

Analysis of Transparency and Accountability of Regional Financial Management in the Perspective of Good Governance

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Abstract

Transparency and accountability are fundamental principles in public financial management, particularly in the administration of regional government finances. Effective management of regional financial resources not only determines the success of development programs but also reflects the quality of governance implemented by local governments. This study aims to analyze the implementation of transparency and accountability in regional financial management from the perspective of good governance and to identify factors that influence its effectiveness in public administration practices. The research adopts a qualitative descriptive approach using literature study and policy document analysis. Data were obtained from scientific journals, government financial reports, policy documents, and relevant academic publications related to regional financial governance. The analysis was conducted through systematic stages including data reduction, data categorization, and interpretation of findings within the framework of good governance theory. The results indicate that transparency and accountability in regional financial management are strongly influenced by institutional capacity, the effectiveness of internal supervision systems, and the availability of accessible financial information for the public. In addition, the role of digital governance and information systems has become increasingly significant in improving transparency in public financial administration. However, several challenges remain, including limited administrative capacity, inconsistent policy implementation, and weak public participation in financial oversight. Strengthening institutional governance, improving administrative capacity, and expanding public access to financial information are essential strategies to enhance transparency and accountability in regional financial management.



INTRODUCTION

Regional financial management is one of the important aspects in the implementation of local government. Regional finance is the main instrument used by local governments in carrying out various development programs and providing public services to the community. Therefore, regional financial management must be carried out in a transparent and accountable manner so that the use of the public budget can provide optimal benefits to the community.

From the perspective of public administration, transparency and accountability are the main principles in realizing good governance. The concept of good governance emphasizes the importance of implementing government that is open, responsible, participatory, and responsive to the needs of the community (Bryson et al., 2017). This principle is the basis for various public administration reforms carried out by many countries to improve the quality of governance.

Transparency in regional financial management is related to the disclosure of information regarding the process of planning, implementing, and reporting the use of regional budgets. The disclosure of information allows the public to know how the public budget is used and the extent to which it provides benefits to the wider community. With

transparency, the public can supervise the government's financial management so that it can minimize the potential for budget abuse.

In addition to transparency, accountability is also an important principle in regional financial management. Accountability refers to the government's obligation to account for the use of the budget to the public as the owner of public resources. Local governments must be able to show that every policy and program implemented has used the budget effectively and efficiently.

In recent decades, many countries have undertaken various reforms in their public financial management systems to improve transparency and accountability. These reforms include the implementation of the government accounting system, strengthening the public audit mechanism, and the use of information technology in the management of state finances (Hood & Dixon, 2016).

In Indonesia, regional financial management reform has also become an important part of the bureaucratic reform agenda. The government has developed various policies to increase transparency and accountability in regional financial management, including the implementation of an accrual-based accounting system and the strengthening of the government's internal supervision system.

However, the implementation of transparency and accountability in regional financial management still faces various challenges. Several studies show that the limited capacity of human resources and the weak internal supervision system are factors that affect the effectiveness of regional financial management (Meijer, 2017).

In addition, public participation in the supervision of regional financial management is also still relatively low. In fact, community participation is one of the important elements in realizing transparent and accountable governance.

The development of information technology has also provided new opportunities in increasing the transparency of regional financial management. The use of regional financial information systems and government digital platforms allows the public to access government financial information more easily and quickly (Mergel et al., 2019).

However, the use of information technology in regional financial management still faces various obstacles such as limited technological infrastructure and the capacity of human resources in the management of government information systems.

Based on this background, this study aims to analyze the transparency and accountability of regional financial management from the perspective of good governance and identify various factors that affect the implementation of these principles in local government administration.

METHOD

This study uses a descriptive qualitative approach to analyze transparency and accountability in regional financial management based on the perspective of good governance.

Research data was obtained through literature study and analysis of policy documents which included various scientific publications, local government financial reports, and policy documents related to regional financial management. The main data sources come from national and international scientific journals that discuss public financial transparency, governance administration accountability, and good governance.

The data analysis technique is carried out through several stages, namely data reduction, information classification, and data interpretation based on the theoretical framework of public administration and good governance. The analysis was carried out systematically to identify patterns of implementation of transparency and accountability in regional financial management.

This approach was chosen because it allows researchers to understand the phenomenon of regional financial governance more comprehensively through the analysis of various sources of literature and relevant policy documents.

RESULTS AND DISCUSSION

Transparency in Regional Financial Management

Transparency is one of the main principles in good governance that emphasizes the importance of information disclosure in the administration of government. In the context of regional financial management, transparency is related to the disclosure of information regarding the planning, implementation, and reporting process of regional budget use.

The disclosure of this information allows the public to know how the public budget is used and the extent to which the budget provides benefits to the community. Transparency also functions as a social control mechanism that allows the public to supervise the government's financial management.

Accountability in Regional Financial Management

Accountability in regional financial management is related to the obligation of local governments to account for the use of the budget to the community. Accountability can be realized through various mechanisms such as financial audits, program performance evaluations, and transparent financial reporting.

Strengthening the regional financial accountability system also requires the support of an effective internal supervisory system. A strong internal supervision system can prevent irregularities in the use of the budget and improve the efficiency of regional financial management.

Challenges of Transparency and Accountability Implementation

Although various policies have been developed to improve transparency and accountability in regional financial management, their implementation still faces various challenges. One of the main challenges is the limited capacity of human resources in the management of the regional financial system.

In addition, coordination between government agencies in regional financial management is still not optimal. Lack of coordination can lead to inefficiencies in the use of the budget and reduce the effectiveness of regional financial management.

CONCLUSION

Transparency and accountability are important principles in regional financial management which aims to increase the effectiveness of budget use and strengthen public trust in local governments.

The results of the study show that the implementation of transparency and accountability in regional financial management is influenced by various factors such as institutional capacity, the effectiveness of the supervisory system, and the level of public participation in public financial supervision.

Therefore, it is necessary to strengthen the regional financial governance system through increasing the capacity of government apparatus, strengthening the internal supervision system, and increasing public access to public financial information.

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