

Transparency, Participation, Competency in Financial Management of Village Fund in Indonesia

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Abstract: The phenomenon of misuse of village funds causes anxiety for the community and the government in general. Past studies have found some issues related to the use of village funds in Dompas Village, Bukit Batu District, Bengkalis Regency. This study aims to analyse the effect of transparency, participation, and competency on the accountability of financial management of village funds in Riau Province. The population of this study was 520 villages in Riau Province, while the sample was 128 respondents in Bengkalis and Kampar Regency in Riau Province. The data were collected through questionnaire survey. Respondents were those who manage village finance, namely the chief of the village, village secretary, and village treasurer. The data analysis used was multiple regression analysis methods. The findings indicated that transparency, participation, and competency influence the accountability of village financial management. The novelty of this research is to use transparency in the accountability of village financial management (VFM). Thus, VFM will increase village accountability in managing funds through the expertise and knowledge of the village officials in managing village finances, which lead to accountability. Hence, the better the competence of human resources in terms of VFM, the better the accountability of village fund management. This study also has practical implications for village governments, local governments, and communities.

Key words: Accountability, competency, financial management, participation, transparency.