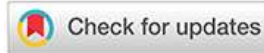


FINANCIAL MANAGEMENT OF INDIGENOUS VILLAGES IN LUWUS VILLAGE BATURITI TABANAN BALI



¹Desak Made Sukarnasih, ²Ni Made Desi Wulandari, ^{3*}Desak Ayu Sriary Bhegawati

^{1,2}Fakultas Ekonomi dan Bisnis, Universitas Pendidikan Nasional, Denpasar -Indonesia

³Fakultas Ekonomi dan Bisnis, Universitas Mahasaraswati Denpasar - Indonesia

e-mail:

¹desaksukarnasih@undiknas.ac.id

²desi.wulandari@gmail.com

^{3*}desakbhegawati@unmas.ac.id (corresponding author)

ABSTRACT

There are administrative and urban villages in Bali province. Together with administrative villages, it also has customary villages, which are settlements that retain the ancient autonomy of the area. The Tri Hita Karana element is one of the ancient village's distinguishing characteristics. The purpose of this study is to ascertain how Luwus Village, Baturiti Tabanan, and customary village Financial Management are impacted by Accountability, Transparency, and Tri Hita Karana. Using the census approach, this research is a quantitative study with a population of 36 people from the Traditional Village Management, Prajuru, and Kelian Banjar of Luwus Village, Baturiti Tabanan. Based on the significance of the statistical test results, the study's findings suggest that Tri Hita Karana, Accountability, and Transparency have a favorable and substantial impact on Financial Management.

Keywords: Financial Management; Accountability; Transparency ; Tri Hita Karana

Diterima (Received) : 27-06-2024

Direvisi (Revised) : 03-07-2024

Disetujui (Approved) : 07-07-2024

Dipublikasi (Published) : 10-07-2024



©2024 Copyright (Hak Cipta) : Penulis (Authors)

Diterbitkan oleh (Published by) : Program Studi Manajemen, Universitas Nusa Cendana, Kupang – Indonesia.

Ini adalah artikel akses terbuka di bawah lisensi (This is an open access article under license) :

CC BY (<https://creativecommons.org/licenses/by/4.0/>)

INTRODUCTION

Among the nations that uphold the democratic system is Indonesia. In a form of government where the people themselves execute policies and make decisions, the people themselves are ultimately in charge. The government grants each area the power to control a number of procedures that are necessary for the development of that region in order to realize a democratic government. In addition to administrative villages and sub-districts, Bali Province (Ribawati et al., 2023). Its communities, which are classified as customary villages, have the characteristics of the original autonomy of the region in addition to being administrative. The Tri Hita Karana element is one of the ancient village's distinguishing characteristics. Tri Hita Karana is made up of three essential and inseparable components: Parahyangan, Palemahan, and Pawongan (Nurita & Putri, 2021). This is a traditional social organization with a number of features, including a clearly defined territory and surroundings, members (krama) who must meet certain standards, kahyangan three or other temples that participate in religious ceremonies, internal and external autonomy, and a traditional government working alongside its management (Suadnyana, 2020). Because they have the authority to govern interactions between community groups and manage customary village wealth for the benefit of residents, customary villages are entitled to autonomy in the socioeconomic sphere (Antlöv., 2016).

The treasury funds of the Indigenous village must be managed transparently so that all activities occurring or previously completed within the village are readily known to the public and accessible to anybody, both inside and outside the community (Sasongko et al., 2021). According to Helle and Roberts (2024), accountability is having the authority to manage the resources and put rules in place that have been given to the reporting organization to accomplish periodic evaluations. Accountability is the duty to provide an account, as well as to respond to and clarify the conduct and decisions of an individual, a legal entity, or the collective leadership of an organization, to those who are entitled to such information. The Minister of Home Affairs Regulation (Permendagri) Number 13 of 2006 concerning Regional Financial Management Guidelines was born out of the village financial management accountability report. This regulation explains how good governance can be achieved through transparent and accountable regional financial management (Fanggidae, 2022). The Bhagavad-Gita sloka, which forms the basis of Tri Hita Karana philosophy, has a significant fundamental impact: Tri Hita Karana (THK) refers to the three factors that contribute to human welfare and help us reach the ultimate goal of life, which is Moksartham Jagadhita ya ca iti Dharma. These factors primarily stem from human relations with harmony with God (parahyangan), human relations with harmony with others (pawongan), and human relations with harmony with the natural world (palemahan)(Sila, 2024). There are three categories for accountability. Unlike other stakeholders who demand formal responsibility, God and nature do not require financial statements or yearly reports (O'Regan et al., 2022).

The village government's yearly financial plan is called the Village Revenue and Expenditure Budget (APBDES). APBDES is made up of revenue, expenses, and financing in terms of structure or components. Original village revenue earned by self-help, participation, mutual collaboration, asset outcomes, business results, and other means as an implementer of village authority (Soefi, 2021). Village funds that are earmarked for villages and come from the state budget are transferred through the regency regional budget. The settlement of Luwus is situated in Tabanan Regency's Baturiti District. Data on village financial management indicates that reports are not submitted on time. As a result, the community has not been able to make the most use of its sources of income

(Tumbelaka et al., 2020). This study is to analyze the impact of accountability, transparency, and Tri Hita Karana culture on traditional village financial management in Luwus Baturiti Village, Tabanan.

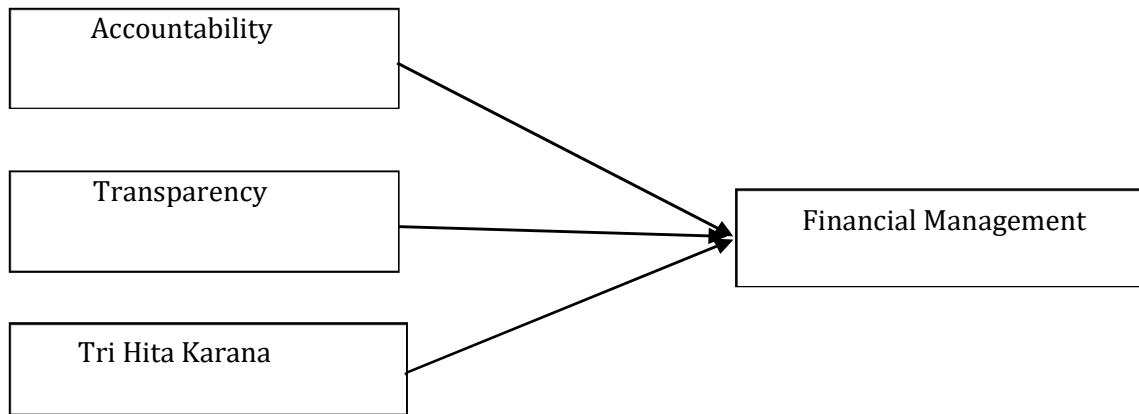
LITERATURE REVIEW, RESEARCH FRAMEWORK, AND HYPOTHESIS

The term "financial management" refers to the management of goals; finance is the organization's lifeblood because, without funds, programs cannot be implemented (Wahyudin, 2021). However, it should be emphasized that the organization's vision, mission, and goals must always be used in planning, managing, and being accountable for fundraising and financial sustainability itself; accountability is the trustee's (agent's) obligation to provide accountability, present, report, and disclose all activities in the activities that fall under their purview to the trustee (principal), who has the right and authority to request this accountability (Yanuarisa, 2020). Transparency is defined as all government processes, institutions, and information that need to be accessible to interested parties, and the information available must be sufficient so that it can be understood and monitored (Renteria, 2024). Transparency is a principle that guarantees access or freedom for everyone to obtain information about government administration, namely information about policies, the process of making and implementing them, and the results achieved (Mualifu et al., 2019).

Culture is the collective mental programming that sets one group or category of people apart from another. Human nature and personality are reflected in culture (Szalay & Deese, 2024). According to Waldana and Anshori (2024), culture is the widely accepted rules, values, and beliefs that direct a group's everyday activities. The Tri Hita Karana (THK) concept is well-known in the Balinese dimension of life, which is the Hindu community's tradition in Bali. The Bhagavad-Gita sloka teaches the THK concept, which has the following key components: Praja = human; Prajapati = almighty god. Bhagavadghita, which teaches mankind three key lessons to reach ultimate happiness: strengthening the heart's conviction in God's truth, acting following God's truth, and dharma, or the truth of God and human nature (Gama, 2024). Since THK is a local culture that derives from local wisdom, it may be considered a national culture since national culture is shaped by a variety of elements, including politics, economy, religion, ethnicity, and language (Sukmayasa & Mahardika, 2024).

Research Framework

In this instance, the framework takes a quantitative, associative approach. The goal of the research is to ascertain how traditional village financial management in Luwus Village, Baturiti Tabanan, is impacted by accountability, transparency, and the Tri Hita Karana culture. Planning, organizing, mobilizing, assessing, supervising, controlling, and organizing/managing in order to ensure that something that is managed can function smoothly, effectively, and efficiently is the process of arranging so that all potential is optimal in supporting the achievement of goals.



Source: Constructed by the author for this research, 2024

Figure 1
Research Framework

Hypothesis

The trustee agent bears the task of ensuring accountability by presenting, reporting, and disclosing all operations and activities that fall under the purview of the trustee (principal), who possesses the right and power to hold the village financial administration responsible. Accountability can be understood as the duty to present and report all actions and activities of an individual or organization, particularly in the area of financial administration, to village financial management, as some of the aforementioned definitions highlight (McGrath & Whitty, 2018). Based on the explanation above, the following hypothesis is formulated:

H1 : Accountability has a positive and significant effect on financial management

Transparency is the government's willingness to be transparent in formulating policies so that the general public may learn about them. In the end, transparency will foster accountability among the community, village finance management, and the government. Transparency refers to the government's willingness to be forthcoming with information on the efficiency of managing public resources, namely the financial management of communities and villages, to those who require it. Genuine, all-encompassing openness is what is meant by transparency, which gives everyone a chance to actively participate in the village's financial management process (Arifa, 2019). Based on the explanation above, the following hypothesis is formulated:

H2 : Transparency has a positive and significant effect on financial management

The culture of Tri Hita Karana originated as an organizational culture and has now evolved into a national one. Members of the organization have been able to employ Tri Hita Karana culture as a value system or habit that serves as a limitation on their ability to fulfill their responsibilities and behave appropriately when managing the village's finances. Planning, organizing, mobilizing, assessing, supervising, and managing are the steps involved in making sure that all potential is optimized to support the accomplishment of goals (Dewi, 2023). This ensures that everything under management operates smoothly, effectively, and efficiently. The governance of village organizations, which in turn affects the performance and success of the village in accomplishing its goals namely, offering financial services to the Pakraman village or customary village

community toward productive village wealth is greatly influenced by the institution of village financial management.

H3 : Tri Hita Karana has a positive and significant effect on financial management

METHOD

This study is quantitative in nature, and it was carried out at the Luwus Baturiti Tabanan Village Office. The study was undertaken there because the traditional village office has the potential human resources needed to perform financial management. According to Sugiyono (2018), a population is a generalization area made up of specific items or persons chosen by researchers to examine before drawing conclusions. It is preferable to collect all data if the subject count is fewer than 100 in order to conduct population research. Additionally, if there are more than 100 subjects, it can be taken in the range of 10% to 15% or 20% to 25% or higher (Arikunto, 2024). The 36 managers of the Adat village, known as Prajuru Desa and Kelan Banjar, comprised the population employed in this study. All of the traditional Prajuru will be tried because there are less than 100 attendees. Thus, population research is what this study is doing. Methods of data gathering strategies were employed to get the necessary data for this investigation, including a Questionnaire to gather information on accountability, transparency, and Tri Hita Karana culture toward financial management at the village office of the Luwus Baturiti Tabanan Traditional Village, a list of questions was provided to responders. The SPSS 23.0 for Windows software was used to statistically analyze the collected data. Instrument test with Multiple Linear Regression Analysis is the analysis method employed.

RESULTS AND DISCUSSION

Using Pearson's correlation test, the data was examined for validity (Yu & Hutson, 2024). The results of the validity test for the four variables financial management, accountability, transparency, and Tri Hita Karana showed that they all satisfied the requirement for validity, which is a Pearson coefficient greater than 0,3(Sugiyono, 2018).

Table 1
Validity Test

No	Variable	Question Item	Correlation Coefficient	Critical Value	Description
1	Accountability	X1.1	0.787	0.30	Valid
		X1.2	0.778	0.30	Valid
		X1.3	0.627	0.30	Valid
		X1.4	0.690	0.30	Valid
		X1.5	0.588	0.30	Valid
		X1.6	0.638	0.30	Valid
2	Transparency	X2.1	0.767	0.30	Valid
		X2.2	0.905	0.30	Valid
		X2.3	0.801	0.30	Valid
		X2.4	0.872	0.30	Valid
		X2.5	0.615	0.30	Valid
		X2.6	0.737	0.30	Valid
3	Tri Hita Karana	X3.1	0.599	0.30	Valid
		X3.2	0.758	0.30	Valid
		X3.3	0.603	0.30	Valid
		X3.4	0.857	0.30	Valid
		X3.5	0.687	0.30	Valid
		X3.6	0.752	0.30	Valid

4	Financial Management	Y.1	0.739	0.30	Valid
		Y.2	0.735	0.30	Valid
		Y.3	0.785	0.30	Valid
		Y.4	0.936	0.30	Valid
		Y.5	0.923	0.30	Valid
		Y.6	0.581	0.30	Valid

Source: Data processed using SPSS, 2024

In order to demonstrate whether the data is trustworthy or not, it is also subjected to reliability testing. The four variables' Cronbach Alpha values are above 0,6, indicating the dependability of the data, according to the reliability test of the four variables (Sugiyono, 2018).

Table 2
Reliability Test

No	Variable	Cronbach,s	Description
1	Accountability	0,872	Reliable
2	Transparency	0,872	Reliable
3	Tri Hita Karana Culture	0,801	Reliable
4	Customary Village Financial Management	0,836	Reliable

Source: Data processed using SPSS, 2024

Additionally, the test results are displayed in the following table based on the t-test results and the regression coefficient.

Table 3
Results of the t-test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
1 (Constant)	-8.802	3.518		-2.502	.021
Accountability	.553	.237	.340	2.336	.030
Transparency	.707	.149	.618	4.754	.000
Tri Hita Karana	.102	.156	.053	.654	.046

Source: Data processed using SPSS, 2024

- 1) The impact of Accountability on truthful Financial Management adherence to rules set out by the Traditional Village in Luwus Village, Baturiti, Tabanan. The phases of financial management include all pertinent components, a high-quality work schedule, and continuous accountability of the financial management process to higher authorities while maintaining a professional attitude. The program's objective is to fulfill the village's vision, purpose, and goals. According to rules, all pertinent parties are involved in the stages of professional financial management that SKPD leaders oversee. These stages are reinforced by the degree of education that financial managers possess as well as the financial governance training that they have completed. The study's findings support those of Usman (2023) and Zubaidah and Nugraeni (2023), which demonstrate that accountability significantly and favorably affects financial management.

The hypothesis H1 is accepted since the significance result of 0,030 is less than 0,05, indicating a positive and substantial impact of accountability on financial management. Improved financial management is encouraged by the accountability concept. Public accountability is a must for all government operations, whether national or local, particularly when it comes to the implementation of financial management. This duty pushes the government to manage its finances as effectively as it can in compliance with legal requirements.

- 2) How Transparency affects Financial Management: transparency is defined as the availability of timely, accurate, and adequate information regarding public policies and the processes that go into creating them. In order for the community to take part in regional management, information is essential. In addition to ensuring that newly developed public policies deliver the best possible outcomes for the community, the community also keeps an eye on information availability to avoid fraud and manipulation from unduly favoring a particular set of people. Because each SKPD in Luwus Baturiti Tabanan Village gives information regarding cost and responsibility processes, transparency has an impact on financial management. The study's findings support Septian et al.'s (2021) and Solihah et al.'s (2022) findings, with a significance level of 0,000 below 0,05, indicating a favorable and substantial impact of transparency on financial management and the acceptance of hypothesis H2. The public oversight and transparency practices implemented in Luwus Village have an effect on how the APBDs are managed in compliance with Government Accounting Standards.
- 3) The Tri Hita Karana existence of activities carried out by village administrators that reflect human relationships with God (parhyangan), humans with humans (pawongan), and humans with the environment (palemahan) is evidence of Tri Hita Karana's influence on financial management in Luwus Village, Baturiti District, Tabanan. These activities include facilitating the implementation of religious ceremonies, operating perbekel in the context of community social activities, and maintaining Banjar Hall. 15% of the money are allotted for Parhyangan, 5% for Palemahan, and 15% for Pawongan. The study's findings are corroborated by research by Sedani et al. (2018) and Jayawarsa et al. (2022) with a significance level of 0,046 below 0,05, indicating a positive and significant direction for the influence of transparency on financial management and the acceptance of hypothesis H3. The implementation of the Tri Hita Karana idea in relation to Prahyanan, Pawongan, and Palemahan is based on Financial Management in Luwus Village, because Tri Hita Karana is able to both structure the order of Balinese life with varied sectors and adapt and incorporate parts of foreign culture into the original culture. It is a native wisdom that has evolved into a cultural personality. The wellbeing of the village community is the goal of applying the Tri Hita Karana idea to financial management in villages.

CONCLUSION AND SUGGESTION

According to the analysis's findings accountability has a positive and substantial impact on Luwus Village's financial management, transparency affects Luwus Village's financial management. Tri Hita Karana significantly and favorably affects Luwus village's financial management. Referring to this result, the village financial management may utilize a different methodology than this study since a more thorough investigation is required while this study just employs quantitative analysis. In practical suggestion, Luwus

Traditional Village continues to utilize the Tri Hita Karana tradition to advance and enhance village finances.

REFERENCES

- Antlöv, H., Wetterberg, A., & Dharmawan, L. (2016). Village governance, community life, and the 2014 village law in Indonesia. *Bulletin of Indonesian economic studies*, 52(2), 161-183.
- Arifa, I. N. (2019). Community participation and government role in using village funds in Dlingo Village. *Policy & Governance Review*, 3(2), 171-185.
- Arikunto, S. (2024). *Prosedur Penelitian Suatu Pendekatan Praktik*. Jakarta Timur: Rineka Cipta.
- Dewi, I. G. A. R. P. (2023). Tri Hita Karana Culture As A Moderation And Its Influence On The Financial Performance Of Village Credit Institutions. *Assets: Jurnal Akuntansi dan Pendidikan*, 12(1), 71-82.
- Fanggidae, H. C., (2022). *Kinerja Dan Pengukuran Kinerja*. Pengukuran Kinerja Sektor Publik: Teori Dan Aplikasi, 19.
- Gama, I. W. (2024). Sosiokultural Dalam Usaba Kelod di Desa Adat Bugbug. Yayasan Cendekiawan Inovasi Digital Indonesia.
- Helle, G., & Roberts, J. (2024). Accountability for responsibility: a case study of a more intelligent enactment of accountability. *Accounting, Auditing & Accountability Journal*, 37(3), 790-815.
- Jayawarsa, A. K., Saputra, K. A. K., & Anggiriawan, I. P. B. (2022). Tri Hita Karana Culture, Good Governance and Apparatus Commitment on Fraud Prevention in Village Fund Management with Apparatus Awareness as Moderator. *International Journal of Social Science and Human Research*, 5(9), 4226-4230.
- McGrath, S. K., & Whitty, S. J. (2018). Accountability and responsibility defined. *International Journal of Managing Projects in Business*, 11(3), 687-707.
- Mualifu, M., Guspul, A., & Hermawan, H. (2019). Pengaruh Transparansi, Kompetensi, Sistem Pengendalian Internal, Dan Komitmen Organisasi Terhadap Akuntabilitas Pemernitah Desa Dalam Mengelola Alokasi Dana Desa (Studi Empiris Pada Seluruh Desa Di Kecamatan Mrebet Kabupaten Purbalingga). *Journal of Economic, Business and Engineering (JEBE)*, 1(1), 49-59.
- Nurita, W., & Putri, I. (2021). The Implementation of "Tri Hita Karana" Ideology in Preventing the Spread of Covid-19 in Bali. *Celt: A Journal of Culture, English Language Teaching & Literature*, 21(1).
- O'Regan, B., King, R., & Smith, D. (2022). Combining accountability forms: transparency and "intelligent" accountability in a public service organization. *Accounting, Auditing & Accountability Journal*, 35(5), 1287-1315.
- Ribawati, E., Rahmat, A., & Fadillah, A. (2023). Peranan Organisasi Mahasiswa Dalam Pembentukan Provinsi Banten Tahun 1999—2000. *Estoria: Journal of Social Science and Humanities*, 3(2), 414-432.
- Renteria, C. (2024). Making information silent: How opacity takes root in local governments?. *Public Administration*, 102(1), 285-301.
- Sasongko, R. W., Salamah, U., & Sodikin, I. (2021). Village Fund Policy Implementation Strategy in Sumedang Regency. *International Journal of Science and Society*, 3(2), 191-201.
- Sila, I. M. (2024). Implementation Of Pancasila Values In The Tri Hita Karana Concept. In *Proceedings Of The International Conference On Strengthening Capacities Of Multi-Sectors Toward Sustainable Development* (pp. 176-181).

- Suadnyana, I. B. P. E. (2020). Desa Pakraman sebagai Lembaga Adat dan Lembaga Agama bagi Kehidupan Masyarakat Hindu di Bali. *Dharma Duta*, 18(1), 21-32.
- Sugiyono. (2018). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta.
- Sukmayasa, I. M. H., & Mahardika, N. K. P. J. (2024). *Tri Hita Karana Dalam Literasi*. Uwais Inspirasi Indonesia.
- Sedani, K. Y., Sukartini, N. K., Budiasih, K. J., Windiani, L. P., Yudianti, N. M., & Laksmi, K. T. P. (2018). Analisis Pengaruh Tri Hita Karana Terhadap Pengelolaan Keuangan Desa di Desa Anturan. *Jurnal Ilmiah Akuntansi dan Humanika*, 8(1).
- Septian, R. L., Wawo, A., & Jannah, R. (2021). Pengaruh transparansi dan akuntabilitas terhadap pengelolaan keuangan desa dengan sifat amanah sebagai variabel moderasi. *ISAFIR: Islamic Accounting and Finance Review*, 2(2), 179-193.
- Soefi, R. (2021). Analisis Pengelolaan Anggaran Pendapatan Dan Belanja Desa (Apbdes) Desa Kisam Lestari Kecamatan Lawe Sumur Kabupaten Aceh Tenggara. *Jurnal SALMAN (Sosial dan Manajemen)*, 2(3), 198-208.
- Solihah, F., Inapty, B. A., & Suryantara, A. B. (2022). Pengaruh Transparansi, Akuntabilitas Dan Peran Perangkat Desa Terhadap Pengelolaan Keuangan Desa (Studi Empiris Pada Desa Se-Kecamatan Suralaga Kabupaten Lombok Timur). *Jurnal Riset Mahasiswa Akuntansi*, 2(1), 136-154.
- Szalay, L. B., & Deese, J. (2024). *Subjective meaning and culture: An assessment through word associations*. Taylor & Francis.
- Tumbelaka, H. I. A., Elim, I., & Kalalo, M. (2020). Analisis pengelolaan dana desa studi kasus di Kecamatan Tatapaan Kabupaten Minahasa Selatan. *Indonesia Accounting Journal*, 2(2), 74-86.
- Usman, U. (2023). Pengaruh Akuntabilitas dan Pengawasan Intern Terhadap Pengelolaan Keuangan Bumdes di Kecamatan Kabila Bone Provinsi Gorontalo. *Jurnal Ilmiah Akuntansi Keuangan dan Bisnis (JIKABI)*, 2(2), 63-76.
- Wahyudin, H. U. R., & MM, M. P. (2021). *Manajemen Pembiayaan Pendidikan (Pendekatan Prinsip Efisiensi, Efektivitas, Transparansi Dan Akuntabilitas)*. Deepublish.
- Wildana, S. N., & Anshori, M. I. (2024). Optimalisasi Budaya Kerja di PT PAL Indonesia: Studi Literatur Review. *Journal of Management and Creative Business*, 2(2), 179-194.
- Yanuarisa, Y. (2020). Akuntabilitas pengelolaan keuangan Yayasan Yusuf Arimatea Palangka Raya. *Balance: Media Informasi Akuntansi Dan Keuangan*, 12(2), 90-103.
- Yu, H., & Hutson, A. D. (2024). Inferential procedures based on the weighted Pearson correlation coefficient test statistic. *Journal of Applied Statistics*, 51(3), 481-496.
- Zubaidah, A. N., & Nugraeni, N. (2023). Pengaruh Akuntabilitas Dan Transparansi Terhadap Kualitas Laporan Keuangan Pada Pemerintah Kabupaten Sleman. *Jurnal Ilmiah Manajemen, Ekonomi, & Akuntansi (MEA)*, 7(3), 978-988.