

STATE FINANCE MANAGEMENT WITH THE USE OF FINANCIAL ACCOUNTING SYSTEM APPLICATIONS AT THE AGENCY LEVEL IN THE TNI AU ENVIRONMENT IN ORDER TO REALIZE TRANSPARENCY AND ACCOUNTABILITY

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Abstract

State financial management in the Indonesian Air Force environment faces challenges in realizing transparency and accountability. This study aims to evaluate the use of the Agency Level Financial Accounting System Application in improving transparency and accountability of financial management in the Indonesian Air Force. This research method is descriptive qualitative with data collection techniques through in-depth interviews, observations, and documentation studies in various Indonesian Air Force work units that have implemented the Agency Level Financial Accounting System Application. The results of this study are that the implementation of the Agency Level Financial Accounting System Application in the Indonesian Air Force has increased transparency through more systematic recording of financial transactions that are easily accessible to related parties. Accountability has also been increased with the audit trail feature that allows detailed tracking of each financial transaction. The conclusion of this study is that the use of the Agency Level Financial Accounting System Application is effective in realizing transparency and accountability of financial management in the Indonesian Air Force environment, although there are still challenges that need to be overcome.

Keywords– Financial Management, Transparency, Accountability, SAKTI.

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INTRODUCTION

Indonesia is a large country, stretching from Sabang to Merauke with the fourth largest population in the world. In managing its government, Indonesia requires an integrated system, especially in the management of state finances which are the spearhead that drives all joints of the activities carried out. Current state financial management has been accommodated by the Indonesian Ministry of Finance by implementing the Agency Level Financial Accounting System application. (Ministry of Finance, 2021) A transparent, accountable, effective and efficient financial management system ensures that the government operates well and is responsible for maintaining the integrity of the government, this is no exception including in the management of the defense/military budget which in this case we try to see from the perspective of the Indonesian National

Air Force (TNI AU). Through the development of digital-based applications and integration of government financial management systems, (Pardo, 2008) the Agency Level Financial Accounting System aims to increase transparency and accountability in the management of state finances nationally. The Indonesian Ministry of Finance is developing the Agency Level Financial Accounting System as an information system to combine all processes management of state finances, from planning to reporting. Many modules in this application, including accounting, reporting, budgeting, and treasury, are intended to assist in managing finances better and more efficiently. (Zheng, 2014) The Ministry of Finance has created and in various institutions, including the Indonesian Air Force, as part of bureaucratic reform and modernization of financial administration. (Sivarajah, 2015) Given the complexity and scale of military financial operations, the use of the Agency-Level Financial Accounting System is expected to provide significant benefits in terms of transparency and accountability for the Indonesian Air Force.

Providing transparency in state financial management means providing financial information to interested parties, including the public, auditors, and supervisory institutions, openly and clearly. Good transparency allows for better supervision and prevents corruption or misuse of the budget. On the other hand, the government must be responsible for the use of public funds properly and in accordance with regulations. This is called accountability. With good accountability, all financial transactions can be monitored and accounted for in full, ensuring that state money is used for legitimate and profitable purposes. As part of the Indonesian National Armed Forces, the Indonesian Air Force has an important role in maintaining state sovereignty and protecting national airspace. The Indonesian Air Force requires a large budget and proper financial management to carry out its duties. The Agency-Level Financial Accounting System is expected to improve the Indonesian Air Force's financial management system, which was previously carried out manually and was prone to errors and misuse. The Agency-Level Financial Accounting System facilitates tracking and verification because every financial transaction is recorded electronically and in real time.

In addition, the Agency Level Financial Accounting System offers an audit trail feature, which allows for monitoring every change and transaction in the system. This is very important to ensure that authorities can check and verify every transaction. The audit trail makes it easier to identify budget irregularities and misuse. However, the implementation of the Agency Level Financial Accounting System in the Indonesian Air Force faces several obstacles. Users who are not yet familiar with the new technology show resistance. Everyone working in financial management must be trained and socialized about the System.

Financial Accounting at Institutional Level. In addition, human resource capacity must be improved in terms of technical skills and knowledge of contemporary accounting systems.

The extent to which the implementation of the Agency-Level Financial Accounting System can improve transparency and accountability of financial management in the Indonesian Air Force is the objective of this study. This study uses a

qualitative descriptive approach, and data were collected through observation, documentation studies, and in-depth interviews in various Indonesian Air Force work units that have implemented the Agency-Level Financial Accounting System. The theory of Good Governance, which emphasizes how important it is for public financial management to have transparency, accountability, efficiency, and effectiveness (Meijer 2014), is the theory underlying this study. The results of the study are expected to provide a clear picture of the advantages and disadvantages of implementing the Agency-Level Financial Accounting System in the Indonesian Air Force. The objectives of this study are also expected to help policy makers and financial managers better to make financial management clearer and more honest. (McDerott, 2010)

RESEARCH METHODS

This study uses a qualitative descriptive approach to evaluate the use of the Agency-Level Financial Accounting System Application in the Indonesian Air Force environment in realizing transparency and accountability in state financial management. This approach was chosen because it allows researchers to gain an in-depth understanding of the implementation of the Agency-Level Financial Accounting System and its impact on financial management in the Indonesian Air Force.

Data Collection

Data was collected using several techniques, namely:

1. In-depth Interviews. Interviews were conducted with various key informants, including TNI AU financial officers, staff directly involved in the use of the Agency-Level Financial Accounting System, and internal auditors. These interviews aimed to obtain their views and experiences regarding the implementation and benefits of the Agency-Level Financial Accounting System.
2. Observation. Direct observation was conducted in several TNI AU work units that have implemented the Agency Level Financial Accounting System. Researchers observed the work process, application usage, and interactions between users to understand how the Agency Level Financial Accounting System is used in daily practice.
3. Documentation Study. The researcher reviewed various related documents, such as financial reports, guidelines for using the Institutional Level Financial Accounting System, audit results, and policy documents. This study helps in understanding the context of the implementation of the Institutional Level Financial Accounting System and identifying the problems and benefits that have been reported.

Data Analysis

Data obtained from interviews, observations, and documentation studies were analyzed using thematic analysis methods. The stages of analysis include:

1. Transcription and Codification. The interview results were transcribed and coded based on themes relevant to the research objectives.

2. Theme Identification. The main themes that emerged from the data were analyzed to identify patterns and relationships between themes. These themes include aspects of transparency, accountability, efficiency, and challenges in implementing the Institutional Level Financial Accounting System.

3. Interpretation. The identified themes are interpreted to provide a deeper understanding of the impact of the use of the Agency Level Financial Accounting System in the Indonesian Air Force environment.

Validity and Reliability

To ensure the validity and reliability of the data, source and method triangulation was conducted. Source triangulation was conducted by comparing data from various informants and documents, while method triangulation was conducted by using various data collection techniques (interviews, observations, and documentation studies).

RESULTS AND DISCUSSION

This study evaluates the use of the Agency-Level Financial Accounting System Application in the Indonesian Air Force environment to realize transparency and accountability in state financial management. The results of the study are described based on findings from in-depth interviews, direct observations, and documentation studies conducted in several Indonesian Air Force work units.

Increased Transparency

The Agency Level Financial Accounting System has shown a significant positive impact on increasing transparency in financial management within the Indonesian Air Force. Some of the prominent aspects are:

1. Electronic Recording. The use of the Institutional Financial Accounting System allows for electronic and real-time recording of financial transactions. This facilitates access to information for all stakeholders and ensures that financial data is always up to date.
2. Access to Information. The Institutional Level Financial Accounting System provides features that allow easy access to financial data. This facilitating supervision and monitoring by the TNI AU leadership and internal auditors. With more open access to information, the decision-making process also becomes more transparent and data-based.
3. Better Reporting. The reporting feature in the Institutional Financial Accounting System allows for faster and more accurate financial reporting. These reports can be accessed by various parties transparently, making it easier to audit and evaluate.

Increased Accountability

Accountability of financial management in the Indonesian Air Force has also increased with the implementation of the Agency Level Financial Accounting System. Some of the main findings include:

1. **Audit Trail.** The Institutional Financial Accounting System is equipped with an audit trail feature that records every transaction and change in the system. This allows detailed tracking of every financial transaction, thus facilitating the audit process and ensuring that every expense can be accounted for.
2. **Internal Control.** The use of the Agency Level Financial Accounting System strengthens the internal control system in the Indonesian Air Force. Every transaction must go through a strict authorization process, and only authorized personnel can make changes. This reduces the risk of misuse of funds and ensures that all transactions are in accordance with established procedures.
3. **Increased Compliance.** With an Institutional Financial Accounting System, compliance with applicable accounting regulations and standards is increased. This system helps ensure that all financial transactions are recorded and reported in accordance with applicable provisions, reducing the potential for errors and non-compliance.

Efficiency and Effectiveness

In addition to increasing transparency and accountability, the Agency-Level Financial Accounting System also contributes to increasing the efficiency and effectiveness of financial management in the Indonesian Air Force. Key findings include:

1. **Time and Cost Savings.** Digitizing financial recording and reporting reduces the need for time-consuming and resource-consuming manual processes. This results in significant savings in time and operational costs.
2. **Faster Process.** With the Institutional Financial Accounting System, the budget management, treasury, and reporting processes become faster and more efficient. Financial data can be accessed and processed in a short time, thus accelerating the decision-making process.
3. **System Integration.** The Institutional Level Financial Accounting System allows the integration of various financial processes in one platform. This reduces duplication of work and increases data consistency, making it easier to manage finances overall.

Implementation Challenges

Although there are many benefits gained from the use of the Institutional Level Financial Accounting System, this study also identified several challenges faced in its implementation:

1. **Resistance to Change:** Some personnel in the Indonesian Air Force show resistance to the use of new technology. This is due to the habit of using manual systems and a lack of understanding of the benefits of the Agency-Level Financial Accounting System.
2. **Human Resource Limitations:** Implementation of the Institutional Level Financial Accounting System requires skilled personnel who understand modern information technology and accounting. The limitations of human resources with

these skills are one of the obstacles in the optimal implementation of the Institutional Level Financial Accounting System.

3. Technical Constraints: Several technical constraints such as network disruptions and hardware problems were also found during the implementation of the Institutional Financial Accounting System. This can disrupt the financial management process that should run smoothly.

Implementation Strengthening Strategy

To overcome existing challenges and maximize the benefits of the Institutional Level Financial Accounting System, several implementation strengthening strategies are recommended:

1. Training and Socialization. Intensive and continuous training for all personnel involved in financial management in the Indonesian Air Force needs to be carried out. Socialization regarding the benefits and how to use the Agency Level Financial Accounting System is also important to reduce resistance to change.
2. Increasing Human Resources Capacity. Recruitment and development of human resources with skills in information technology and accounting must be improved. Special training programs to improve technical skills also need to be held periodically.
3. Technical Infrastructure Improvement. Investment in improving technical infrastructure such as reliable internet networks and hardware needs to be done. This is to ensure that the Agency Level Financial Accounting System can operate smoothly without significant technical disruptions.
4. Supervision and Evaluation. Strict supervision and periodic evaluation of the implementation of the Financial Accounting System at the Agency Level need to be carried out. This is to ensure that the system runs as expected and to identify and resolve emerging problems quickly.

Analysis

From the results of this study, it can be seen that the use of the Agency Level Financial Accounting System in the Indonesian Air Force has great potential to increase transparency and accountability in state financial management.

With electronic recording, audit trails, and strong internal control systems, the Agency-Level Financial Accounting System is able to make a significant contribution to realizing better financial governance. However, implementation challenges such as resistance to change, limited human resources, and technical constraints need serious attention. Without consistent efforts to overcome these challenges, the full benefits of the Agency-Level Financial Accounting System will not be realized.

CONCLUSION

This study evaluates the use of the Agency-Level Financial Accounting System Application in the Indonesian Air Force environment in order to realize transparency and accountability in state financial management. Based on the results of the study conducted through in-depth interviews, direct observation, and documentation studies, several main conclusions can be drawn. Increasing Transparency with the use of the Agency-Level Financial Accounting System significantly increases the transparency of financial management in the Indonesian Air Force. The Agency-Level Financial Accounting System allows for faster and more accurate financial reporting, making it easier to audit and evaluate. Thus, the Agency-Level Financial Accounting System supports the creation of a more transparent financial management environment. Then in increasing accountability; The Agency-Level Financial Accounting System has also been proven to increase accountability in financial management with the audit trail feature in the Agency-Level Financial Accounting System allowing detailed tracking of each financial transaction. Compliance with applicable accounting regulations and standards also increases with the Agency-Level Financial Accounting System, reducing the potential for errors and non-compliance. Furthermore, Efficiency and Effectiveness; Digitization of financial recording and reporting reduces the need for manual processes, resulting in significant savings in time and operational costs. The budget, treasury, and reporting management processes become faster and more efficient, facilitating overall financial management. Implementation Challenges; Limited human resources with modern information technology and accounting skills are also challenges that need to be addressed. To overcome this challenge, intensive and continuous training, human resource capacity building, and investment in improving technical infrastructure are needed.

Lastly Implementation Strengthening Strategy; Several implementation strengthening strategies are recommended to maximize the benefits of the Institutional Level Financial Accounting System:

1. Human Resource Capacity Building. Recruitment and development of human resources with skills in information technology and accounting must be improved.
2. Training and Socialization. Intensive and continuous training for all personnel involved in financial management needs to be carried out.
3. Technical Infrastructure Improvement. Investment in improving technical infrastructure such as reliable internet networks and hardware is needed.
4. Supervision and Evaluation. Strict supervision and periodic evaluation of the implementation of the Financial Accounting System at the Agency Level to ensure the system runs as expected.

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