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Factors Affecting Village Fund Management Accountability in Sindangwangi District, Indonesia

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ABSTRACT

Village fund management accountability is essential for strengthening transparent and responsible local governance amid fiscal decentralization and digital transformation. While previous studies have emphasized institutional competence and community participation, they have paid limited attention to the digital divide as a governance factor; therefore, this study examines the effects of village apparatus competence, community participation, and the digital divide on village fund management accountability in Sindangwangi District, Majalengka Regency. This study used a quantitative explanatory approach and survey data from 150 village officials and community members. The data were analyzed using Ordinary Least Squares (OLS) multiple linear regression to evaluate both partial and simultaneous effects among the variables. The findings show that village apparatus competence has a positive and significant effect on accountability, whereas community participation and the digital divide have no significant individual effects. However, all three variables jointly significantly influence village fund management accountability. This study contributes to public governance literature by demonstrating that institutional competence is the primary enabling condition for accountable village financial governance within an integrated governance framework. These findings suggest that sustainable accountability requires competency development supported by meaningful public participation and inclusive digital governance.

ARTICLE INFORMATION

Keywords:
apparatus competence; community participation; digital divide village fund accountability

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INTRODUCTION

The growing complexity of public administration has fundamentally reshaped how governments are expected to manage public resources and deliver services. Beyond pursuing administrative efficiency, contemporary public governance increasingly emphasizes institutional integrity, openness, and the responsible stewardship of public finances as essential conditions for maintaining democratic legitimacy. This transformation reflects a broader shift from traditional bureaucratic administration toward governance models that prioritize transparency, stakeholder engagement, and performance-oriented accountability within increasingly decentralized governmental systems (Bracci et al., 2015; Steccolini, 2019). Recent uncertainty in public institutions has further reinforced the importance of robust accountability mechanisms that sustain financial resilience and institutional credibility (Bastida et al., 2022). Effective accountability extends beyond compliance with statutory requirements by creating governance arrangements that enable public organizations to justify decisions, demonstrate responsible financial management, and strengthen citizens' confidence in governmental institutions (Ferry et al., 2023). Consequently, accountability has

evolved from being a procedural reporting obligation into a strategic governance principle that underpins sustainable public administration and reinforces public trust in government.

While accountability has become a defining principle of contemporary public governance, its effectiveness is closely tied to transparency, citizen participation, and institutional legitimacy rather than determined solely by compliance with financial regulations. Public accountability functions as a multidimensional governance mechanism through which public institutions disclose information, justify policy decisions, and remain answerable to citizens for managing public resources. In this regard, transparency is not merely the publication of financial information but an enabling condition that allows stakeholders to monitor governmental actions, evaluate administrative performance, and participate meaningfully in public decision-making (Cucciniello et al., 2017). Empirical studies further demonstrate that transparent governance contributes positively to citizens' trust when the information disclosed is relevant, understandable, and perceived as credible (Grimmelikhuijsen & Feeney, 2017; Porumbescu, 2017). Transparency also strengthens institutional legitimacy by improving public understanding of governmental decisions, while accountability and transparency operate as mutually reinforcing governance principles that collectively enhance organizational credibility (de Fine Licht & de Fine Licht, 2020; Salehi et al., 2023). Consequently, accountability should be interpreted as an integrated governance process that combines openness, responsiveness, and public oversight to enhance both institutional performance and societal trust.

Accountability becomes increasingly important in decentralized governance systems, where central governments transfer greater fiscal authority to local administrations. Fiscal decentralization has been widely promoted as a public sector reform strategy that can improve administrative efficiency, strengthen local autonomy, and enhance the responsiveness of public services to community needs (Smoke, 2015). In Indonesia, this reform has fundamentally transformed intergovernmental fiscal relations by granting regional and village governments substantial financial authority, including through the implementation of the Village Fund (Dana Desa) program. Since its introduction, the Village Fund has become one of the government's flagship policies to accelerate rural development, reduce regional disparities, and promote community empowerment through locally driven development initiatives (Lewis, 2015). Increasing fiscal transfers alone, however, does not necessarily improve governance quality or public service delivery unless accompanied by strong institutional capacity and effective accountability mechanisms (Lewis, 2017). Recent evidence further indicates that the sustainability of fiscal decentralization depends not only on financial resources but also on local governments' ability to manage public finances transparently, efficiently, and responsibly (Hummel & Kusumasari, 2026).

Despite the growing body of literature on Village Fund governance, important research gaps remain in explaining accountability from an integrated governance perspective. Previous studies have predominantly examined village officials' competence, community participation, transparency, and accountability as separate determinants or through selected combinations of conventional governance variables, resulting in fragmented explanations of Village Fund accountability (Astutik & Fitriyah, 2025; Kurniawan & Witono, 2023; Mir et al., 2019; Permatasari et al., 2024; Schmidthuber et al., 2022). This fragmentation reflects earlier research's tendency to approach accountability from administrative, financial, or participatory perspectives separately, while digitalization has generally been examined as a technological or information-system issue rather than a dimension of governance inequality. Consequently, evidence remains limited on whether institutional capacity, citizen engagement, and unequal digital access jointly shape Village Fund accountability within the same governance setting, particularly as digital reporting and information systems become increasingly important in village financial management. Addressing this gap is therefore important for developing

a broader governance framework that integrates institutional competence, community participation, and digital inclusiveness in explaining Village Fund management accountability.

Existing studies have consistently identified village officials' competence and community participation as two essential determinants of accountable Village Fund management. Competent village officials are expected to have not only technical knowledge of financial administration but also the managerial capability, regulatory understanding, ethical commitment, and organizational leadership needed to ensure effective implementation of public programs. At the same time, active community participation strengthens accountability by expanding public oversight, encouraging transparency, and aligning development priorities with local needs and expectations (Putra & Putra, 2025; Sofyani et al., 2022). Empirical evidence further indicates that transparency contributes more effectively to public trust when citizens are actively involved in governance processes and perceive financial information as accessible, understandable, and reliable (Sofyani et al., 2023). However, recent developments in village financial governance suggest that digital transformation increasingly shapes accountability through electronic financial reporting systems, digital information disclosure, and technology-based public services. These developments indicate that accountability is no longer determined solely by institutional competence and community participation but may also depend on the extent to which villages possess adequate digital capacity to support transparent, responsive, and inclusive governance. Consequently, emerging digital disparities have become an important contextual issue that warrants further investigation within the broader framework of Village Fund accountability.

The increasing digitalization of public administration has fundamentally reshaped Village Fund governance by introducing electronic financial management systems, digital reporting mechanisms, and online public information services. In Indonesia, implementing the Village Financial System (Sistem Keuangan Desa or Siskeudes) and other digital governance initiatives has improved administrative efficiency and standardized financial reporting across village governments. Nevertheless, villages do not experience the benefits of digital transformation uniformly because they differ considerably in technological infrastructure, digital literacy, organizational readiness, and access to information and communication technologies. These disparities create a digital divide that extends beyond unequal internet access to encompass differences in institutional capacity to utilize digital technologies effectively for financial management and public accountability. Digital transparency contributes to institutional legitimacy only when citizens can access, understand, and effectively utilize the information provided, while technological innovation alone cannot guarantee accountable governance without adequate human capacity and inclusive public engagement (de Fine Licht & de Fine Licht, 2020; Permatasari et al., 2024; Pratiwi, 2026). Consequently, the digital divide has become an increasingly relevant governance issue that may shape how accountability is practiced and perceived within village administrations.

These governance challenges are also evident in Sindangwangi District, Majalengka Regency, where village governments have received substantial Village Fund allocations to support local development and community empowerment. Although regulatory frameworks and financial reporting procedures have continued to improve, differences remain in the quality of financial administration, public information disclosure, and citizen involvement across villages. Initial field observations conducted during the preliminary stage of this research identified variations in the accessibility of Village Fund information, the intensity of community participation in village development activities, and the utilization of digital technologies to support financial governance. These observations indicate that accountability practices have not been implemented consistently across villages and that improvements have not always matched improvements in administrative procedures, public engagement, and digital governance capacity. To examine these initial indications

more systematically, a preliminary survey was subsequently conducted to explore community perceptions regarding transparency and accountability in Village Fund management. Therefore, Sindangwangi District provides an appropriate empirical setting for examining how institutional competence, community participation, and digital governance capacity collectively shape accountability in Village Fund management.

To gain a more systematic understanding of these governance conditions, a preliminary survey was conducted with 30 community respondents living in villages within Sindangwangi District. The survey focused on public perceptions of transparency and accountability in Village Fund management. The results indicate that 40% of respondents perceived Village Fund management as only moderately transparent, while a considerable proportion also expressed uncertainty regarding the accessibility of financial information and the extent of community involvement in monitoring village development programs. Although these findings do not constitute definitive empirical conclusions, they provide important initial evidence that accountability practices may not yet fully align with local communities' expectations. The survey also suggests that improvements in financial administration should be paired with stronger public engagement and greater digital inclusiveness to ensure governance reforms produce meaningful accountability outcomes. These preliminary findings reinforce the need for a more comprehensive empirical investigation into the factors influencing accountability in Village Fund management.

Despite the growing body of literature on Village Fund governance, several important research gaps remain. Previous studies have predominantly examined accountability, transparency, village officials' competence, or community participation as separate determinants, resulting in fragmented explanations of governance performance (Astutik & Fitriyah, 2025; Kurniawan & Witono, 2023). Consequently, researchers have paid limited attention to accountability as an integrated governance outcome shaped simultaneously by institutional capacity, citizen engagement, and digital readiness. Existing empirical evidence has also come primarily from villages with different socioeconomic and administrative characteristics, leaving relatively little knowledge about governance practices in Sindangwangi District, Majalengka Regency. Furthermore, earlier studies have generally emphasized direct relationships among conventional governance variables without explicitly incorporating the digital divide as an emerging contextual factor that may influence public financial accountability. Addressing these empirical, theoretical, contextual, and methodological gaps is essential to developing a more comprehensive understanding of accountable Village Fund governance amid ongoing digital transformation.

Building on these gaps, this study proposes an integrated analytical framework that examines village officials' competence, community participation, and the digital divide as determinants of Village Fund management accountability in Sindangwangi District, Majalengka Regency. This study's novelty lies not merely in incorporating the digital divide as an explanatory variable, but in extending the Village Fund accountability framework by integrating digital inequality with institutional capacity and participatory governance. Within this framework, institutional competence represents the capacity to manage public resources, community participation provides social oversight, while digital inclusiveness facilitates access to information and public engagement. By integrating these dimensions, the study extends the application of Good Governance and Agency Theory from a predominantly variable-oriented perspective toward a more systemic explanation of accountability under digital transformation. This integrated perspective also provides a basis for understanding why technological access alone may not strengthen accountability when institutional capacity and meaningful community participation remain insufficient. Accordingly, this study aims to analyze the effects of village officials' competence, community participation, and the digital divide on Village Fund accountability in Sindangwangi District, Majalengka Regency. The study seeks to contribute to public

governance literature by providing an integrated explanation of Village Fund accountability that combines institutional capacity, participatory governance, and digital inclusiveness. In practical terms, the findings are expected to provide evidence for strengthening accountable, transparent, and inclusive financial governance at the village level.

METHOD

This study employed a quantitative empirical approach using a descriptive-verificative research design to examine the effects of village apparatus competence, community participation, and the digital divide on village fund management accountability in Sindangwangi District, Majalengka Regency. A quantitative design was appropriate because the study sought to empirically test relationships among measurable variables through statistical analysis of cross-sectional survey data. This approach has been widely used in studies of village financial governance because it enables objective evaluation of accountability determinants and supports hypothesis testing based on empirical evidence (Bawono et al., 2020; Permatasari et al., 2024; Sari & Rohman, 2024). The study population comprised village officials and community members from ten villages in Sindangwangi District. Village officials were included because they are directly responsible for village fund planning, implementation, administration, and reporting, whereas community members represent the beneficiaries and oversight actors of village financial management. All 50 village officials were included using a saturated sampling technique to ensure complete representation of the administrative population. Community respondents were selected through stratified random sampling to proportionally represent each village. Based on the Slovin formula, 100 respondents were drawn from a population of 34,315 residents. This combination of sampling techniques aimed to improve representativeness while minimizing selection bias across respondent groups (Damayanti & Sujana, 2024; Juniarti et al., 2022; Mada et al., 2017).

Both village officials and community members received the same questionnaire and were assessed using identical measurement constructs for village apparatus competence, community participation, the digital divide, and Village Fund management accountability. The two respondent groups were combined because they represent complementary stakeholders within the same Village Fund governance system, rather than separate populations for comparative analysis. Village officials represent internal administrative actors directly responsible for planning, implementing, administering, and reporting Village Fund activities, whereas community members represent beneficiaries and external oversight actors involved in monitoring village financial governance. Accordingly, both groups provide relevant perceptions of the same accountability process from different stakeholder positions. Because the questionnaire structure, measurement indicators, response scale, and variables were identical across the two groups, their individual responses were considered comparable and suitable for pooled analysis. The OLS regression therefore used the 150 individual stakeholder responses as the unit of observation to estimate the overall relationships among village apparatus competence, community participation, the digital divide, and Village Fund management accountability, rather than to compare differences between village officials and community members.

Primary data were collected using a structured questionnaire administered directly to all respondents using the same instrument and a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The questionnaire was developed by adapting measurement indicators from previous empirical studies on village financial accountability and governance, particularly (Bawono et al., 2020; Hasniati, 2016; Kurniawan & Witono, 2023; Permatasari et al., 2024). Village Fund management accountability was measured through indicators covering accountable planning, implementation, administration, reporting, and financial responsibility, while

village apparatus competence was assessed through technical, administrative, and managerial competency indicators. Community participation was measured through involvement in village planning, implementation, and monitoring, whereas the digital divide was assessed through indicators reflecting access to digital technology, digital capability, and the utilization of digital media in village governance. Adapting these indicators ensured content relevance by grounding the questionnaire constructs in established concepts and empirical measures from previous village governance studies, while the wording and contextual application of the items aligned with the Village Fund management setting in Sindangwangi District. Empirical item validity was subsequently assessed using Pearson Product Moment correlations, and internal consistency was evaluated using Cronbach's Alpha before the measures were included in the regression analysis. This measurement development process ensured that the questionnaire was theoretically grounded, contextually relevant, and empirically evaluated for its suitability in measuring the four research constructs.

For data analysis, we first constructed composite index scores by aggregating responses for each indicator into continuous measures for each research variable. Although individual Likert-scale responses are ordinal, aggregated composite scores are commonly treated as interval-level data because they approximate continuous measurement and satisfy the assumptions required for parametric statistical analysis in empirical accounting and public sector research (Bawono et al., 2020; Juniarti et al., 2022; Sari & Rohman, 2024). The relationships among village apparatus competence, community participation, the digital divide, and village fund management accountability were subsequently estimated using the Ordinary Least Squares (OLS) multiple linear regression model expressed as: $Y_i = \alpha + \beta 1X1 + \beta 2\ X2 + \beta 3\ X3 + \varepsilon i$, where Yi denotes village fund management accountability, X1represents village apparatus competence, X2 represents community participation, X3 represents the digital divide, αis the intercept, β1-β3 are the regression coefficients, and εi is the random error term. The OLS approach was selected because it provides efficient parameter estimates for examining linear relationships among continuous variables and has been widely used in empirical studies on village financial accountability (Bawono et al., 2020; Damayanti & Sujana, 2024; Putra & Putra, 2025).

Before estimating the regression model, instrument validity was examined using Pearson Product-Moment correlation, while internal consistency reliability was assessed using Cronbach's alpha. Classical assumption tests were subsequently conducted to ensure the robustness of the OLS estimation, including the Kolmogorov-Smirnov normality test, multicollinearity diagnostics using Variance Inflation Factor (VIF) and tolerance values, and heteroscedasticity testing. Hypothesis testing used t-tests to evaluate the partial effects of each independent variable and an F-test to examine their simultaneous influence on village fund management accountability at the 5% significance level. The Adjusted R^2 statistic evaluated the explanatory power of the regression model. All statistical analyses were conducted using IBM SPSS Statistics, consistent with analytical procedures commonly used in empirical studies of village financial governance (Damayanti & Sujana, 2024; Putra & Putra, 2025).

RESULTS AND DISCUSSION

The analysis begins with an overview of respondents' demographic characteristics to provide context for the study sample. Understanding the distribution of respondents by gender, age, and educational level is important because these characteristics may influence perceptions and experiences related to village fund management accountability. Table 1 presents the respondents' demographic profile.

Table 1. Respondent Characteristics

Characteristics	Category	Frequency (n = 150)	Percentage (%)
Gender	Male	85	56.7
	Female	65	43.3
Age (years)	20–30	40	26.7
	31–40	55	36.7
	41–50	35	23.3
	51–65	20	13.3
Educational Level	Elementary School/Equivalent	15	10.0
	Junior High School/Equivalent	30	20.0
	Senior High School/Equivalent	65	43.3
	College	40	26.7

Source: Processed data (2025)

The respondent profile indicates that the study involved 150 participants consisting of village officials and community members from ten villages in Sindangwangi District. The respondents represent diverse demographic characteristics in terms of gender, age, and educational attainment, providing an adequate representation of stakeholders directly involved in village fund management and public oversight. The predominance of respondents in the productive age group and the relatively high proportion with secondary and higher education provide a reliable empirical basis for assessing village fund management accountability and interpreting the subsequent analytical results. Table 2 presents measurement quality and descriptive statistics.

Table 2. Measurement Quality and Descriptive Statistics

Variable	Pearson Correlation Range	Cronbach's Alpha	Mean	Standard Deviation	Interpretation
Village Apparatus Competence	0.754–0.839	0.787	34.59	3.019	High
Community Participation	0.312–0.524	0.675	30.31	4.701	Moderate
Digital Divide	0.621–0.682	0.761	28.76	2.818	Moderate
Village Fund Management Accountability	0.202–0.514	0.628	25.21	4.643	Moderate

Source: Processed data (2025).

The measurement evaluation in Table 2 confirms that all research variables satisfy the required validity and reliability criteria. Pearson correlation coefficients for all questionnaire items exceed the minimum acceptable threshold, while Cronbach's Alpha values demonstrate satisfactory internal consistency across the four constructs. Descriptive statistics further indicate that village apparatus competence received the highest average score among the investigated variables, whereas community participation, the digital divide, and village fund management accountability exhibited greater variation in respondents' perceptions. These findings suggest that although institutional competence is relatively well developed, differences remain in community involvement, digital accessibility, and accountability practices across villages. Overall, the measurement results confirm that the research

instrument is appropriate for subsequent regression analysis. Table 3 presents regression diagnostic test results.

Table 3. Regression Diagnostic Tests

Diagnostic Test	Indicator	Result	Acceptance Criterion	Conclusion
Normality	Kolmogorov–Smirnov Sig.	0.200	> 0.05	Normal distribution
Multicollinearity	Tolerance	0.523	> 0.10	Accepted
	VIF	1.912	< 10	No multicollinearity

Source: Processed data (2025).

Before estimating the regression model, we conducted classical assumption tests to ensure the robustness of the Ordinary Least Squares estimation. The normality test indicates that the residuals are normally distributed, as reflected by a significance value exceeding the required threshold. Furthermore, tolerance and Variance Inflation Factor (VIF) values confirm the absence of multicollinearity among the independent variables. These diagnostic results indicate that the regression model satisfies the principal statistical assumptions and therefore provides a reliable basis for hypothesis testing and interpretation of the estimated coefficients.

Table 4. Multiple Regression Results

Regression Model	β	t-value	p-value	Decision
Village Apparatus Competence	0.196	2.117	0.036	Supported
Community Participation	0.109	1.048	0.296	Not Supported
Digital Divide	0.112	1.289	0.200	Not Supported
Model Summary				
F-statistic	19.598			
Significance (F)	0.000			
Multiple Correlation (R)	0.536			
Coefficient of Determination (R^2)	0.287			
Adjusted R^2	0.272			

Source: Processed data (2025)

The multiple regression analysis reveals that village apparatus competence has a positive and statistically significant effect on village fund management accountability. In contrast, community participation and the digital divide do not demonstrate statistically significant individual effects. Nevertheless, the overall regression model is statistically significant, indicating that the three independent variables jointly explain variations in village fund management accountability. The adjusted coefficient of determination shows that the variables in the model explain 27.2% of the variation in accountability, while the remaining 72.8% is associated with other organizational, institutional, or contextual factors beyond the scope of the present study. These findings provide the empirical foundation for a more comprehensive discussion of the role of institutional competence, community participation, and digital conditions in strengthening village fund management accountability.

The findings demonstrate that village apparatus competence constitutes the principal determinant of village fund management accountability. This result indicates that accountability is shaped primarily by village officials' ability to translate statutory obligations into effective

administrative practices, rather than by the existence of regulatory frameworks alone. Competent officials have the technical knowledge, financial management skills, and administrative capacity to plan, budget, implement, report, and ensure financial accountability in line with prevailing regulations. Consequently, improvements in human resource capacity are directly linked to higher standards of transparency, compliance, and accountability in village financial governance.

From the perspective of Agency Theory, the relationship between village governments and local communities reflects a principal–agent relationship in which village officials act as agents entrusted with managing public resources on behalf of society. Accountability therefore depends not only on monitoring mechanisms but also on agents' ability to fulfill delegated responsibilities effectively. Public sector accountability requires government officials to demonstrate transparency, responsibility, and compliance throughout the financial management cycle, thereby reducing information asymmetry and strengthening public trust (Mardiasmo, 2021; Sari & Rohman, 2024). Within this framework, competence should not be interpreted merely as an individual characteristic but as an institutional capability that enables village governments to implement accountable financial governance consistently.

Previous empirical studies consistently identify village apparatus competence as one of the strongest predictors of accountable village fund management, although they emphasize different explanatory mechanisms. Mada et al. (2017) argued that competent village officials reduce administrative errors and improve financial responsibility through stronger organizational commitment. Bawono et al. (2020) subsequently highlighted that competent human resources increase the effectiveness of the Village Financial System (SISKEUDES), thereby improving financial transparency and accountability. Competent village officials strengthen village fund management through better financial administration and more effective utilization of information technology (Juniarti et al., 2022). Similarly, improvements in knowledge, technical skills, and managerial capability contribute significantly to accountable village financial governance across different regional contexts (Damayanti & Sujana, 2024; Dewi et al., 2025; Sanusi & Riyadi, 2023).

Despite this broad consensus, previous studies generally examine competence as an independent administrative variable or combine it with organizational commitment, transparency, information systems, or leadership characteristics. Comparatively limited attention has been given to evaluating whether competence remains influential when accountability is simultaneously shaped by participatory governance and digital inequality. This distinction is important because village financial governance increasingly operates within a broader institutional environment where public participation and digital transformation are expected to strengthen accountability. By estimating village apparatus competence, community participation, and the digital divide in a single regression model, the present study shows that competence remains the only variable with a statistically significant independent effect on accountability. This finding suggests that improvements in participatory mechanisms or digital infrastructure alone are unlikely to produce substantial governance improvements without adequate institutional capacity.

The present findings therefore extend the existing literature in two important respects. First, they reinforce Human Capital Theory by showing that human resource quality remains the primary institutional asset for achieving accountable public financial management at the village level. Second, they show that competence is the enabling condition through which other governance mechanisms operate effectively. Community participation requires competent officials who can respond to public aspirations, while digital platforms require administrative capacity to turn technological facilities into transparent governance practices. Consequently, competence should be understood as the institutional foundation linking administrative performance, participatory governance, and digital

transformation within an integrated accountability framework, rather than as an isolated organizational attribute.

From a practical perspective, these findings suggest that strengthening village fund accountability should begin with systematic investment in village apparatus capacity. Government capacity-building programs should therefore move beyond short-term technical training and adopt a more comprehensive competency-development strategy encompassing public financial management, regulatory compliance, digital governance, internal control, ethical leadership, and public communication. Continuous professional development, competency certification, and periodic performance evaluation are expected to improve administrative quality while creating stronger institutional conditions for effective community participation and the broader utilization of digital governance initiatives. This approach is likely to generate more sustainable improvements in village fund management accountability than policies that focus solely on technological modernization or procedural participation.

The empirical findings reveal that community participation does not exert a statistically significant direct effect on village fund management accountability. This result suggests that community involvement alone is insufficient to strengthen accountability if participation is limited to procedural compliance rather than meaningful engagement across the planning, implementation, monitoring, and evaluation stages of village development. Although public participation remains an essential principle of democratic governance, its contribution to accountability depends on the quality, intensity, and institutionalization of citizen involvement. In the present study, community participation appears to function more as a complementary governance mechanism than as an independent determinant of accountable village fund management.

This finding can be interpreted through the lens of Good Governance Theory, which positions participation as a fundamental principle supporting transparency, accountability, responsiveness, and legitimacy in public administration. However, Good Governance does not assume that participation automatically produces accountable governance outcomes. Instead, participation becomes effective when citizens possess sufficient access to information, understand decision-making processes, and have opportunities to influence public policies through inclusive institutional mechanisms. Likewise, Agency Theory suggests that public participation serves as an external monitoring mechanism that can reduce information asymmetry between government officials and citizens. Nevertheless, the effectiveness of such monitoring depends on both parties' capacity. Where communities have limited information or village administrations fail to respond to public input, participation is unlikely to translate into measurable improvements in accountability.

The present findings both converge with and diverge from previous empirical studies, indicating that the relationship between community participation and accountability remains context-dependent. Several studies have reported that active citizen participation strengthens accountability by improving transparency, increasing public oversight, and encouraging responsible financial management (Juniarti et al., 2022; Nugroho et al., 2022; Widiawati et al., 2022). Sanusi and Riyadi (2023) further argue that participatory governance enables village governments to align development priorities with community needs, thereby improving public trust and institutional legitimacy. Similarly, sustained community involvement contributes to more transparent financial administration when supported by effective communication and access to public information (Damayanti & Sujana, 2024; Dewi et al., 2025). Collectively, these studies show that participation can improve accountability, but only when accompanied by institutional arrangements that facilitate meaningful civic engagement rather than symbolic consultation.

Conversely, this study's findings indicate that these institutional conditions may not yet be fully realized in the observed villages. Community participation may remain concentrated during formal

village deliberation meetings while staying relatively limited during implementation monitoring, financial evaluation, and accountability reporting. As a result, participation functions primarily as procedural compliance with regulatory requirements rather than an effective mechanism for social control. This interpretation supports the argument that the effectiveness of participatory governance depends not merely on the number of citizens involved but also on the quality of interaction between government institutions and local communities. Accordingly, participation should be understood as a multidimensional governance process influenced by administrative responsiveness, institutional openness, citizens' capacity, and access to reliable information.

This study contributes to the literature by showing that community participation does not necessarily have an independent effect on accountability when examined alongside village apparatus competence and the digital divide. Previous studies generally investigated participation either as a direct predictor of accountability or alongside organizational and institutional variables without explicitly considering digital inequality and administrative competence within an integrated analytical framework. The findings suggest that participation alone cannot compensate for limited institutional capacity. Instead, participation becomes more meaningful when competent village officials can accommodate public aspirations and turn community input into accountable administrative practices. This perspective extends existing discussions by positioning participation as an enabling governance mechanism whose effectiveness depends upon broader institutional capacity rather than as a universally significant determinant of accountability.

From a policy perspective, strengthening community participation requires moving beyond formal compliance with participatory procedures to develop inclusive governance practices that encourage continuous citizen engagement. Village governments should improve access to financial information, expand opportunities for community monitoring throughout the budget cycle, and establish responsive feedback mechanisms that ensure public recommendations receive institutional follow-up. Capacity-building initiatives should also target community organizations by improving financial literacy, understanding of village governance, and digital competencies, thereby enabling citizens to participate more substantively in oversight processes. Such measures are expected to transform participation from a procedural obligation into a collaborative governance mechanism that supports sustainable village fund management accountability.

The empirical findings indicate that the digital divide has no statistically significant direct effect on village fund management accountability. Although digital transformation has become an increasingly important component of public administration, disparities in digital access, technological infrastructure, and digital literacy do not independently explain variations in accountability within the villages examined in this study. This finding suggests that accountability depends less on the mere availability of digital technology than on the institutional capacity to use it effectively in financial governance. Consequently, adopting digital systems alone cannot guarantee improvements in accountability without corresponding investments in administrative capability and organizational readiness.

From the perspective of Digital Governance Theory, information and communication technologies are expected to improve transparency, efficiency, and citizen access to government services. Nevertheless, realizing these benefits depends on public institutions' ability to integrate digital technologies into governance processes. The digital divide extends beyond physical access to technology and encompasses disparities in digital skills, usage opportunities, and the capacity to transform digital resources into social and institutional benefits (Van Dijk, 2020). Similarly, Reynolds (2020) emphasizes that digital transformation produces governance improvements only when technological innovation is accompanied by organizational adaptation, institutional learning, and adequate human resource capacity. Therefore, digital inequality should be understood as a

multidimensional phenomenon whose influence on accountability is mediated by institutional conditions rather than operating as an isolated determinant.

Previous empirical studies have reported mixed findings regarding the relationship between digitalization and public accountability. Several studies conclude that digital technologies improve financial transparency by facilitating information disclosure, accelerating reporting processes, and expanding public access to government information (Ishardiyanti et al., 2025; Jayanthi & Dinaseviani, 2022). Other researchers argue that electronic financial management systems contribute to more efficient public administration only when supported by competent personnel and effective institutional governance (Damayanti & Sujana, 2024; Dewi et al., 2025; Juniarti et al., 2022) and further demonstrate that digital platforms strengthen accountability by increasing transparency and public participation; however, their effectiveness remains contingent upon digital literacy among both government officials and community members. Collectively, these studies indicate that technology functions primarily as an enabling instrument rather than an independent driver of accountable governance.

The findings of the present study provide further evidence that technological infrastructure alone is insufficient to improve accountability in village fund management. In the observed villages, disparities in internet connectivity, access to digital facilities, and digital competencies may exist, yet these conditions do not directly determine accountability outcomes. Instead, village governments still rely heavily on administrative competence, regulatory compliance, and established financial management procedures. This finding suggests that accountability is maintained primarily through institutional practices rather than technological sophistication. Consequently, improvements in digital infrastructure are unlikely to produce significant governance outcomes unless accompanied by organizational reforms that strengthen village officials' capacity to use digital systems effectively and encourage communities to engage with digital governance platforms.

This study extends previous research by examining the digital divide simultaneously with village apparatus competence and community participation within a single analytical framework. Existing studies generally evaluate digitalization as a mechanism for improving transparency or administrative efficiency without explicitly considering whether its influence remains significant after accounting for institutional capacity and participatory governance. The present findings demonstrate that digital inequality does not independently determine accountability once these governance dimensions are incorporated into the model. This contributes to the growing literature by suggesting that digital transformation should be viewed as a supporting governance instrument whose effectiveness depends upon competent public institutions and meaningful citizen engagement. Accordingly, strengthening accountability requires a balanced strategy integrating technological innovation, institutional capacity building, and participatory governance rather than prioritizing digital infrastructure alone.

From a policy perspective, efforts to reduce the digital divide should focus not only on expanding technological infrastructure but also on strengthening digital governance capabilities at the village level. Capacity-building programs should strengthen village officials' digital competencies in financial reporting, electronic administration, cybersecurity awareness, and information management. At the same time, local communities should have opportunities to improve digital literacy so they can access public financial information, participate in online consultation mechanisms, and monitor village development more effectively. Government investment in digital infrastructure will therefore yield greater accountability benefits when paired with institutional strengthening, continuous human resource development, and governance practices that promote transparency and public engagement.

The simultaneous analysis shows that village apparatus competence, community participation, and the digital divide collectively influence village fund management accountability. Although only village apparatus competence shows a statistically significant individual effect, the overall regression model's significance indicates that accountability should not be interpreted as the product of a single institutional factor. Instead, accountable village financial governance emerges from the interaction between administrative capacity, community engagement, and the broader digital environment in which village governments operate. This finding reinforces the multidimensional nature of public accountability and suggests that governance quality is shaped by the combined performance of institutional, social, and technological dimensions rather than by isolated variables.

From the perspective of Good Governance Theory, accountability is an integrated governance outcome that results from the interaction of transparency, participation, responsiveness, effectiveness, and institutional capacity. These principles reinforce one another rather than operating independently. Agency Theory similarly explains that reducing information asymmetry between government officials and citizens requires complementary governance mechanisms. Administrative competence enables village officials to manage public resources appropriately, community participation strengthens external oversight and democratic legitimacy, while digital transformation facilitates information accessibility and administrative efficiency. Consequently, weaknesses in one governance dimension may reduce the effectiveness of others, explaining why accountability should be viewed as an integrated institutional system rather than the cumulative effect of separate governance components.

These findings broadly align with previous studies emphasizing that accountable village governance depends on the interaction of multiple institutional factors. Bawono et al. (2020) argue that accountability improves when competent human resources operate alongside effective financial management systems. Juniarti et al. (2022) similarly conclude that administrative competence, organizational governance, and information technology collectively influence financial accountability at the village level. Sanusi and Riyadi (2023) demonstrate that participatory governance enhances accountability when institutional management remains responsive to community aspirations, while Damayanti & Sujana (2024) report that organizational capacity and transparent financial administration jointly strengthen public accountability. More recent evidence provided by Dewi et al. (2025) further indicates that digital governance contributes positively when supported by adequate institutional capability and public participation. Collectively, these studies suggest that accountability is fundamentally systemic, arising from the interaction of organizational, social, and technological resources rather than from the dominance of a single governance variable.

Nevertheless, the present study highlights an important distinction. Most previous research evaluates these governance dimensions independently or examines only selected combinations of explanatory variables. Comparatively few studies have investigated whether village apparatus competence, community participation, and the digital divide simultaneously explain accountability within a unified analytical framework. The findings show that although community participation and digital inequality do not independently determine accountability, they remain important contextual dimensions within the overall governance system. Their contribution becomes meaningful through interaction with institutional competence, indicating that accountability is strengthened by governance integration rather than by isolated policy interventions. This perspective provides a more comprehensive understanding of village governance by highlighting the complementary relationships among institutional capacity, participatory governance, and digital transformation.

The theoretical contribution of this study lies in extending Good Governance and Agency Theory from a variable-oriented perspective to a governance systems perspective. Rather than conceptualizing competence, participation, and digitalization as competing explanatory factors, the

findings demonstrate that these dimensions operate as interconnected institutional resources. Competence provides administrative capability, participation strengthens democratic legitimacy, and digital governance enhances information accessibility; however, their effectiveness depends upon their integration within the broader governance structure. Accordingly, the study supports an institutional systems approach in explaining village fund management accountability, thereby contributing to the continuing development of public governance literature in decentralized government settings.

From a policy perspective, the findings suggest that improving village fund management accountability requires integrated governance reform instead of fragmented interventions. Capacity-building programs for village officials should be implemented alongside initiatives that strengthen meaningful community participation and expand digital governance capabilities. Likewise, investments in digital infrastructure should be paired with improvements in administrative competence, organizational learning, and community digital literacy to ensure technological innovation translates into better governance outcomes. National and local governments should therefore design village development policies that simultaneously reinforce institutional capacity, participatory governance, and digital inclusion. This integrated approach is expected to produce more sustainable improvements in accountability than policies that emphasize only one governance dimension.

CONCLUSION

This study shows that institutional capacity, participatory governance, and digital conditions shape village fund management accountability. Village apparatus competence is the only variable that has a statistically significant direct effect on village fund management accountability. The findings indicate that accountable village financial governance depends primarily on village officials' ability to manage public finances transparently, responsibly, and in accordance with prevailing regulations. In contrast, community participation and the digital divide do not have significant individual effects but serve as supporting governance dimensions within the overall accountability framework. These findings suggest that accountability should be understood as an integrated governance outcome rather than the product of isolated administrative, social, or technological factors. The study extends previous research by incorporating the digital divide into the analysis of village fund management accountability. It also contributes to public governance literature by reaffirming the central role of human resource competence in decentralized financial governance. From a practical perspective, the findings highlight the importance of strengthening village officials' competencies through continuous capacity development programs. They also emphasize the need to promote meaningful community participation and enhance inclusive digital governance to support accountable village fund management. Overall, an integrated governance approach is expected to produce more sustainable improvements in transparency, accountability, and public trust than policies focusing on a single governance dimension.

DECLARATION OF GENERATIVE AI

During the preparation of this work, the authors used Grammarly to assist with language editing, paraphrasing, grammar checking, and improving the manuscript's clarity. The ideas, research design, analysis, interpretation, arguments, and conclusions presented in this manuscript are entirely those of the authors. After using this tool, the authors reviewed and edited the content as needed and take full responsibility for the accuracy, originality, and integrity of the publication.

CONFLICTING INTEREST STATEMENT

The authors declare no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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AUTHORSHIP CONTRIBUTION STATEMENT

Kartika Berliani: Conceptualization, Methodology, Formal Analysis, Investigation, Writing - Original Draft. **Devyanthi Sjarif**: Data Curation, Formal Analysis, Investigation, Validation, Writing - Original Draft. **Ridma Meltareza**: Methodology, Validation, Supervision, Writing - Review & Editing.

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