<sub>1</sub>), Human Resource Competence (X<sub>2</sub>), Utilization of Information Technology (X<sub>3</sub>), and Local Government Financial Management (Y)

Models Summary							
Model	R	R square	Customized R Square	St. Estimation Error			
1	.589 <sup>a</sup>	0.347	0.326	2,948			
ANOVA <sup>a</sup>							
Model		Sum of Squares	df	Mean Square	F	Sig.	Si
Regression	Regre	416,393	3	138,798	15,971	.000 <sup>b</sup>	.0
	Residual	782,161	90	8,691			
Total		119,8553	93				

In the Model Summary table, it can be seen that the Adjusted R Square column is equal to 0.326. This means simultaneously contributing to the Organizational Commitment variable (X<sub>1</sub>), Resource Competence.

Humans (X<sub>2</sub>) and utilization of Information Technology (X<sub>3</sub>) have a contribution to Local Government Financial Management (Y) 0.326 or 32.6 %, which means that other variables influence the remaining 67.4%.

The calculated F value is 15.971 with a probability value (sig) = 0.000. The calculated F value is 15.971 > F table is 2.705, and sig. Less than the probability value of 0.05 or the value of 0.000 < 0.05, then H<sub>1</sub> is accepted, meaning that simultaneously, Organizational Commitment (X<sub>1</sub>), Human Resource Competence (X<sub>2</sub>), Utilization of

Information Technology (X<sub>3</sub>) has an effect significant to Regional Government Financial Management (Y).

### Partial Test (t)

The t-test is used to determine whether or not the independent variable partially has a significant effect on the dependent variable. The degree of significance used is 0.05. If the significant value is less than the degree of confidence, we accept the alternative hypothesis that the independent variable partially affects the dependent variable. The t-test analysis is also shown in the table below:

To determine the effect of Organizational Commitment (X<sub>1</sub>) on Regional Government Financial Management (Y). can be explained in the following table:

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**Table 7.** Partial Test of Organizational Commitment (X<sub>1</sub>) on Government Financial Management Area (Y).

Models Summary					
Model	R	R square	Customized R Square	St. Estimation Error	
1	,378 <sup>a</sup>	0.143	0.134	3,341	
coefficient <sup>a</sup>					
Model	Nonstandard coefficients		Standard Coefficient	Q	Sig.
	B	St. Error	Betas		
1 (Constant)	21,877	2,907		7,527	0.000
Organizational Commitment (X1)	0.400	0.102	0.378	3,920	0.000

In the table above, the Organizational Commitment variable (X<sub>1</sub>) obtained a value = 3.920 with a significance of 0.000 where 0.000 < 0.05 so that H<sub>0</sub> is rejected and H<sub>a</sub> is accepted, which reads "there is a significant influence of Organizational Commitment (X<sub>1</sub>) on Regional Government Financial Management (Y)". In the Model Summary table, it can be seen from the Adjusted R

Square column of 0.134, meaning that the Organizational Commitment variable (X<sub>1</sub>) contributes 0.134 or 13.4 % to Regional Government Financial Management (Y).

Resource Competence (X<sub>2</sub>) on Organizational Citizenship Behavior of Civil Servants in the District of Payakumbuh City (Y). can be explained in the following table:

**Table 8.** Resources Competency Partial Test (X<sub>2</sub>) Government Financial Management Area (Y)

Models Summary					
Model	R	R square	Customized R Square	St. Estimation Error	
1	,475 <sup>a</sup>	0.226	0.218	3.176	
coefficient <sup>a</sup>					
Model	Nonstandard coefficients		Standard Coefficient	Q	Sig.
	B	St. Error	Betas		
1 (Constant)	17,245	3,095		5,573	0.000
Human Resources Competency (X2)	0.476	0.092	0.475	5.182	0.000

In the table above, the human resource competency variable (X<sub>2</sub>) obtained a value = 5.182 with a significance of 0.000 where 0.000 < 0.05, so H<sub>0</sub> is rejected. Meanwhile, H<sub>a</sub> is accepted, which reads, "There is a significant influence on the HR competency variable (X<sub>2</sub>) on Regional

Government Financial Management (Y)". In the Model Summary table, it can be seen from the Adjusted R Square column that it is 0.218. This means that the HR competence of the resource variable (X<sub>2</sub>) contributes 0.218 or 21.8 % to Regional Government Financial Management (Y).

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Knowing the effect of Information Technology Utilization ( $X_3$ ) on Regional Government Financial Management (Y) can be explained in the following table:

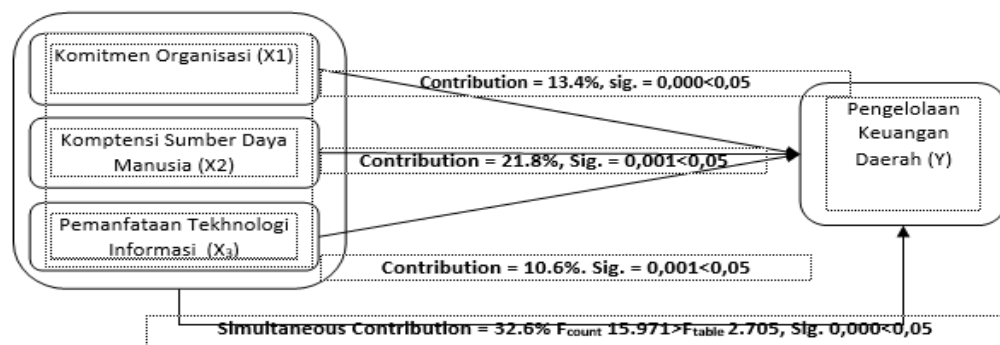
**Table 9.** Human Resources Competency Partial Test ( $X_3$ ) Local Government Financial Management (Y)

Models Summary						
Model	R	R square	Customized R Square	St. Estimation Error		
1	,340 <sup>a</sup>	0.116	0.106	3,394		
coefficient <sup>a</sup>						
Model		Nonstandard coefficients		Standard Coefficient	Q	Sig.
		B	St. Error	Betas		
1	(Constant)	20,369	3,714		5,485	0.000
	Utilization of Information Technology (X3)	0.546	0.157	0.340	3,468	0.001

In the table above, the variable Information Technology Utilization ( $X_3$ ) obtained a value = 3.468 with a significance of 0.001 where  $0.001 < 0.05$  so that  $H_0$  is rejected and  $H_a$  is accepted, which reads "there is a significant influence of Information Technology Utilization Variable ( $X_3$ ) on Regional Government Financial Management (Y)". In the Model Summary table, it can be seen from the

column Adjusted R Square of 0.106. This means that the competence of the human resource variable ( $X_2$ ) contributes 0.106 or 10.6 % to Regional Government Financial Management (Y).

Furthermore, the contribution model for the influence of the independent variables on the dependent variable can be seen in the following figure:



## DISCUSSION

### The Effect of Organizational Commitment on Local Government Financial Management

The findings of testing the first hypothesis confirm that organizational

commitment substantially impacts Regional Government Financial Management. The  $T_{count}$  value obtained is 3.920, with a significance level of 0.001. Since 0.000 is less than 0.05, the null hypothesis ( $H_0$ ) is rejected, and the alternative hypothesis ( $H_a$ )

is accepted. This indicates that organizational commitment is influenced by regional government financial management. Additionally, the Adjusted R Square value of 0.134 represents the contribution amount. The variable of organizational commitment (X1) contributes partially to Regional Government Financial Management (Y) with a coefficient of 0.134 or 13.4%.

In local government financial management, organizational commitment significantly affects the effectiveness and efficiency of financial management (Andrews, 2011). Organizational commitment is shared by all organization members in achieving common goals and conducting good financial management (Savitri et al., 2020). Organizational commitment includes compliance with applicable rules and regulations, avoiding corrupt practices, and a willingness to work with transparency and accountability. High organizational commitment will ensure that financial management is carried out with integrity and responsibility in managing local government finances. This is supported by research showing that organizational commitment positively affects the quality of local government financial reports. The results of this study indicate that organizational commitment has a positive and significant effect on local government financial management (Kaunang, 2020).

Organizational commitment refers to the level of attachment, dedication, and loyalty of individuals or groups to the goals, values, and vision (Salim et al., 2012). Meanwhile, regional government financial management includes all activities related to

local governments' collection, management, and use of financial resources. The relationship between organizational commitment and local government financial management can significantly influence local government's overall financial performance and effectiveness. For example, individuals or groups within local government have a high commitment to organizational values, which include accountability and transparency in financial management (Ferry et al., 2015). In this case, it will be more likely for local governments to adopt responsible practices in managing their finances. This commitment can encourage the efficient and effective use of public funds and minimize the risk of corruption.

Strong organizational commitment can encourage innovation and creativity in managing local government finances (Mulia, 2019). With a commitment to achieving larger organizational goals, these people may be more inclined to seek creative solutions to complex financial problems. In addition, a commitment to data- and evidence-based decision-making can influence local government financial management. Suppose local government members are committed to using accurate and relevant information in making financial decisions. In that case, the decision will likely be more rational and support achieving organizational goals. Strong organizational commitment can also create collaboration between various units within the local government, including units involved in financial management. It can facilitate better coordination between these units, thereby increasing the efficiency and effectiveness of financial management.

### **The Influence of Human Resource Competence on Local Government Financial Management**

Based on the results of testing the second hypothesis, it is known that human resource competence has a significant influence on regional government financial management. The derived Tcount value of 5.182, with a significance level of 0.00, indicates that the null hypothesis (H0) is rejected, as the p-value of 0.000 is less than the threshold of 0.05. Ha is accepted, which reads, "there is an influence of human resource competence on Regional Government Financial Management," then for the amount of contribution from the Adjusted R Square value of 0.218. This means that the human resource competency variable (X2) partially contributes 0.218 or 21.8% to Regional Government Financial Management (Y).

The relationship between human resource competence (HR) and local government financial management is very close. HR competencies include local government employees' skills, knowledge, and experience. Regional government financial management will only be successful with competent human resources in their fields (Pituringasih et al., 2020). The competence of human resources is vital in producing quality financial reports. Accounting comprehension is also an essential factor affecting the quality of financial reports. Competent human resources in the accounting field will be able to prepare financial reports per the requirements and applicable laws and regulations. In addition, research shows that human resource competence significantly

affects the quality of local government financial management (Ifanka & Sari, 2022).

Competent employees understand accounting principles, financial analysis, and financial regulations well. With competent human resources, local governments can make more appropriate financial decisions based on in-depth analysis (Pallangyo & Rees, 2013). Competent human resources can perform financial management tasks more efficiently. They will be more skilled in managing budgets, conducting financial planning, and implementing policies related to local government finances. Local governments sometimes face complex financial issues and require an in-depth understanding of various aspects of finance. Competent human resources will be better able to face these challenges and find the right solutions (Lian & Kusumah, 2022). Furthermore, competent human resources will understand the importance of accountability in local government financial management. They will be more committed to ensuring transparency and accountability when using public funds.

In conclusion, human resource competence is crucial in local government financial management. Competent human resources can improve local government financial performance and increase transparency, efficiency, and accountability in financial management. By ensuring local government officials have adequate knowledge and skills in finance, local governments can better achieve their financial goals and provide more significant benefits to the communities they serve.

### **The Influence of Utilization of Information Technology on Local Government Financial Management**

Based on the results of testing the third hypothesis, it is known that information technology has a significant effect on Regional Government Financial Management. This is indicated by the Tcount value obtained of 3.468 with a significance of 0.000 where  $0.000 < 0.05$  so that  $H_0$  is rejected.  $H_a$  is accepted, which reads, "There is an effect of the use of information technology on Regional Government Financial Management," for contribution from the Adjusted R Square value of 0.106. The information technology utilization variable (X3) partially contributes 0.106 or 10.6% to Regional Government Financial Management (Y).

The utilization of information technology also significantly influences local government financial management. Information technology can increase efficiency and accuracy in managing local government finances (Sofyani et al., 2020). In addition, information technology allows more accessible and faster access to financial data and facilitates fast and accurate financial reporting. By using information technology, financial data collection, processing, and presentation can be carried out effectively and efficiently, reducing the potential for errors and providing accurate and reliable information in local government financial reports.

Information technology (IT) is vital in managing local government finances (Anggriawan & Yudianto, 2018). Information technology in financial management can benefit local government finances' efficiency, accuracy, transparency,

and accountability. Information technology can automate financial processes like budget processing, transaction recording, and financial reporting. This can reduce administrative costs and the time needed to manage local government finances. With the right IT system, local governments can produce financial reports quickly and accurately. Financial data can be accessed easily by related parties, including the public, increasing transparency and accountability (Perez et al., 2008).

The utilization of information technology can help local governments to improve the security of their financial data. IT systems can be equipped with access control and data protection systems to prevent unauthorized access and misuse of funds. Information technology integration can assist in coordinating and integrating various financial processes within local government. This can increase efficiency and integration in financial management (Njonde & Kimanzi, 2014).

In conclusion, using information technology positively impacts local government financial management. By using information technology effectively, local governments can improve efficiency, accuracy, transparency, and accountability in their financial management. This helps create a better environment for responsible financial management and delivers more significant benefits to the communities served by local governments.

### **CONCLUSION**

This study aims to determine the influence of Organizational Commitment, Competence of Human Resources, and Utilization of Information Technology on

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the Financial Management of Local Government. Based on the research results, Organizational Commitment has a positive and significant partial effect on Regional Government Financial Management where the T count exceeds the T table. This means that the better an Organizational Commitment, the better the Regional Government's Financial Management is produced, and vice versa.

Human Resource Competence has a positive and significant effect partially on Regional Government Financial Management, where the T count exceeds

the T table. This means that the better the competence of human resources is, the better the regional government's financial management is produced, and vice versa.

Utilization of Information Technology has a positive and significant partial effect on Regional Government Financial Management, where the T count is greater than the T table. This means that the better the utilization of information technology, the better the regional government's financial management will be and vice versa.

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