The Role of Accountability as a Mediating Variable of Accounting Information System Quality on Financial and Non-Financial

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Abstract. This research aims to examine and obtain empirical evidence of the influence of the quality of accounting information systems on financial and non-financial performance in village government Wonosobo Regency. This research uses a strewardship theory approach as well as the thfeaeory from DeLone and McLean which is widely used to examine the process of adopting information technology. The sample used in this research is village government officials who understand the accounting information system and act as financial executors and technical executors. Data obtained from distributing Data obtained from distributing questionnaires were processed using Patrial Least Square (PLS). The results of this study indicate that the entire hypothesis is supported and accepted. The results of the study show that the quality of accounting information systems on financial performance, the quality of accounting information systems on non-financial performance, the quality of accounting information systems on accountability, accountability for financial performance, accountability for non-financial performance, the quality of accounting information systems on financial performance through accountability, and the quality of accounting information systems on non-financial performance through accountability has a significant positive relationship.

Keywords: Accounting information system quality, accountability, financial performance, non-financial performance.

1 Introduction

The accounting information system is accountable for the acquisition and preservation of data concerning the organization's operations and the resources that are affected by these operations. This information is subsequently accessible to external stakeholders, employees, and management for review [1]. [2] states that a system is needed to get good government. Designing an integrated accounting information system can improve the system for recording, tracking and managing financial data [3].

In Central Java Province, Indonesia, Wonosobo Regency is one of the districts. It comprises 15 sub-districts and 265 sub-districts/villages. In accordance with Government Regulation Number 8 of 2006 concerning Financial Reporting and Performance of

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Government Institutions, the Wonosobo Regency Government is required to compile an annual Government Institution Performance Report (LKjIP) as part of its duties as a government administrator. The Government Agency Performance Accountability System (SAKIP) is also implemented by the government to support the integrity of the compilation of the LKjIP.

The question that arises is whether financial management can be right on target and carried out well by the village. Villages also have an obligation to prepare service standards as public service providers. In reality, in research [4] it is known that this obligation has not been carried out in many villages. This is evident in the relatively inadequate capacity of village administrations to execute financial and non-financial operations [5].

This research measures organizational performance through the accounting information system, which exerts a favorable impact, while also incorporating more responsibility in the assessment of both factors [6]. Conversely, research from [7] demonstrates a detrimental and negligible effect of accounting information systems on employee performance. The inefficient impact of the accounting information system on employee performance is attributed to inadequate utilization and insufficient flexibility. This differs from [8], which found that the implementation of accounting information systems adversely affected employee performance.

2 Literature review

2.1 Stewardship theory

[9] introduced stewardship theory as a novel concept in the literature of accounting, management, and finance. This theory contains psychological and social foundations that characterize a scenario in which managers, as stewards, are not motivated by personal interests but rather by the overarching interests of society as their primary objective [9]. Stewardship seeks to understand the conditions and qualities for good stewardship by selecting appropriate tasks. delegated without (too much) bureaucratic deviation [10].

2.2 DeLone and McLean theory

This theory posits that the quality of a system can be determined by its own characteristics, including dependability, simplicity of use, speed of response, flexibility, and functionality [6]. Model [11] describes that *the Information Systems Success Model* (ISSM) comprises quality of information, quality of system, quality of service, intention to utilize, user happiness, and net benefit. The assessment of public service efficacy is considerably hindered by the challenge of acquiring dependable data in public administration [12].

2.3 Hypothesis derivation

2.3.1 The influence of the quality of accounting information systems on financial performance

The quality of the accounting information system is crucial for delivering accurate and timely reports, therefore facilitating informed decision-making [6]. Research [6,13] indicates that the financial performance is substantially and favorably affected by the attributes of an accounting information system. Consequently, the subsequent hypothesis may be articulated:

H1: The quality of the accounting information system significantly and positively influences financial performance.

2.3.2 The influence of the quality of accounting information systems on non-financial performance

Accounting information systems are classified as supporting information systems that are employed to facilitate managerial performance, which includes planning, organizing, controlling, and decision-making. This is done to ensure that existing resources are effectively utilized [13]. The integrity of the accounting information system considerably and favorably influences employee performance [14]. [15] asserted that human resource competency significantly and positively influences the effectiveness of the accounting information system and conversely. Therefore, the following can be used to formulate a hypothesis:
H2: The quality of the accounting information system has a positive and significant effect on non-financial performance.

2.3.3 The influence of accounting information system quality on accountability

The evolving accounting information system is a consequence of the accessibility of information technology. Information technology, including both software and hardware, serves as a conduit for data collecting [16]. [2] asserts that accounting information systems positively influence accountability in governmental performance. The application of information technology in the management of village funds has shown a significant and positive effect on accountability [17]. Therefore, the following can be used to formulate a hypothesis:
H3: The quality of the accounting information system substantially and positively impact responsibility.

2.3.4 The effect of accountability on financial performance

Accountability regarding financial performance refers to the capacity to elucidate issues pertaining to development or governmental financial affairs [17]. Research [18] indicates that accountability characteristics substantially improve financial success. Optimal budget absorption will be achieved through direct supervision from the regional government and community, which will be achieved through accountability in administering village funds [9]. Therefore, the following can be used to formulate a hypothesis:
H4: accountability has a positive and significant effect on financial performance.

2.3.5 The influence of accountability on non-financial performance

Accountability is an obligation to provide organizational responsibility to related parties who are interested in being accountable [16]. It is a strong assumption in stewardship theory that humans are basically honest, responsible, trustworthy and have integrity [19]. [20, 21] asserted that accountability has a beneficial impact on the efficacy of local governments. Therefore, the following can be used to formulate a hypothesis:
H5: accountability has a positive and significant effect on non-financial performance.

2.3.6 The influence of accounting information system quality on financial performance with accountability as an intervening variable

Systems of information serve as a method for enhancing company efficiency [6]. The higher the information technology is used, the better the performance of village officials will be. [22, 23] suggest that financial responsibility is positively impacted by accounting information systems. Thus, the following is one way to develop a hypothesis:
H6: financial performance is significantly and positively influenced by accounting information systems, with accountability serving as an intervening variable.

2.3.7 The influence of accounting information system quality on non-financial performance with accountability as an intervening variable

A desired feature of information systems built on information and communication networks is high system quality, which allows the government to provide better services [24]. Research [25] indicates that the accountability of government performance is significantly and positively impacted by the use of information technology. Research [14, 26] asserts that the efficacy of governance is significantly and advantageously affected by the use of information technology. Therefore, the following can be used to formulate a hypothesis:
H7: accounting information systems have a positive and significant effect on non-financial performance with accountability as an intervening variable.

2.4 Research model

This research utilizes the quality of the accounting information system as the independent variable, with financial performance and non-financial performance as dependent factors, and accountability as an intervening variable, shown in the below research model image:

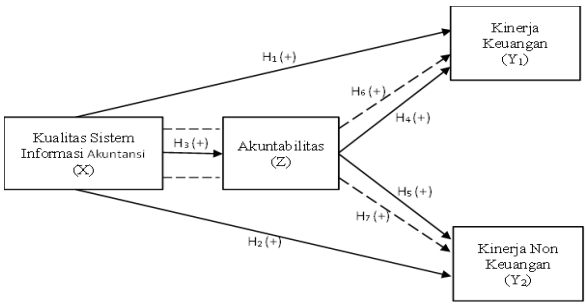

Fig. 1. Research model

3 Method

This study employs primary data sources using a questionnaire utilizing a 1-5 Likert scale, which was sent to respondents. This study focuses on the Village Government in Wonosobo Regency. In the context of village governance, village authorities constitute the whole population under investigation. The sample included village authorities knowledgeable in accounting information systems, namely from the financial affairs sector, together with technical implementers selected from a segment of the community.

Samples were obtained by non-probability sampling based on certain criteria: participants must have worked for a minimum of one year, had knowledge of the village government accounting information system, and serve as organizers within the financial sector and

technical implementers of village government. This study employs model assessment and hypothesis testing using Structural Equation Modeling (SEM) utilizing Partial Least Squares (PLS) software.

4 Results

4.1. Model evaluation

Convergent validity testing indicators are employed in validity testing, as evidenced by the values of the average variance extracted (AVE) and outer loading tables. The general rule for outer loading is that the value displayed by each construct must exceed 0.7 in order to be considered valid.

Table 1. Outer loading

	Accountability	**Financial performance**	**Non-Financial Performance**	**Accounting information system**
X1				0.912
X2				0.928
X3				0.883
X4				0.876
Y1.1		0.799		
Y1.2		0.802		
Y1.3		0.802		
Y1.4		0.807		
Y1.5		0.807		
Y2.1			0.752	
Y2.2			0.835	
Y2.3			0.807	
Y2.4			0.775	
Y2.5			0.805	
Y2.6			0.823	
Y2.7			0.809	
Y2.8			0.703	
Y2.9			0.812	
Z1	0.840			
Z2	0.807			
Z3	0.859			
Z4	0.789			
Z5	0.790			

The validity construct is satisfied by the aggregate output from X1 to Z5, and it can be concluded that it is valid. This is demonstrated by the fact that the outer payload value for each construct exceeds 0.7.

The reliability evaluation is the subsequent step. The instrument's consistency, accuracy, and precision in measuring a construct are demonstrated through reliability testing. The internal consistency of a construct is assessed by composite reliability, while the minimum reliability value of a construct is evaluated using Cronbach's alpha [27]. [28] states that the construct is deemed trustworthy if the composite reliability value and Cronbach alpha exceed 0.6.

Table 2. Convergent reliability test results

Variable	Cronbach's Alpha	Composite Reliability	AVE
Accountability (Z)	0.877	0.910	0.810
Financial Performance (Y1)	0.864	0.901	0.645
Non-Financial Performance (Y2)	0.926	0.938	0.628
Quality of Accounting Information Systems (X)	0.922	0.945	0.668

The Cronbach Alpha and composite reliability values for all constructs in this study are greater than 0.6, as evidenced by table 2. Thus, all constructs are declared reliable.

Table 3. R-Square adjusted

Variable	R Square Adjusted
Accountability (Z)	0.022
Financial Performance (Y1)	0.284
Non-Financial Performance (Y2)	0.442

Table 3 is used to show the adjusted R^2 value. The value of the construct affected by the influencing construct is shown in the table. The statistics indicate that the accountability construct (Z) is affected by the accounting information system (X), with an effect of 0.022 or 2.2%. The residual impact of alternative conceptions is 97.8%. The financial performance construct (Y1) is affected by the accounting information system (X), which impacts it by 0.284 or 28.4%. The remaining constructs influence it by 71.6%. The non-financial performance component (Y2) is affected by the accounting information system (X), which impacts it by 0.442 or 44.2%. The remaining influence of other constructs is 55.8%.

4.2. Hypothesis test

Hypothesis testing is a procedure that leads to a decision to accept or reject a hypothesis. A hypothesis is deemed supported if the t-statistic exceeds 1.66 for a one-tailed test or if the p-value is less than 0.05, provided that the direction of the variable association aligns with the initial hypothesis based on the original sample [29].

Table 4. Path coefficients

Variable	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
Quality of Accounting Information Systems (X) → Financial Performance (Y1)	0.275	2,246	0.012
Quality of Accounting Information Systems (X) → Non-Financial Performance (Y2)	0.159	1,978	0.024
Quality of Accounting Information Systems (X)→Accountability (Z)	0.179	1,868	0.031
Accountability (Z)→Financial Performance (Y1)	0.426	5,333	0,000
Accountability (Z)→Non-Financial Performance (Y2)	0.626	10,177	0,000

Table 5. Specific indirect effects

Variable	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
Quality of Accounting Information Systems (X) → Financial Performance (Y1)	0.076	1,693	0.045
Quality of Accounting Information Systems (X) → Non-Financial Performance (Y2)	0.112	1,858	0.032

Based on tables 4 and 5, it shows that all hypotheses meet the terms and conditions, so all hypotheses are accepted.

5 Discussion

5.1 Quality of accounting information systems on financial performance

The original hypothesis was evaluated, and the findings suggest that the quality of the accounting information system favorably influences financial performance. In line with research [13] that the financial performance is significantly and positively impacted by the characteristics of accounting information systems. Ultimately, the municipality fulfills its obligation to administer and provide financial information to the public.

5.2 Quality of accounting information systems on non-financial performance

Assessment of the second hypothesis reveals that the quality of the information system for accounting has a beneficial impact on non- financial accomplishments. In line with research from [14], It contends that accounting information systems significantly enhance employee performance. The caliber of accounting information systems concerning accountability.

5.3 Quality of accounting information systems on financial performance through accountability

It claims that accounting information systems significantly enhance employee performance. The caliber of accounting information systems concerning accountability. In line with research [23, 30], it is states that accountability and information technology have a favorable and substantial influence on financial success.

5.4 Quality of accounting information systems on non-financial performance through accountability

The seventh hypothesis' evaluation suggests that the quality of the accounting information system has a positive impact on non-financial performance through the concept of responsibility. In line with research [25, 26] The results suggest that the performance of the government is substantially improved by the use of accounting information technology.

6 Conclusion

The objective of this research was to empirically evaluate the influence of the quality of accounting information systems on both financial and non-financial performance, with accountability serving as an intervening variable. The village administration in Wonosobo Regency is the focus of this investigation. A total of 100 respondents comprised the sample. The hypothesis test results suggest that the quality of the accounting information system has a substantial impact on accountability, positively influences non-financial performance, and considerably enhances financial performance. Additionally, accountability has a substantial and positive effect on both financial and non-financial performance. Furthermore, accounting information systems have a substantial positive impact on both financial and non-financial performance, with accountability functioning as an intervening variable in both instances.

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