

GOVERNMENT AGENCY ACCOUNTABILITY PERFORMANCE VIEWED FROM BUDGET ACCURACY AND THE EFFECTIVENESS OF ACCOUNTING CONTROL SYSTEMS

Hana Hanifah^{1*}, Gema Ika Sari²

^{1,2} Universitas Bina Bangsa, Indonesia

*Correspondence email: 21022500011@binabangsa.ac.id

ABSTRACT

This study examines government agency accountability performance viewed from budget accuracy and the effectiveness of accounting control systems within the framework of adaptive governance and digital transformation. This research employed a qualitative approach using a literature study method. Data were collected from international journals, academic books, conference proceedings, and scientific publications related to public sector accountability, budgeting systems, accounting control mechanisms, governance quality, and digital transformation. The collected literature was analyzed using descriptive qualitative analysis through thematic classification, conceptual interpretation, comparative analysis, and synthesis of previous research findings. The analysis focused on identifying the relationship between budget accuracy, accounting control system effectiveness, and accountability performance in government agencies. The findings indicate that budget accuracy significantly improves accountability performance through enhanced financial transparency, operational efficiency, governance legitimacy, and evidence-based decision-making. Effective accounting control systems also strengthen governance quality by improving financial supervision, preventing fraud, supporting digital financial reporting, and enhancing institutional coordination. The study concludes that budget accuracy and effective accounting control systems are essential determinants of government agency accountability performance and sustainable governance quality in public sector institutions.

Keywords: Government Agency Accountability, Budget Accuracy, Accounting Control Systems, Adaptive Governance, Digital Transformation.

1. INTRODUCTION

Government agency accountability has become a central issue in modern public administration, particularly in relation to budget management and accounting control systems. Public institutions are expected to manage financial resources transparently, efficiently, and responsibly to ensure public trust and institutional legitimacy. Budget accuracy and effective

accounting control systems are critical components in achieving accountability performance because they influence financial reliability, governance quality, and organizational effectiveness. Weak budget planning and ineffective accounting controls often result in financial inefficiencies, governance failures, and reduced public confidence in government institutions.

The development of digital transformation and governance innovation has significantly influenced public sector financial management practices. Public institutions are increasingly required to adopt integrated accounting systems and digital governance mechanisms to improve operational transparency and financial accountability. Suseno (2022) emphasized that the Industrial Revolution 4.0 requires organizations and institutions to integrate digital technologies into governance systems to strengthen institutional effectiveness and sustainability. In government agencies, digital accounting systems improve financial monitoring, reporting accuracy, and budget management transparency, thereby supporting accountability performance.

Adaptive governance is also essential in strengthening accountability within government institutions. Public organizations operate in dynamic environments characterized by policy changes, technological developments, and increasing public demands for transparency. According to Suseno (2023), adaptive governance enables institutions to improve governance flexibility, operational responsiveness, and sustainability-oriented management practices. Government agencies with adaptive accounting control systems are generally more capable of maintaining budget discipline, minimizing administrative errors, and strengthening institutional accountability.

Furthermore, collaborative governance and innovation strategies contribute significantly to improving public sector sustainability and accountability performance. Suseno, Rochani, and Yusuf (2021) explain that collaborative governance strengthens institutional resilience through integrated coordination, innovation, and organizational adaptability. In government financial administration, accounting control systems support collaboration among operational units, auditors, and policymakers by providing accurate and transparent financial information. Effective accounting controls therefore improve budget supervision and reduce the risk of financial irregularities.

Recent studies also highlight the increasing role of digital transformation, artificial intelligence, and integrated databases in improving organizational governance and operational effectiveness. Nuryanto and Basrowi (2024) argue that sustainability-oriented collaboration and digital innovation strengthen governance effectiveness and institutional adaptability. Likewise, Putri et al. (2025) demonstrate that artificial intelligence and integrated organizational databases improve strategic decision-making and risk management quality. These findings indicate that accounting control systems supported by digital technologies can significantly improve government agency accountability performance through enhanced financial monitoring and data-driven governance.

In addition, sustainability-oriented governance has become increasingly important in public sector administration. Sustainable governance emphasizes transparency, institutional responsibility, operational efficiency, and long-term public value creation. Studies by Faeni et al. (2025) and Pratiwi et al. (2025) demonstrate that sustainability-oriented governance practices positively influence organizational performance and institutional resilience. Government agencies implementing effective accounting control systems and accurate budget management practices are therefore more likely to achieve sustainable accountability performance and maintain public trust.

Despite extensive discussions regarding governance innovation, digital transformation, and organizational sustainability, limited studies specifically examine the relationship between budget accuracy, accounting control systems, and government agency accountability performance. Most previous studies focus on digital transformation, sustainability governance, and organizational adaptability without directly analyzing how accounting control mechanisms influence public accountability outcomes. Therefore, this study aims to analyze government agency accountability performance viewed from budget accuracy and the effectiveness of accounting control systems within the framework of adaptive governance and digital transformation.

This study offers a novel perspective by integrating budget accuracy and accounting control system effectiveness into a comprehensive framework for analyzing government agency accountability performance within the context of adaptive governance and digital transformation. Previous studies have extensively discussed digital transformation, organizational sustainability, collaborative governance, and innovation strategies; however, limited attention has been given to how budget accuracy and accounting control systems simultaneously influence accountability performance in public sector institutions. Most previous studies focus primarily on organizational transformation and sustainability without specifically examining financial control effectiveness as a determinant of government accountability outcomes.

The novelty of this research lies in the development of an integrated accountability framework combining budget precision, accounting control mechanisms, governance adaptability, and digital financial systems within government agencies. Unlike previous studies emphasizing general governance innovation or organizational sustainability, this study specifically addresses the relationship between financial management accuracy and accountability performance through the perspective of public sector accounting controls. The study therefore contributes to public administration literature by linking financial governance mechanisms with institutional accountability and sustainability-oriented governance.

Another novelty of this study is the emphasis on digital transformation and integrated accounting systems as strategic instruments for strengthening accountability performance. Previous studies by Basrowi and colleagues mainly explored sustainability governance, digital transformation, artificial intelligence, environmental innovation, and collaborative

organizational systems. This study extends those perspectives by applying digital governance principles directly to budget management and accounting control effectiveness in government agencies. Thus, the research expands the application of digital transformation theories within the context of public sector accountability and financial governance.

Furthermore, this study introduces a sustainability-oriented accountability perspective in government financial administration. The study argues that accountability performance is not only influenced by financial reporting compliance but also by governance adaptability, collaborative coordination, and integrated accounting systems capable of supporting transparent and sustainable public administration. Therefore, the proposed framework contributes theoretically and practically to strengthening accountability performance through accurate budgeting, effective accounting controls, and adaptive governance mechanisms.

Table 1. State of the Art of Previous Studies

No	Author(s)	Research Focus	Main Findings	Research Gap
1	Basrowi et al. (2025)	Green HRM and sustainability governance	Sustainability-oriented improves organizational resilience	Does not discuss budget accuracy in government agencies
2	Sukidin et al. (2025)	Democracy and social participation	Digital participation strengthens governance responsiveness	No accounting control system perspective
3	Pratiwi et al. (2025)	Green human capital and sustainability	Employee awareness strengthens organizational sustainability	Does not analyze public accountability performance
4	Dahlana et al. (2025)	AI and strategic decisions	Digital transformation improves decision quality	No focus on budget control effectiveness
5	Nuryanto et al. (2025)	AI and MSME assistance systems	Big data strengthens organizational development capacity	Does not address government accounting systems
6	Faeni et al. (2025)	Green HRM integration	Governance improves integration operational sustainability	Limited discussion on financial accountability
7	Putri et al. (2025)	AI and organizational databases	Digital databases strengthen risk management	No analysis of budget accountability
8	Widana et al. (2025)	Green leadership and sustainability	Leadership improves governance sustainability	Does not discuss accounting controls
9	Anisariza et al. (2025)	Digital governance and legal protection	Digital transformation improves institutional governance	No focus on government accountability performance

No	Author(s)	Research Focus	Main Findings	Research Gap
10	Liany et al. (2025)	Governance and public rights	Governance quality improves public service delivery	Does not examine accounting control effectiveness

The previous studies indicate that recent research trends strongly emphasize digital transformation, sustainability governance, artificial intelligence, collaborative innovation, and organizational resilience. However, existing studies still provide limited discussion regarding the relationship between budget accuracy, accounting control system effectiveness, and government agency accountability performance. Most studies focus on sustainability, governance innovation, and digital transformation without specifically integrating accounting control mechanisms into accountability performance frameworks.

This study fills the research gap by proposing an integrated accountability model that combines budget accuracy, accounting control effectiveness, adaptive governance, and digital transformation in government institutions. The proposed framework emphasizes that accountability performance depends not only on governance innovation but also on accurate budgeting processes and effective accounting control systems capable of supporting transparency, operational efficiency, and sustainable public administration.

Based on the background, research gap, and novelty of the study, this research seeks to analyze the relationship between budget accuracy, accounting control system effectiveness, and government agency accountability performance within the framework of adaptive governance and digital transformation. The formulation of the research problems is presented as follows: How does budget accuracy influence government agency accountability performance in public sector financial management? How does the effectiveness of accounting control systems contribute to strengthening accountability performance and governance quality in government agencies?

2. LITERATURE REVIEW

Accountability Theory

Accountability theory explains the obligation of public institutions to provide transparent, responsible, and measurable information regarding the use of public resources and organizational performance. In government agencies, accountability is closely related to financial management, budget realization, and administrative transparency because public institutions are required to justify their decisions and operational activities to stakeholders and society. Accountability mechanisms therefore function as instruments for ensuring that public resources are utilized efficiently and according to legal and ethical standards. According to Bovens (2007), accountability represents a relationship in which actors are required to explain and justify their conduct to forums capable of questioning and evaluating organizational actions.

In public sector organizations, accountability is strongly influenced by the quality of financial governance and the reliability of accounting systems. Budget accuracy and effective accounting controls improve the ability of institutions to produce transparent financial reports and maintain operational discipline. Public accountability also requires institutions to provide reliable information that supports monitoring and public oversight. Christensen and Yoshimi (2003) explain that accounting reforms in public organizations strengthen accountability because transparent reporting systems improve institutional control and public confidence.

Furthermore, accountability theory emphasizes that public institutions must establish internal mechanisms capable of preventing financial irregularities and governance failures. Accounting control systems therefore become essential tools for ensuring compliance, operational supervision, and financial transparency. Weak internal control systems frequently create opportunities for corruption, budget inefficiency, and administrative manipulation. Effective accounting controls support governance quality by improving financial reliability and institutional responsiveness to public expectations.

The theory also highlights the importance of accountability in maintaining organizational legitimacy and governance sustainability. Government agencies that demonstrate transparent budget management and reliable financial reporting are more likely to gain public trust and institutional credibility. Accountability therefore extends beyond financial compliance because it also reflects governance ethics, organizational responsibility, and institutional integrity. Transparent governance practices contribute significantly to long-term public sector sustainability and effective public administration.

In this study, accountability theory serves as the primary theoretical foundation for explaining how budget accuracy and accounting control systems influence government agency accountability performance. The theory provides a conceptual framework for understanding the relationship between transparent financial management, institutional responsibility, governance quality, and public trust within public sector organizations.

Budgeting Theory

Budgeting theory explains how organizations allocate financial resources systematically to achieve operational objectives, governance efficiency, and organizational accountability. In public sector institutions, budgeting functions not only as a financial planning mechanism but also as a governance instrument for controlling expenditures, monitoring operational activities, and evaluating institutional performance. Accurate budgeting is therefore essential for improving government accountability because it ensures that public funds are allocated effectively and utilized according to policy priorities. Rubin (2016) argues that budgeting systems in public organizations reflect policy choices, governance priorities, and institutional accountability mechanisms.

Budget accuracy significantly influences the effectiveness of government operations and financial governance quality. Accurate budget planning enables institutions to align financial resources with strategic objectives and operational needs. Conversely, inaccurate budgeting

often creates inefficiencies, resource misallocation, and governance instability. Public organizations with weak budgeting systems frequently experience operational delays, financial deficits, and reduced public confidence. Therefore, budget precision becomes a critical determinant of accountability performance within government institutions.

Budgeting theory also emphasizes the relationship between financial planning and organizational control. Budgets serve as managerial instruments for monitoring expenditures, evaluating operational performance, and strengthening institutional discipline. Through budget monitoring mechanisms, government agencies can identify financial deviations, control unnecessary expenditures, and improve administrative efficiency. Financial supervision supported by accurate budgeting contributes significantly to governance transparency and operational accountability.

Another important aspect of budgeting theory is performance-based budgeting, which integrates financial planning with organizational outcomes and accountability objectives. Performance-oriented budgeting systems encourage government institutions to focus on efficiency, measurable outcomes, and public value creation. Such systems improve governance quality because financial allocation decisions are linked directly to organizational performance indicators and service effectiveness. Budget accuracy therefore becomes essential for achieving sustainable governance and improving institutional legitimacy.

In this study, budgeting theory explains how accurate budget planning contributes to strengthening accountability performance in government agencies. The theory provides a conceptual understanding of how budgeting mechanisms influence financial discipline, governance transparency, and operational effectiveness within public sector financial management systems.

Internal Control System Theory

Internal control system theory explains the mechanisms and procedures designed to ensure organizational efficiency, financial reliability, compliance, and governance effectiveness. Internal control systems are fundamental components of public sector governance because they support financial supervision, operational monitoring, and accountability performance. In government agencies, accounting control systems help institutions prevent financial irregularities, improve budget management accuracy, and maintain transparency in public financial administration. According to COSO (2013), internal control systems consist of integrated processes aimed at achieving operational effectiveness, reliable reporting, and regulatory compliance.

Effective accounting control systems strengthen governance quality by improving financial monitoring and reducing operational risks. Government institutions with strong internal controls are generally more capable of detecting administrative errors, preventing fraud, and ensuring budget compliance. Accounting controls also improve organizational coordination because financial information becomes more standardized, transparent, and accessible to

decision-makers. Effective internal control mechanisms therefore contribute significantly to accountability performance and institutional credibility.

Internal control systems are also closely associated with risk management and governance sustainability. Public institutions operate within dynamic environments characterized by policy changes, economic uncertainty, and increasing public demands for transparency. Therefore, accounting control systems must be adaptive and capable of supporting organizational responsiveness. Integrated control systems improve governance resilience because they provide reliable information for operational supervision and strategic decision-making.

Another important dimension of internal control theory is technological integration within financial administration systems. Digital accounting technologies improve the effectiveness of internal controls by supporting automated reporting, real-time financial monitoring, and integrated data management systems. Digital transformation strengthens accounting control effectiveness because it minimizes manual errors, accelerates reporting processes, and improves transparency in public financial administration. Technological innovation therefore becomes a strategic factor in improving governance accountability and institutional efficiency.

In this study, internal control system theory provides the conceptual basis for analyzing how accounting control effectiveness contributes to government agency accountability performance. The theory explains that integrated control mechanisms supported by digital technologies strengthen governance quality, operational transparency, and institutional sustainability within public sector organizations.

3. METHODS

Research Approach

This study employs a qualitative research approach using a literature study method to analyze government agency accountability performance viewed from budget accuracy and the effectiveness of accounting control systems. The literature study approach is appropriate because the research focuses on conceptual understanding, theoretical exploration, and synthesis of previous empirical findings related to public sector accountability, budgeting systems, and accounting controls. According to Snyder (2019), literature-based research enables researchers to systematically examine theoretical developments, identify research gaps, and construct conceptual frameworks from previous scientific studies.

The qualitative approach also allows comprehensive interpretation of governance practices, financial management systems, and accountability mechanisms within public sector institutions. Through literature analysis, this study explores how budget accuracy and accounting control systems influence accountability performance within the framework of adaptive governance and digital transformation. Creswell and Poth (2018) explain that qualitative research emphasizes interpretative understanding and conceptual analysis of complex organizational phenomena.

Data Sources

The data used in this study consist of secondary data obtained from scientific journals, academic books, conference proceedings, government reports, and international publications related to public sector accounting, budgeting systems, accountability governance, internal control systems, and digital transformation. The selected literature primarily originates from reputable international journals indexed in Scopus, Elsevier, Springer, Emerald, and other recognized academic databases to ensure the credibility and reliability of the research findings.

The literature selection process was conducted systematically based on publication relevance, theoretical contribution, methodological quality, and alignment with the research objectives. Priority was given to publications discussing public sector accountability, financial governance, budget management, and accounting control systems published within the last ten years. According to Xiao and Watson (2019), systematic literature selection strengthens research validity because it ensures that the chosen references directly support theoretical analysis and conceptual synthesis.

Data Collection Technique

The data collection process was carried out through documentation techniques and systematic literature searches using academic databases such as Scopus, ScienceDirect, Google Scholar, SpringerLink, and Emerald Insight. The search process used keywords including “government accountability,” “budget accuracy,” “accounting control systems,” “public sector governance,” “financial accountability,” and “digital governance.” Relevant publications were then identified, classified, and organized based on theoretical perspectives, research findings, and methodological approaches.

The collected literature was categorized using thematic analysis techniques to identify conceptual relationships among budget accuracy, accounting control systems, governance effectiveness, and accountability performance. This categorization process enabled researchers to compare findings from previous studies and construct an integrated conceptual framework. Booth, Sutton, and Papaioannou (2021) state that thematic categorization in literature studies facilitates systematic synthesis and strengthens interpretative analysis in conceptual research.

Data Analysis Technique

This study uses descriptive qualitative analysis to analyze the collected literature. The analysis process includes data reduction, thematic classification, comparative interpretation, conceptual mapping, and synthesis of previous research findings. Researchers examined similarities, differences, strengths, and limitations of previous studies related to accountability performance, budgeting systems, and accounting controls in public sector organizations.

The analysis also focuses on understanding how budget accuracy and accounting control system effectiveness contribute to governance transparency, operational efficiency, and institutional accountability. Through interpretative analysis, the study develops a conceptual understanding of the relationship between financial governance mechanisms and accountability performance within government agencies. Miles, Huberman, and Saldaña (2020) explain that

qualitative analysis aims to produce meaningful interpretations and theoretical insights through systematic examination of conceptual patterns and organized data.

4. RESULTS AND DISCUSSION

The Influence of Budget Accuracy on Government Agency Accountability Performance

The findings of this study indicate that budget accuracy has a substantial influence on government agency accountability performance. Accurate budgeting enables public institutions to allocate financial resources effectively according to operational priorities, institutional objectives, and public service needs. Government agencies with precise budget planning systems are generally more capable of maintaining financial discipline, minimizing wasteful expenditures, and improving operational transparency. Budget accuracy also strengthens the reliability of financial reporting because planned expenditures are aligned with actual operational implementation. According to Wildavsky and Caiden (2004), budget accuracy represents an important indicator of institutional effectiveness because budgeting reflects governance priorities and organizational accountability.

The study further reveals that budget accuracy improves financial transparency within public institutions. Transparent budgeting systems allow stakeholders, auditors, and the public to evaluate the consistency between budget planning and budget realization. This transparency strengthens institutional legitimacy because public agencies can justify their financial decisions using measurable financial evidence. Public trust toward government agencies tends to increase when institutions demonstrate accurate and transparent budget management practices. Therefore, budget precision becomes an essential component of accountability-oriented governance systems.

Another important finding relates to the role of budget accuracy in improving operational efficiency. Accurate budgeting enables institutions to distribute resources strategically and avoid unnecessary operational expenditures. Public organizations with inaccurate budget planning often experience budget deficits, project delays, administrative inefficiencies, and reduced service quality. Conversely, effective budget planning supports operational continuity and improves the quality of public services delivered to society. Financial efficiency resulting from accurate budgeting therefore contributes significantly to institutional accountability performance.

The findings also indicate that budget accuracy supports evidence-based decision-making in government institutions. Accurate budget information provides policymakers with reliable financial data for evaluating operational performance, identifying financial risks, and adjusting governance strategies. Data-driven financial management improves institutional responsiveness because decision-makers can adapt financial policies according to changing operational conditions and governance priorities. This adaptability is increasingly important in modern public administration characterized by dynamic policy environments and increasing public expectations.

Furthermore, budget accuracy contributes to strengthening financial supervision and audit effectiveness. Government agencies implementing structured budgeting systems are more capable of maintaining financial control and detecting budget deviations during operational processes. Effective budgeting systems support internal and external audit activities because financial information becomes more organized, measurable, and verifiable. According to Schick (2013), budget discipline and financial control mechanisms are fundamental requirements for strengthening accountability within public sector institutions.

The study also reveals that digital transformation significantly improves budget accuracy in government agencies. Digital budgeting systems facilitate automated financial recording, integrated monitoring, and real-time budget analysis. Technological integration minimizes administrative errors and improves reporting speed and financial transparency. Government agencies adopting digital financial systems generally experience improvements in governance quality and accountability performance because digital systems provide more reliable financial information for operational supervision and public reporting.

Another finding indicates that budget accuracy positively influences institutional trust and governance legitimacy. Public institutions capable of managing budgets accurately are perceived as more responsible, transparent, and professionally managed. Institutional legitimacy becomes stronger when public organizations demonstrate consistency between budget planning and operational implementation. Accountability performance therefore depends not only on financial compliance but also on the institution's ability to maintain public confidence through transparent financial governance.

Budget accuracy also strengthens organizational coordination within government agencies. Budget planning processes involve collaboration among financial units, operational divisions, policymakers, and supervisory institutions. Accurate budget systems improve communication and coordination because financial objectives and operational priorities become more clearly defined. Collaborative budgeting therefore contributes to governance efficiency and institutional accountability.

The findings further demonstrate that sustainability-oriented governance is closely associated with accurate budgeting practices. Sustainable public administration requires responsible financial management capable of supporting long-term operational continuity and public value creation. Accurate budgeting enables institutions to maintain financial stability while supporting strategic development objectives and governance sustainability. Therefore, budget accuracy functions as a strategic governance instrument that strengthens accountability and institutional resilience.

Overall, the study concludes that budget accuracy significantly strengthens government agency accountability performance through improved financial transparency, operational efficiency, governance legitimacy, audit effectiveness, and institutional sustainability. Budget precision therefore becomes a fundamental determinant of accountable and sustainable public sector governance.

Table 2. Qualitative Analysis of Budget Accuracy and Government Agency Accountability Performance

Dimension	Qualitative Findings	Implications Accountability Performance	for	Supporting Literature
Budget Planning Precision	Accurate budget planning improves alignment between institutional priorities and operational expenditures	Strengthens accountability and governance efficiency	financial and	Basrowi et al. (2025)
Financial Transparency	Transparent budgeting systems improve public access to financial information	Enhances institutional legitimacy and public trust		Nuryanto & Basrowi (2024)
Operational Efficiency	Accurate budgeting minimizes unnecessary expenditures and administrative inefficiency	Improves public service quality and governance effectiveness		Pratiwi et al. (2025)
Digital Budgeting Integration	Digital financial systems improve budget monitoring and reporting accuracy	Supports real-time accountability mechanisms		Dahlana et al. (2025)
Governance Sustainability	Budget discipline supports long-term institutional resilience and governance continuity	Strengthens sustainable public administration		Faeni et al. (2026)

Source: Secondary data processed, 2025

The findings presented in Table 4.1 demonstrate that budget accuracy significantly influences government agency accountability performance through several interconnected governance dimensions. Accurate budget planning enables institutions to allocate financial resources effectively according to operational priorities and policy objectives. Institutions with precise budgeting systems are generally more capable of maintaining financial discipline and improving governance efficiency. Budget precision therefore becomes an essential component of accountable public financial management.

The table also shows that financial transparency plays a central role in strengthening accountability performance. Transparent budgeting systems provide stakeholders and oversight institutions with access to reliable financial information, thereby improving institutional legitimacy and public confidence. Public organizations implementing transparent financial governance practices tend to achieve higher levels of accountability because operational expenditures can be monitored and evaluated more effectively.

Another important finding relates to the contribution of operational efficiency to governance quality. Accurate budgeting minimizes financial waste and administrative inefficiency while supporting effective public service delivery. Institutions capable of aligning budget allocation with operational needs generally experience improvements in governance performance and institutional responsiveness. Operational efficiency therefore becomes an important outcome of effective budget planning systems.

Digital budgeting integration also significantly strengthens accountability performance. Integrated digital financial systems improve budget supervision, facilitate automated reporting, and support real-time financial monitoring. Government agencies adopting digital governance systems are generally more capable of maintaining financial transparency and operational accountability. Furthermore, governance sustainability emerges as an important dimension because disciplined budgeting practices support long-term institutional resilience and sustainable public administration.

The Contribution of Accounting Control System Effectiveness to Accountability Performance and Governance Quality

The findings of this study demonstrate that the effectiveness of accounting control systems significantly contributes to strengthening accountability performance and governance quality within government agencies. Effective accounting controls improve financial supervision, operational monitoring, and compliance management, thereby reducing the risk of financial irregularities and governance failures. Government institutions implementing integrated accounting control systems are generally more capable of maintaining financial discipline and ensuring transparent public financial administration. According to Romney and Steinbart (2018), accounting control systems function as essential organizational mechanisms for safeguarding assets, ensuring reliable reporting, and improving operational effectiveness.

The study further reveals that accounting control systems improve the reliability and accuracy of financial reporting. Effective internal controls ensure that financial transactions are properly documented, verified, and monitored according to institutional procedures and governance regulations. Reliable financial reporting strengthens accountability because stakeholders can evaluate organizational performance using accurate financial information. Accounting control effectiveness therefore directly influences institutional transparency and public confidence in government financial administration.

Another important finding relates to the role of accounting control systems in preventing fraud and administrative manipulation. Weak control systems often create opportunities for corruption, budget misuse, and financial misconduct within public institutions. Effective accounting controls reduce these risks through authorization procedures, operational supervision, financial verification mechanisms, and continuous monitoring systems. Government agencies with strong accounting controls generally demonstrate higher governance quality and lower financial risk exposure.

The findings also indicate that accounting control effectiveness improves governance responsiveness and institutional adaptability. Modern public institutions operate within dynamic governance environments characterized by technological change, regulatory complexity, and increasing public demands for transparency. Adaptive accounting control systems supported by digital technologies improve organizational responsiveness because financial information becomes more accessible and easier to analyze. Integrated accounting systems therefore support evidence-based governance and strategic decision-making processes.

Digital transformation also plays a significant role in strengthening accounting control effectiveness. Digital accounting technologies improve operational monitoring, automate financial reporting, and facilitate real-time supervision of public expenditures. Technological integration minimizes manual errors, accelerates reporting procedures, and improves transparency in public financial management. Government agencies implementing digital accounting systems generally achieve higher levels of operational efficiency and governance accountability.

Another important finding is that accounting control systems strengthen institutional coordination and collaborative governance. Public sector financial management involves interactions among financial administrators, policymakers, auditors, and supervisory institutions. Effective accounting controls improve organizational coordination because financial procedures, reporting standards, and operational responsibilities become more standardized and transparent. Collaborative governance therefore becomes more effective when institutions implement integrated accounting control mechanisms.

The study also reveals that accounting control effectiveness positively influences public trust and governance legitimacy. Citizens and stakeholders are more likely to trust government agencies that demonstrate transparent financial reporting and effective operational supervision. Institutional legitimacy becomes stronger when public organizations consistently implement reliable accounting controls and transparent governance practices. Accountability performance is therefore closely associated with the institution's ability to maintain operational integrity and financial transparency.

In addition, accounting control systems contribute significantly to governance sustainability and institutional resilience. Sustainable governance requires institutions capable of maintaining operational stability, financial discipline, and transparent administration under changing governance conditions. Effective accounting controls support long-term institutional sustainability because they strengthen risk management, operational supervision, and financial accountability mechanisms.

The findings further indicate that accounting control effectiveness supports strategic governance innovation. Government institutions increasingly integrate artificial intelligence, digital databases, and automated reporting systems into accounting processes to improve governance quality. Such innovations enhance financial transparency and operational efficiency while supporting adaptive governance mechanisms within public administration systems.

Overall, this study concludes that effective accounting control systems significantly improve accountability performance and governance quality through enhanced financial reliability, fraud prevention, operational transparency, digital governance integration, collaborative coordination, and institutional sustainability. Accounting control systems therefore function as strategic governance instruments supporting accountable and sustainable public administration.

Table 4.2. Qualitative Analysis of Budget Accuracy Dimensions in Government Accountability Systems

Budget Dimension		Observed Findings	Accountability Contribution	Supporting Literature
Budget Accuracy	Realization	Budget implementation aligns with planned expenditures	Improves reliability of public financial reporting	Widana et al. (2025)
Strategic Allocation	Budget	Financial resources are allocated based on institutional priorities	Strengthens governance effectiveness and policy implementation	Putri et al. (2025)
Budget Systems	Monitoring	Continuous monitoring improves expenditure supervision	Reduces risks of budget deviation and misuse	Sukidin et al. (2025)
Financial Making	Decision-	Accurate budget information supports evidence-based governance	Enhances policy adaptability and governance responsiveness	Anisariza et al. (2025)
Public Accountability Mechanisms		Budget transparency facilitates external supervision and auditing	Strengthens institutional credibility and public trust	Liany et al. (2025)

Source: Secondary data processed, 2025

Table 3 indicates that budget realization accuracy significantly contributes to the reliability of government financial reporting systems. Institutions capable of implementing budgets according to approved financial plans generally demonstrate stronger accountability performance and operational consistency. Accurate budget realization therefore supports transparent governance and improves institutional credibility in public administration.

The findings also reveal that strategic budget allocation strengthens governance effectiveness because financial resources are distributed according to organizational priorities and operational objectives. Government institutions implementing strategic budgeting systems are more capable of improving service quality and maintaining governance efficiency. Budget allocation therefore functions as an important governance instrument supporting accountability-oriented public administration.

Continuous budget monitoring systems also contribute significantly to accountability performance. Effective monitoring mechanisms reduce the risk of budget misuse and strengthen operational supervision within government agencies. Institutions with integrated monitoring systems generally demonstrate higher governance transparency and stronger financial discipline. In addition, evidence-based financial decision-making improves governance adaptability because policymakers can respond more effectively to changing operational and policy environments.

Public accountability mechanisms supported by transparent budgeting systems further strengthen institutional legitimacy and public confidence. External supervision and financial auditing become more effective when budget information is accessible, organized, and

verifiable. Therefore, transparent budgeting practices significantly contribute to strengthening accountability performance within government institutions.

Table 4. Qualitative Analysis of Accounting Control System Effectiveness and Governance Quality

Control Dimension	System	Findings	Governance Impact	Supporting Literature
Internal Control	Financial	Effective financial controls improve supervision and compliance	Strengthens accountability and operational transparency	Pratiwi et al. (2025)
Fraud Mechanism	Prevention	Accounting opportunities for misuse	controls reduce corruption and improves governance integrity and public trust	Faeni et al. (2025)
Digital Integration	Accounting	Automated reporting systems improve accuracy and monitoring efficiency	Enhances governance responsiveness and efficiency	Nuryanto et al. (2025)
Institutional Coordination		Integrated collaboration among units	controls improve operational effectiveness collaborative governance	Basrowi et al. (2025)
Governance Sustainability		Accounting support long-term resilience	control systems improve operational continuity and sustainability	Dahlana et al. (2025)

Source: Secondary data processed, 2025

The findings presented in Table 4.3 demonstrate that accounting control system effectiveness significantly strengthens governance quality and accountability performance in government agencies. Effective internal financial controls improve operational supervision, ensure compliance with governance regulations, and strengthen financial transparency. Institutions implementing integrated accounting control systems are generally more capable of maintaining accountability and operational discipline.

The table also shows that fraud prevention mechanisms play an essential role in improving governance integrity. Strong accounting controls reduce the possibility of corruption, financial misuse, and administrative manipulation within public institutions. Government agencies with effective control systems therefore tend to achieve higher levels of public trust and institutional legitimacy.

Digital accounting integration further strengthens governance effectiveness through automated reporting systems, real-time monitoring, and improved financial information management. Technological integration enhances governance responsiveness because institutions can monitor financial transactions more efficiently and accurately. Public organizations implementing digital accounting systems generally demonstrate stronger accountability performance and operational transparency.

Institutional coordination is also strengthened through integrated accounting control systems because operational responsibilities, reporting procedures, and financial standards become more organized and transparent. Collaborative governance therefore becomes more effective when supported by reliable accounting controls. In addition, governance sustainability emerges as an important outcome because accounting control systems support long-term operational resilience, financial stability, and sustainable public administration practices.

5. CONCLUSION AND LIMITATION

Based on the results and discussion of this study, it can be concluded that budget accuracy significantly influences government agency accountability performance by improving financial transparency, operational efficiency, governance responsiveness, and institutional legitimacy. Accurate budgeting systems enable public institutions to allocate resources effectively, strengthen financial discipline, support evidence-based decision-making, and maintain sustainable public financial management practices.

Furthermore, the study concludes that the effectiveness of accounting control systems plays a critical role in strengthening accountability performance and governance quality within government agencies. Integrated accounting controls supported by digital technologies improve financial supervision, prevent fraud and administrative irregularities, enhance reporting reliability, and strengthen collaborative governance mechanisms, thereby contributing to sustainable and accountable public sector administration

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