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MONITORING TRANSPARENCY AND ACCOUNTABILITY IN PUBLIC GOVERNANCE

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Abstract

This study examines how transparency and accountability are monitored within public governance through the implementation of the Regional Financial Information System at the Financial and Asset Management Agency of Metro City, Lampung Province, Indonesia. Although the financial system information was nationally introduced in 2007 to modernize financial administration, its practical application has revealed persistent institutional and human resources challenges. Adopting a qualitative research design with a single case study approach, the analysis applies Yin's theory-driven strategy to compare empirical findings with normative expectations grounded in good governance, public administration, human resource management, and digital governance. Data were gathered through direct observations, document reviews, and in-depth interviews with key administrative personnel. The study addresses two main research questions: how the financial system supports transparency and accountability in local financial processes, and how human resource development contributes to its effectiveness. Findings indicate that while the system provided structural support for compliance and reporting, its function as a tool for active governance remains constrained by limited capacity-building, fragmented procedures, and weak institutional alignment. The study concludes that digital tools alone are insufficient without a strong institutional culture and human competence. Recommendations include structured training programs, standardized procedures, and real-time monitoring mechanisms to reinforce financial system information in public accountability.

Keywords: Policy Monitoring; Transparency; Accountability; Public Governance

INTRODUCTION

Local governments in Indonesia contribute to implementing decentralized governance, as stipulated in the 1945 Constitution and Law Number 23/2014 on Regional Government. This responsibility includes the obligation to establish a financial management system that promotes transparency, accountability, and efficiency. These three values are foundational to the broader principles of good governance, which serve as essential guidelines for achieving responsible and credible public administration, specifically in the financial sector. In line with this objective, many regional governments have begun

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integrating digital technologies into their public finance systems to improve service delivery and institutional performance.

One key initiative supporting this transformation is the Regional Financial Information System, introduced in 2007 as part of national efforts to modernize financial administration. The system was designed to increase the accuracy, accessibility, and accountability of local government financial reporting. It provides a platform for integrating budget planning, execution, and reporting processes across administrative levels. However, recent fieldwork conducted in January 2025 at the Regional Financial and Asset Management Agency in Metro City, Lampung Province, Indonesia, identified several pressing challenges. The study revealed that limited staff readiness, inflexible system features, and insufficient infrastructure have hindered the optimal use of the system. These issues demonstrate that the digitalization of public finance cannot rely solely on technology. Likewise, an observation of the official website of Metro City's Financial and Asset Management Agency shows limited availability of detailed financial reports or interactive features for public scrutiny, raising concerns about the practical implementation of transparency and accountability mechanisms (Financial and Asset Management Agency, 2025). Institutional capacity, in particular human resources, is essential to ensuring the system's effectiveness and sustainability (Matheus, Janssen, M., & Maheshwari, D, 2020).

Improving human capital has thus become a strategic priority in strengthening regional financial governance. Public officials are expected not only to master technical functions but also to adapt to institutional change, align digital platforms with bureaucratic workflows, and internalize accountability-based values (Sofyani, Riyadh, H. A, & Fahlevi, H, 2020). This is especially important within the discussion of regional autonomy, where local agencies are granted greater discretion in managing public resources and are expected to maintain integrity in their financial decision-making.

The case of Metro City illustrates how transparency and accountability are both policy objectives and operational challenges. The Regional Financial and Asset Management Agency is tasked with ensuring that financial processes from budget formulation to expenditure tracking are open to oversight and align with creating a fully transparent reporting mechanism and enforcing internal accountability across departments. These gaps not only weaken institutional credibility but also hinder the public's trust in local governance. Public concern regarding the transparency of Metro City's financial management has also

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surfaced in local news reports, highlighting the implementation of electronic-based systems by the Financial and Asset Management Agency without clear indicators of public accountability (Antara, 2023).

Therefore, this article addresses two research questions. First, how are transparency and accountability implemented through the Regional Financial Information System within the Regional Financial and Asset Management Agency in Metro City? Second, how does human resource development contribute to strengthening accountability in the management of regional public finances? Additionally, this study's objectives are fourfold. The first is to analyze the application of transparency and accountability in the operation of the Regional Financial Information System. The second is to assess the public personnel's capacity to support the system’s effectiveness. The third is identifying constraints and potential pathways for strengthening human resources in technology-based governance. The final objective is to propose policy strategies for enhancing financial accountability through targeted institutional development.

Public administration theory provides a conceptual lens for understanding the governance of public affairs through structured policy, institutional mechanisms, and service delivery systems (Berman, 2019; Piña & Avellaneda, C, 2019). This study does not concentrate on technical aspects of public accounting or financial reporting. Instead, it adopts a public administration perspective, particularly grounded in the study of public affairs governance. The primary concern is how local governments establish systems, structures, and institutional capacities that ensure public services operate in alignment with good governance principles. In this focus, the Regional Financial Information System is not treated as a technical accounting tool, but as a governance instrument whose effectiveness is shaped by values such as transparency, accountability, responsiveness, and professional competence. The study underlines the significance of human resource management and the internalization of accountability norms, elements that distinguish public administration approaches from purely fiscal or technocratic frameworks.

Clear and comprehensive Standard Operating Procedures (SOPs) are essential to support the financial system's governance function. These procedures should outline not only the workflow for entering and authorizing budget data in the financial system but also define internal verification protocols, system-based auditing mechanisms to detect errors or delays, and integration with procurement and planning functions. Regular training and performance documentation for system operators and financial officers must also be institutionalized. These SOPs serve as organizational safeguards that reinforce transparency, ensure consistency, and support professional accountability within regional financial institutions.

Public management, meanwhile, emphasizes resource planning, leadership performance, and workforce capacity as drivers of institutional outcomes (Rosenbloom, Kravchuk, R. S, & Clerkin, R. M, 2022). In regional financial governance, the convergence of information systems and competent human capital becomes essential for building adaptive, reliable institutions. The interplay between governance values and the mechanics of public finance functions as both ethical commitments and administrative safeguards to prevent misuse of power and ensure optimal allocation of public resources (Sahgal & Burns, J, 2019). These values, therefore, serve as foundational principles in shaping clean and responsive government institutions.

Information technology provides new avenues for improving regional financial management. The Regional Financial Information System supports integrated data tracking, real-time monitoring, and evidence-based decision-making (Bretschneider & Mergel, I, 2015; Wohlers & Bernier, L. L, 2016). Effective outcomes, however, depend on whether these tools are operated within a competent and well-managed institutional environment. Technocratic solutions alone are insufficient in strengthening governance performance. Human resource investment must accompany technological systems to enable genuine reform. Public management is essential to connect and link digital innovation with bureaucratic behavior and foster an institutional ecosystem grounded in integrity, adaptability, and performance.

This article contributes in three practical ways. It provides insight into the optimization of the Regional Financial Information System for strengthening transparency and accountability. It offers policy recommendations for regional governments to enhance institutional capacity in financial administration. It also promotes governance innovation that reflects both organizational realities and public expectations. As an applied academic work, case analysis from the Regional Financial and Asset Management Agency in Metro City is used to generate lessons for system reform, workforce policy, and institutional strengthening in the management of public resources.

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a. Theoretical Foundation for the Study

This section presents the theoretical foundations that underpin the study of regional financial governance, with a focus on the strategic role of human resource capacity in strengthening public accountability. The framework draws on four intersecting strands of literature: good governance, public administration, public sector human resource management, and digital governance. These bodies of theory provide a multidimensional lens through which the institutional, human, and technological aspects of financial accountability are examined systematically.

The comparative overview (Table 1) situates each theoretical strand about its core concepts, leading scholars, and practical implications. Good governance theory sets the normative foundation, emphasizing transparency, accountability, and public oversight. Public administration theory offers structural insights into how rules, institutions, and bureaucratic behavior influence the implementation of financial systems. Human resource management literature highlights the centrality of competence, training, and ethical leadership in achieving effective and trustworthy administration. Digital governance theory adds a technological dimension, focusing on the transformative potential of integrated information systems when supported by a professional and adaptive bureaucracy.

To synthesize these frameworks, a conceptual model has been developed to illustrate how these four perspectives intersect and inform the case study of the Financial and Asset Management Agency in Metro City. This model situates the Regional Financial Information System not as a standalone technical platform but as a governance instrument shaped by organizational structure, human capacity, and digital infrastructure. The use of these combined perspectives allows the study to move beyond a purely technical or policy-based analysis, toward a more comprehensive understanding of how institutional accountability is constructed and sustained in local public finance.

a) Theory of Good Governance

The theory of good governance has emerged as a normative framework to evaluate the legitimacy, responsiveness, and performance of public institutions (Keping, 2018; Asaduzzaman & Virtanen, P, 2018). It was popularized by institutions like the World Bank (1992) and the United Nations Development Program (1997), which outlined key principles such as transparency, accountability, participation, and the rule of law. Gindle (2004) refined this framework by emphasizing "good enough governance," which acknowledges the

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contextual limitations of developing states in achieving comprehensive reforms. Rothstein and Teorell (2008) added to this discourse by defining governance as the impartial implementation of public policy, detaching it from democratic legitimacy but linking it to performance and fairness.

Critics argue that the theory has often been applied prescriptively and idealistically, without sufficient attention to local institutional capacities and political culture. Leftwich (1994) contends that "good governance" has been overused as a conditional tool by donors and lacks clarity in implementation. Moreover, some scholars challenge the universal applicability of its principles, asserting that governance reforms must be grounded in local norms and bureaucratic realities. The broad nature of the term has also been criticized for masking power asymmetries and institutional inertia under the guise of efficiency and reform. Despite its contested interpretations, this theory remains central in analyzing institutional behavior and public service delivery. Its principles continue to provide conceptual benchmarks for assessing institutional integrity and administrative quality. This literature review adopts good governance as a baseline theory for public management practices, especially where digital systems and administrative accountability intersect.

b) Public Administration Theory

Public administration theory provides a foundation for understanding how public institutions are structured, how policies are implemented, and how bureaucracies evolve to meet changing societal needs. Rosenbloom, Kravchuk, and Clerkin (2022) categorize public administration into three paradigms: managerial (efficiency-focused), political (democratic control), and legal (rule of law). Denhardt and Denhardt (2000) propose a shift from "New Public Management" to "New Public Service," which emphasizes serving citizens rather than steering them. Meanwhile, Fredericson (2005) argues for social equity as the fourth pillar of public administration, positioning justice and inclusivity as central administrative goals.

There has been an enduring debate about the role of bureaucracy in either enabling or inhibiting reform. Critics of traditional bureaucratic models argue that they tend to be rigid and hierarchical, stifling innovation and responsiveness. In contrast, defenders emphasize stability, neutrality, and the rule-bound nature of bureaucracy as essential features for democratic governance. Others, like Pollit (2015), examine how different administrative cultures (Weberian, Anglo-Saxon, and Asian) shape reform outcomes, suggesting that one-size-fits-all approaches may not work in all governance settings.

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This literature draws upon the strengths of classical and contemporary public administration theories to explore institutional performance, policy execution, and bureaucratic behavior. It supports the notion that governance outcomes are shaped not only by structures and rules but also by human energy, professional competence, and ethical orientation, critical elements in the broader discussion of financial accountability.

c) Human Resource Management in the Public Sector

Human Resource Management (HRM) in the public sector has evolved from personnel administration to a more strategic and performance-oriented function. Olivera et al. (2024) emphasize the importance of merit-based recruitment, professional development, and competency frameworks in ensuring bureaucratic effectiveness. Storey, Ulrich, and Wright (2019) introduce the concept of "strategic HRM," where personnel policies are aligned with institutional mission and outcomes. Carbery and Cross (2024) highlight the shift toward decentralized HR practices, performance-based rewards, and organizational learning in modern public administration.

Debate in this area revolves around the tension between standardization and flexibility. Critics argue that rigid civil service systems discourage innovation and hinder responsiveness. Conversely, exercise decentralization may lead to inconsistent standards, favoritism, or weakened accountability. Others note that performance appraisal systems in the public sector often fail due to unclear metrics, limited feedback loops, and weak leadership commitment. This theoretical body supports an understanding of human resources not merely as an operational function, but as a strategic driver of governance reform. Literature on HRM reinforces the need for continuous training, ethical leadership, and professional accountability in improving institutional performance and public service outcomes.

d) Digital Governance and E-Government

Digital governance theory explores how technology reshapes public sector operations, decision-making, and citizen engagement. Heeks (2008) distinguishes between "e-administration" (internal processes) and "e-governance" (external engagement), emphasizing the role of context in determining the success of digital reforms. Mergel et al. (2016) identify the transformation of public bureaucracies through open data, cloud computing, and agile service delivery. Lindquist (2022) coins the term "Digital Era

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Governance," describing a shift from New Public Management toward the reintegration of needs-based service and digital platforms.

Critics of digital governance highlight persistent challenges such as the digital divide, cybersecurity threats, and the misuse of data for political or commercial ends. Fountain (2004) argues that technology cannot substitute for institutional reform and must be embedded in broader governance systems. Others caution against technological determinism, noting that public sector digitalization often reproduces existing power hierarchies rather than dismantling them. The literature on digital governance provides conceptual tools for analyzing how governments use information systems to enhance transparency, streamline operations, and support performance-based management. It opens space for understanding how technology can serve as both an enabler and a constraint in the pursuit of better governance outcomes.

To explore the theoretical perspectives that shape regional financial governance, the authors present the following table and conceptual illustration. These tools demonstrate how institutional arrangements, human resource capacity, and digital infrastructure work together to support financial accountability. Rather than discussing each theory in isolation, the analysis brings them into a coherent framework that reflects the case of the Financial and Asset Management Agency in Metro City, Lampung Province, Indonesia. The table provides a structured overview of the four theories, focusing on the core ideas, key contributors, practical focus, and analytical framework for the study. This comparison shows the importance of combining these perspectives to better understand the multi-layered nature of reforming public sector governance with a focus on financial management.

Table 1. Comparative Overview of Theoretical Perspectives in Regional Financial Governance

Theoretical Framework	Core Concepts	Key Scholars	Practical Focus	Analytical Focus in the Study
Good Governance	Transparency, accountability, participation, the rule of law, and impartiality.	Leftwich (1994), Grindle (2004), Rothstein and Teorell (2008), Asaduzzaman and Virtanen (2018).	Establishing standards of public oversight and ethical financial practices in local governance.	Assessing how transparency and accountability are embedded in the use of the Regional Financial Information System and reporting practices.

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Public Administration	Bureaucratic structure, democratic control, legal authority, efficiency	Denhardt and Denhardt (2000), Frederickson (2005), Pollitt (2015), Rosenbloom et al. (2022).	Examining how institutional structures and procedures influence public policy implementation.	Analyzing how administrative procedures (SOPs), role clarity, and reporting responsibilities shape fiscal governance performance.
Human Resource Management in the Public Sector	Merit-based recruitment, ethical leadership, training systems, and performance alignment.	Storey et al. (2019), Carbery and Cross (2024), Olivera et al. (2024).	Strengthening administrative capacity and professional behavior in the financial services units.	Evaluating staff readiness, digital literacy, and human resource policies supporting the Regional Financial Information System Operation.
Digital Governance and E-government	E-government, digital integration, real-time control, data transparency.	Fountain (2004), Heeks (2008), Mergel et al. (2016), Lindquist (2022).	Leveraging digital systems to support accountability and improve decision-making.	Investigating the technical capabilities, data integrity, and digital interoperability of the Regional Financial Operational System.

Sources: Compiled by Authors (2025)

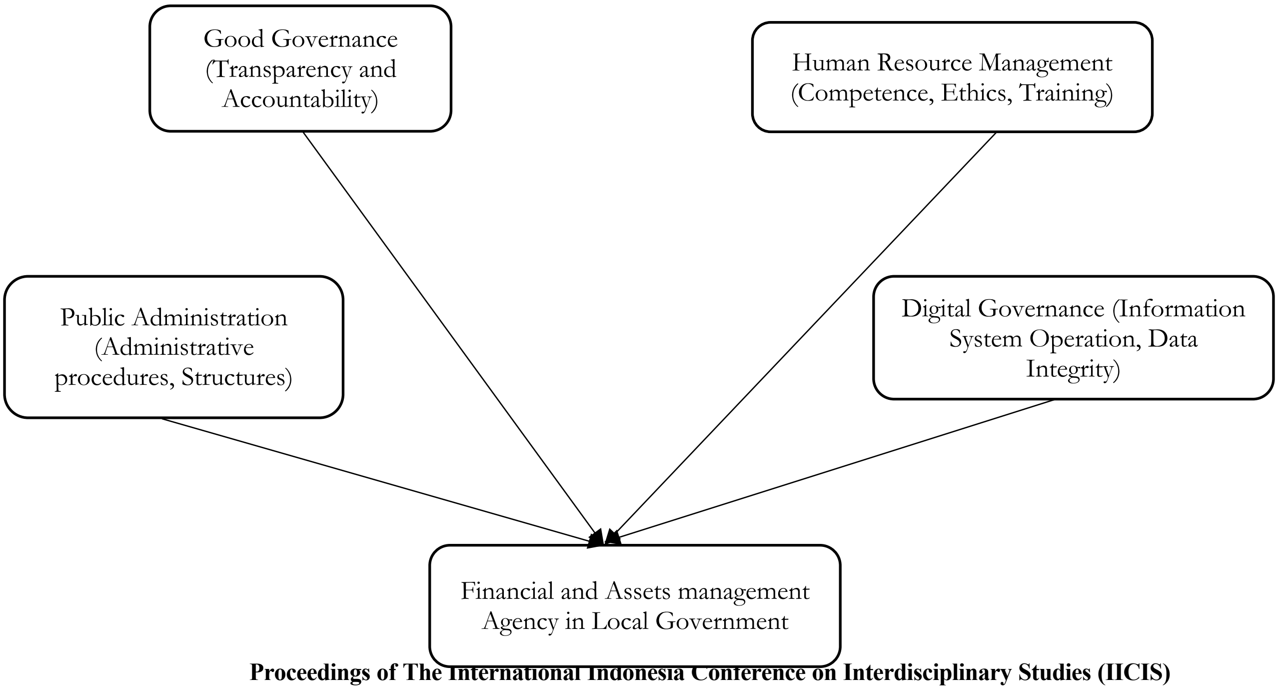

Figure 1. Conceptual Framework for Regional Public Financial Governance
Sources: Compiled by Authors (2025)

Further, this article is structured into four main sections to guide the research process systematically. Chapter one outlines the background, research problems, objectives, and significance of the study, emphasizing the role of regional governments in enhancing transparency and accountability through digital financial systems. Also, in this chapter, the authors review related literature, focusing on the principles of good governance, public administration, HRM, and digital governance, as well as their integration into regional financial administration. The discussion also highlights the theoretical connections between institutional capacity, human resource development, and technology adoption.

Chapter two describes the research methodology using a flow-oriented design, detailing the stages, instruments, and activities employed throughout the study. This section includes data collection techniques and procedures as well as the analytical methods. Chapter three provides the research findings and analysis, linking empirical results with the conceptual framework. It discusses how the Regional Financial Information System performs in practice, especially concerning transparency and accountability in the Regional Financial and Asset Management Agency of Metro City. Finally, chapter four presents the conclusions and policy recommendations. It summarizes the study's contributions to public financial management and outlines practical strategies for enhancing institutional capacity through human resource development. In addition, this chapter reflects on the limitations of the study and proposes directions for future research in advancing governance practice in local public finance systems.

RESEARCH METHODOLOGY

This study adopts a qualitative research design to explore how Law Number 23 of 2014 on Regional Government is applied in managing local public finances, with emphasis on transparency and accountability. Metro City in Lampung Province, Indonesia, serves as the research site, focusing on the Regional Financial and Asset Management Agency. The agency functions as a strategic institutional setting due to its role as an early implementer of a digital financial information system, nationally referred to as *SIMDA Keuangan*, across 32 government entities in the city. Rather than examining the institution for its unique characteristics alone, the study treats the agency as an instrumental case to investigate broader theoretical questions regarding institutional structure, personnel capacity, and digital integration within financial governance. This design reflects Yin's (2017) emphasis on understanding contemporary administrative phenomena within real-world environments to enrich theoretical understanding.

Fieldwork involved semi-structured interviews with eight key informants drawn from the Financial and Asset Management Agency's internal departments: planning, budgeting, asset management, accounting, and general administration. Each session lasted around 20 minutes and consisted of ten structured questions that aligned with the study's analytical focus. The participants were purposively selected to ensure the relevance of their knowledge and responsibilities. The sample size meets the recommended standards for qualitative research, where six to ten informants are often adequate for case-focused inquiries (Malterud, Siersma, V. D, & Guassora, A. D, 2016). Interview data were complemented with institutional archival materials, including SOPs, financial records, news reports for the media, and internal policy materials.

For data interpretation, the study follows Yin's (2017) theory-driven strategy for case study research. Rather than relying solely on general content analysis, the analysis employs a pattern-matching technique, enabling the comparison between empirical observations and theoretical expectations. This strategy focuses on examining how well real practices reflect the values of transparency and accountability as outlined in the literature review. Organizing the analysis through theoretical propositions helps filter the most relevant findings while preserving conceptual clarity. Through this approach, the study demonstrates how the agency responds to institutional challenges through digital adaptation, strengthened procedures, and professional capacity enhancement. To strengthen analytical coherence, the study also anchored its field instruments: interview questions, document reviews, and observation protocols on core theoretical constructs identified in the literature. These include principles from good governance (transparency, accountability), bureaucratic performance (role clarity, SOPs), digital governance (system operationability, data integration), and public sector human resource development (training, professional ethics).

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FINDINGS AND ANALYSIS

This section presents the empirical findings from the case study conducted at the Regional Financial and Asset Management Agency of Metro City, Lampung Province, Indonesia, integrating them with the theoretical lens discussed earlier (Table 1). The analysis is organized thematically to address the two research questions concerning the implementation of transparency and accountability through the Regional Financial Information System and the contribution of human resource development in reinforcing financial governance.

a. Transparency and Accountability in the Regional Financial Information System

The Regional Financial Information System Finance, developed by the Financial and Development Supervisory Agency, is a digital platform designed to support the modernization of regional financial governance. It consolidates essential functions such as budgeting, accounting, payroll, asset tracking, and revenue management. In Metro City, the financial information system has been deployed across 32 local government agencies under the oversight of the Regional Financial and Asset Management Agency. Each agency operates the system autonomously while relying on a centralized database that ensures uniformity, traceability, and compliance with financial regulation outlined in the Ministry of Home Affairs Regulation Number 77 of 2020. The financial information system was intended not only as a technical tool but as a governance mechanism for promoting transparency and accountability in financial administration.

Field observation conducted from June 16 to 20, 2025, revealed operational inconsistencies between the system's design and actual use. Researchers documented how real-time data entries, such as expenditure approval and fund disbursement, were processed through the system. However, recurring issues such as system slowdowns, unstable connectivity, and delayed report generation frequently disrupted workflows. These disruptions led staff to revert to informal coordination or paper-based practices, thereby undermining the system's reliability and transparency. Observed documents, including printed financial reports and handwritten verification logs, confirmed the persistence of manual intervention despite the system's automation features. Monthly reports, in particular, were still heavily reliant on offline compilation methods.

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To deepen the analysis, semi-structured interviews were conducted on June 20, 2025, with key staff from the general administration and IT operations units. Each interview lasted approximately 25 minutes and focused on institutional routines, technical readiness, and staff capacity. Respondents noted that initial financial information system training was provided by the Provincial Financial Planning Agency and followed by internal sessions targeting both civil servants and contracted personnel. Although these sessions helped clarify procedures, they were neither sustained nor adapted to evolving system requirements. A regional financial information system operator emphasized that inter-departmental coordination remained inconsistent, with no uniform standard operating procedures for data input. These views were supported by internal SOPs and regional audit findings reviewed during the fieldwork, which highlighted disjointed workflows and varied interpretations of system usage.

To support the analysis, this study applied theoretical constructs from the literature to guide the field instrument and interpret findings. These frameworks helped compare the observed practices with expected patterns through Yin's (2017) theory-driven strategy. From a good governance standpoint, the financial information system was envisioned to institutionalize rule-based transparency and accountability through accessible, standardized, and audit financial processes (Gindle, 2004; Rothstein & Teorell, J. A, 2008). Yet in practice, reporting remains oriented toward compliance rather than meaningful disclosure or public engagement. Interview responses and observed documents suggest that transparency is interpreted administratively, not participatory. Public access to budget data, feedback mechanisms, or citizen-focused performance reporting was absent. Consequently, the financial information system's accountability function has become confined to formal documentation rather than dynamic oversight.

Within the public administration framework, accountability is sustained by procedural clarity, well-defined roles, and a cohesive bureaucratic structure (Frederickson, 2005; Rosenbloom, Kravchuk, R. S, & Clerkin, R. M, 2022). However, the field data revealed institutional fragmentation, evident in inconsistent use of SOPs, role ambiguity across departments, and the absence of formal accountability loops. Despite the digital system being present, the lack of clearly delegated financial responsibilities and a minimal internal feedback mechanism diluted its effectiveness. Interviewees acknowledged that procedures varied between units, leading to uneven performance and delays in report submission.

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When analyzed through the lens of digital governance, the financial information system exhibits characteristics of e-government innovation aimed at enhancing transparency through integrated, real-time systems (Heeks, 2008; Mergel, Rethemeyer, R. K, & Isett, K, 2016). Nevertheless, the field observations demonstrated that such integration has not been fully realized. Technical issues, underutilized features (such as dashboards or analytics), and limited cross-platform compatibility restrict the system's ability to generate insight. Staff familiarity with advanced functions remains low, and digital tools are treated more as data entry forms than strategic decision-support systems. These findings suggest that the regional financial information system's transparency potential remains latent unless paired with digital literacy programs and system refinement.

In sum, the theory-driven strategy highlights a structural gap between the regional information systems' theoretical promise and their practical execution. Transparency and accountability, while embedded in the system's architecture, are not fully realized due to uneven institutional adaptation, limited professional capacity, and fragmented governance routines. To transform the regional financial information system into a meaningful instrument of public oversight, future efforts must go beyond digital deployment. Institutional commitment, performance-based coordination, and continuous professional development are essential for translating digital systems into real governance outcomes.

b. Human Resource Development and Accountability Norms

The success of the Regional Financial Information System in the Financial and Asset Management Agency of Metro City, Indonesia, depends largely on the digital competencies and adaptability of its personnel. Observation data collected during the field visit from June 16 and 20, 2025, confirmed that staff routinely engaged with the system across budget planning, accounting, and reporting divisions. Nevertheless, their interactions varied in depth and efficiency. While basic computer usage was evident across departments, the full utilization of financial information system features often depended on individual staff's digital familiarity. This observation was supported by internal documentation, including organizational structure charts, SOP outlines, and digital training archives, all of which indicated uneven participation in technical upskilling programs.

To enrich the observation data, the researcher conducted three semi-structured interviews on June 20, 2025, with staff from the planning, general administration, and IT

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support units. Each session lasted approximately 22 minutes and explored issues such as digital readiness, training experiences, and internal accountability mechanisms. Respondents highlighted that initial training was delivered offline by the Financial and Asset Management Agency of Lampung Province, followed by internal sessions of the Financial and Asset Management Agency from Metro City for both civil servants and contract employees. The interviewee from the HR and general affairs unit explained that although most staff were able to operate the financial information system at a basic level, a deeper understanding of module interconnectivity remained limited. Staff from the planning-finance unit emphasized that managerial support contributed to encouraging participation in the financial system information, yet refresher courses and technical monitoring had not been institutionalized.

The integration of accountability norms into daily financial system information operations remains superficial. According to informants from the administrative and IT units, routine usage of the financial system information emphasizes transaction input and report generation, but lacks structured performance evaluation mechanisms. Although financial data are submitted to the regional platform and compiled into the Local Government Financial System, internal review processes are often limited to compliance with deadlines rather than analytical validation. Observation of document workflows during the field visits confirmed this procedural emphasis, where the focus rested on formal completeness rather than financial insights. Supporting documents included SOPs for data input, printed training materials, and screenshots of audit feedback from the Provincial Financial and Asset Management Agency, which collectively revealed an accountability framework more administrative than strategic.

To support this interpretation, this study relied on a theory-driven approach that linked field data with analytical categories drawn from the literature review. Using Yin's (2017) pattern-matching technique, the findings reveal a mismatch between the governance ideals embedded in the financial information system and the organizational behaviors observed. The human resource management framework underlines ethical professionalism, structured training, and performance-based evaluation (Storey, Ulrich, D, & Wright, P. M, 2019). However, the Financial and Asset Management of Metro City's current approach lacks sustainable investment in capacity development. From the public administration perspective, the absence of clearly enforced SOPs and weak intra-unit coordination undermines the bureaucratic functions necessary for reliable fiscal governance (Rosenbloom, Kravchuk, R.

S, & Clerkin, R. M, 2022). Similarly, digital governance theory stresses the importance of real-time responsiveness and interoperability (Mergel, Rethemeyer, R. K, & Isett, K, 2016), which remains limited in the Financial and Asset Management Agency of Metro City due to connectivity issues and ad hoc troubleshooting practices. Altogether, these insights highlight that while the financial information system provided a functional digital infrastructure, the institutional culture and HR systems at the Financial and Asset Management Agency of Metro City have yet to internalize accountability as a norm of governance. These findings respond directly to the second research question, illustrating how human resource development, while acknowledged as important, remains underutilized as a foundation for institutional accountability.

CONCLUSION AND RECOMMENDATIONS

This study investigated how transparency and accountability are practiced through the regional Financial Information System in the Financial and Asset Management Agency of Metro City and examined the contribution of human resource development to strengthening financial governance. Applying Yin's theory-driven case study design, the findings interpreted through the lenses of good governance, public administration, human resource management in the public sector, and digital governance demonstrate that the financial information system offers a technically sound framework for modernizing financial administration. Introduced nationally in 2007, the system was envisioned as a transformative tool to digitize public finance and promote good governance. Even after nearly two decades, its implementation still struggles to deliver on those aspirations. The reasons are not rooted in system design, but in the persistent institutional inertia, fragmented operational routines, and uneven investment in human capacity that have hindered this system from being fully embedded as a governance instrument.

Both research questions have been addressed effectively. The study confirms that the financial information system was designed to embed transparency and accountability into regional financial workflows, even so its application remains limited by behavioral norms, capacity constraints, and the absence of performance-driven reporting cultures. Concurrently, although human resource development is widely acknowledged as a strategic need, it remains absent from a consistent priority in policy and practice. Staff training remains ad hoc, with little emphasis on applied learning or systemic follow-up. These findings

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reinforce that digital tools, no matter how sophisticated, cannot deliver governance improvements without complementary investments in institutional behavior, staff capabilities, and structural accountability mechanisms. Moreover, the study met all four objectives through analyzing system use, evaluating personnel readiness, identifying implementation gaps, and offering practical recommendations for reform.

To address the underlying causes of the regional financial information system's underperformance and advance public governance outcomes, the Metro City Government, particularly the Financial and Asset Management Agency, should adopt a more strategic and integrated reform approach. First, reframe the financial information system not merely as a reporting tool, but as a policy-monitoring platform that links daily financial operations with accountability goals. Second, establish a formal institutional learning agenda that includes regular scenario-based training, peer review of financial workflow, and continuous professional development tailored to evolving system features. Third, integrate accountability norms into performance evaluations, ensuring that financial officers are not only technically compliant but also ethically responsible and outcome-focused. Fourth, digitize oversight mechanisms by embedding a real-time monitoring dashboard and system-based alerts that trigger immediate action when discrepancies occur. Lastly, foster inter-agency collaboration through shared performance indicators and joint accountability reviews.

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