

## **E-VILLAGE GOVERNMENT: FOR TRANSPARENT AND ACCOUNTABLE VILLAGE GOVERNANCE<sup>1</sup>**

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### **ABSTRACT**

*E-village government is a breakthrough that can be used by village to support the village governance's transparency and accountability after the issuance of Village Law. Of the 301 villages in Banyumas, only 47 villages have village website on their own initiative. Of the 47 villages that have website, only 4 villages have informative, timely, relevant, and sufficient website which can be used as a medium for two-way communication between village government and the people. Village location that is close to the district capital and educational level of village people do not make the village more responsive in supporting the development of e-village government. Progressive and innovative village leaders are the main factors in implementing e-village government. Some villages have not implemented e-village government because they still have lack of human resources, lack of experience and lack of supervision.*

### **INTRODUCTION**

*"The first governments to respond to any new realities are local governments-in large part because they hit the wall first. (David Osborne and Ted Gaebler in Reinventing Government)"*

Law no. 6 of 2014 on Village (Village Law) has marked a new era of government in Indonesia. Since the implementation of the Village Law, Indonesia has had four levels of government, that is, central government, local government (first level and second level), sub-district government, and village government. Therefore, Indonesia is considered as a country with the most levels of government in the world, since most countries only have central government and local government. This long decentralization of authority has become not only an opportunity, but also a challenge for local governments,

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especially village governments, in Indonesia. Data derived from the Central Bureau of Statistics (BPS) show that in 2011, 63.21% of the poor lived in rural areas. With the enactment of Village Law, it is expected that the villagers be more empowered, independent and prosperous. Village autonomy is also expected to solve problems in the village quickly and precisely.

The challenge faced by the village government is on how to manage the existing resources well. The economic resources derived from village funds of around IDR 1.4 billion per year require good management. If the village funds are not managed properly, the funds can become new fraud areas (Puspasari, 2015). Mismanagement post-decentralization often occurs in local government. Local government is the most corrupt sector in Indonesia even after it has been given autonomy to manage its own region (BPS, ICW). The village government certainly will not expect the same.

Decentralization, on the one hand, offers significant opportunities to increase government accountability (Yilmaz et al, 2008). Previous study conducted by Yilmaz et al (2008) found that decentralization did not make government accountability better. However, according to Dersahin and Pinto (2010), increasing transparency will reduce corruption. The role of information technology is crucial to increase transparency and accountability, (Laurenco et al, 2013). In an effort to improve transparency and accountability, both central and local governments in Indonesia take advantage of information technology by creating websites. Website is one form of e-government. Communities can assume that a government is transparent, accessible, responsible, effective and participatory through public websites provided by the government. (Dominguez, et al, 2011). Unfortunately, most government websites have not adequately disclosed relevant information for the accountability process (Laurenco et al, 2013).

Most government websites work just like “billboards” (Dominguez, et al, 2011).

Banyumas Regency in Central Java province covers 301 villages. Recognizing the demand for increased accountability and transparency after the implementation of the Village Law, the village governments in Banyumas Regency started creating village websites. The creation of the village website was initiated by Gerakan Desa Membangun (GDM) in 2011. Village website is expected to increase accountability and transparency of the village management (especially village funds), and make the information flow between village government and village stakeholders run well.

Based on the above background, there are several things to be studied in this research as expressed in the following research questions: 1) For the villages that already have websites, is the information content in the websites useful enough to support the concept of transparency and public accountability? 2) For the villages that have no websites, why do not they create a village website?

## LITERATURE REVIEW

### ***E-Government: Transparency and Accountability***

The relationship between e-government and corruption (fraud) has been a research subject for many years. A study conducted by Pina et al (2007) finds that countries with low levels of corruption are more transparent in disclosing information about public funds management, and vice versa. The study conducted by Kim (2007) finds that there is a direct link between corruption control and e-government development. Countries, institutions or regions that have developed e-government can control the level of corruption.

According to Armstrong (2005), transparency is unrestricted public access to timely and reliable information on the decisions and performance of the public sector.

Kauffmann and Kray (2002) define transparency as a timely and reliable flow of economic, social and political information, and accessible to all relevant stakeholders. According to Heald (2006), transparency is a complex term which can be analysed by means of a set of dichotomies, the major one being between event and process transparency. Events, which can be further divided into inputs, outputs, and outcomes represent externally visible points/states that are linked by processes. These may be divided into transformations (linking inputs into outputs) and linkage (linking outputs into outcomes).

The object of transparency is an event. The result of an event is easy to measure, but the process of the event is difficult to measure as it relates to procedural and operational aspects (Laurenco et al, 2013). Most definitions of transparency have the same core, that is, accessible information.

Transparency cannot be separated from accountability. Transparency is always necessary for accountability, since access to information requires a first step in the accountability process (Meijer, 2003). Accountability is often defined as the government's obligation to report the use of public resources for the purpose of performance measurement (Armstrong, 2005). Yilmaz et al (2008) sees accountability in terms of demand and supply. According to Yilmaz (2008), public and social accountability must be bridged to ensure that communities have the ability and opportunity to demand accountability and that local governments have ways to respond to community demands for better accountability and service. According to the International Federation of Accountants (IFAC, 2013), accountability is ensuring that those who make decisions and perform services can be held accountable for what is done. Effective accountability is not only about reporting on what is done but also ensuring that stakeholders can understand and respond to the

plans and activities of the entity openly (IFAC, 2013)

According to IFAC (2013), government should be open related to decisions, actions, plans, resource use, outputs, and outcomes. The relationship among accountability, transparency and the need for technology is illustrated in the following figure:

### Appendix Figure 1

#### Village Autonomy through Law No. 2 Of 2014

The implementation of the Village Law is done in the context of the implementation of local autonomy. Village autonomy is the right, authority, and obligation to regulate and manage its own governmental affairs and interests of local people in accordance with legislation (Road Map of the Implementation of Village Law, 2014). The definition of village according to Law No. 6 of 2014 is the unity of legal community that has the territorial borders authorized to regulate and administer government affairs and the interests of local communities based on community initiatives and traditional rights recognized in the system of government of the Unitary State of the Republic of Indonesia (NKRI).

According to McKnight in Osborne and Gaebler (1992), by encouraging ownership out of the community and submitting it to higher levels of bureaucracy, it would actually weaken the community and harm society. McKnight argues that the community understands the problems they face better. The community not only provides 'service', but also solves problems. In addition, the community is more flexible and creative than the fat bureaucracy. The concept of village as a community that becomes the foundation of the Village Law is believed to be the motor of national development in Indonesia.

According to the Regulation of Minister of Home Affairs No. 114 of 2014, village

development is an effort to improve the quality of life and the welfare of the village community. Village development is participatory, which means that the development management system in village and rural areas is coordinated by the Village Head by promoting togetherness, kinship and mutual cooperation to bring about peace and social justice. In building the village, it is also necessary to empower the village community. Empowerment of rural communities, according to the Regulation of Minister of Home Affairs No 114 of 2014 is an effort to develop self-reliance and social welfare of the community by improving knowledge, attitude, skill, behavior, ability, awareness, and utilizing resources through the determination of policies, programs, activities, and assistantship in accordance with the essence of problem and priority needs of the villagers.

The autonomy of the village to manage its own finances is a point of interest to many parties. According to Article 71 of Law No. 6 of 2014, village finance is all village rights and obligations that can be assessed with money and everything in the form of money and goods relating to obligations. Village finances are managed on the basis of transparent, accountable, participatory principles and carried out in an order and disciplined budget.

The need for information on village management makes it necessary to conduct information management of village data based on Information Technology (IT). Road Map of the Implementation of the Village Law (2014) requires the village to have an Information System Management and Maintenance Team. In this case the village should at least:

- 1) Own and run the schedule of village data information condition checking.
- 2) Have a regular schedule of replacement of content / information to be reported.
- 3) Cooperate with parties having relevant interests in the procurement of information systems.

## RESEARCH METHOD

This research uses qualitative research method. Based on several reasons for the use of qualitative research according to Creswell (2013), this study uses a qualitative approach because it takes into account two things, that is, to answer the research question in the form of how and what. In addition, this topic is a topic that still needs to be explored because the variables cannot be easily identified. The approach used is a case study approach. The case study focuses on the development of in-depth analysis of a case or some cases (Cresswell, 2013). The case in this study is e-government on village government in Banyumas Regency.

According to Molelong (2007), qualitative research is a research that is able to provide an understanding of the phenomenon that is happening thoroughly with the description in the form of language and words. The data collection technique used in this research is in-depth interview in the form of semi structural interview to find the problem openly and deeply. In addition to in-depth interviews, content analysis is also conducted to analyze village websites in Banyumas Regency.

The object in this study is the villages in Banyumas Regency. Banyumas Regency has 24 sub-districts and 301 villages. There are two types of village websites in Banyumas Regency: the village website made by the Government of Banyumas Regency and the village website made by Gerakan Desa Membangun (GDM), a non-governmental organization which then collaborates with the Ministry of Village, Disadvantaged Area Development, and Transmigration. Almost all village websites were made by the Government of Banyumas Regency, while only about 47 villages made their own websites with GDM assistance. This study was conducted within 3 months (February, March, and July 2016).

## RESULTS AND DISCUSSION

Banyumas Regency has 27 sub-districts (4 sub-district cities) and 301 villages. Each village gets around IDR 1 billion a year to build the village. Almost all villages in Banyumas Regency have village websites made by the regency government. Meanwhile, there are about 47 villages that make the village website assisted by GDM. Previously, the forty-seven villages already had websites made by the government, but almost all the websites were dormant. There is a fundamental difference between these two types of village websites. The websites created by the Regency Government are made as a form of the fulfillment of government work program, and the initiative is from top to bottom (regency government to village government). The approach used is a top-bottom approach. While the village website made by the village government assisted by GDM is a direct initiative from the village. The differences are also visible from the display and content of both types of websites. The websites created by the Regency Government are not updated regularly and are not informative, while the websites created by the village own initiatives have some new and more informative breakthroughs. Based on these considerations, the website content analysis carried out in this research is websites created on the initiative of the village government and GDM.

### Appendix Figure 2

To answer **the first research question**, “Is the information content in the website useful enough to support the concept of transparency and public accountability?”, an analysis of the content of 47 village websites is conducted. Of the forty-seven websites, ten websites are still in process, so only thirty-seven websites are analyzed. Websites that support the concept of transparency and public accountability are the websites that disclose adequate information about organizational management, relevant data (Laurenco et al, 2013), timely (Kelley, 2015)

and have two-way communication (Yilmaz et al, 2008).

Of the thirty-seven websites analyzed, only the websites of 4 villages (Dermaji Village, Wlahar Wetan Village, Melung Village, Karanggayam Village) that fulfill the concept of supporting transparency and public accountability. The websites of these four villages contain the timely agenda and activities of the village government, the services provided, as well as the financial information such as income, expenditure, use of village funds and village budget of the current year and previous years. In addition, the four websites contain two-way communication between citizens and village government that are visible from feedbacks of citizens’ comments and links to twitter of village governments that contain active communications.

Thirty-three other village websites list incomplete and untimely information. This reinforces the results of the research conducted by Dominguez et al (2011) that most government agency websites serve only as ‘governmental billboards’. This research also reinforces the results of the research conducted by Laurenco et al (2013) that local governments have not disclosed sufficient information for the accountability process and they cannot maximize the potential of the internet to make the data more feasible and reusable by communities and local stakeholders.

It is worth to note that the four villages that have been able to create websites that support transparency and public accountability are located far away from the district capital (Purwokerto). They are the outermost villages of Banyumas Regency. In contrast, the villages closest to Purwokerto and General Sudirman University, in fact, still do not have their own village websites. The higher education levels of rural communities living close to the city are not able to make the village more responsive to issues of accountability and transparency of village funds. This also supports the results of

research conducted by Dominguez et al (2011) that the level of education of local communities is not the main factor that encourages the development of digital administration. When explored more deeply, the main factor of the village responsiveness by making e-village government is the village head factor. A progressive village head is the main driver of the village progress.

To answer **the second research question**, "Why do not they create village websites?", an in-depth interview was done in villages that still had no their own village website. Interviews were conducted in 4 villages (Tambaksogra Village, Tambaksari Village, Pernasidi Village, and Karanglewas Village). Interviews were only carried out in the four villages of hundreds of villages that had not made their own village website because the pattern of the responses of the four villages was relatively similar. From the interviews, they claimed to have not provided village management information online on the website because of the following reasons:

The **first** is due to the lack of human resources (HR) to manage the website. The **second** is due to the lack of experience, both in the digital world and in the management of village funds. The village fund has only been running for two years so that the mechanism has not been unclear. Due to the vagueness of the mechanism, the village government felt confused about what and when to inform to the people. The **third** is due to the lack of qualified financial personnel. This is the problem of almost all villages. The lack of skilled finance personnel makes villages, in the second year of implementation of the Village Law, still grope about how good financial administration is. Some villages requested assistance of village counselors to complete financial administration related to village funds. One interesting thing is that they think that the village funds always come late and there are many unclear cuts. So, why they have to make transparent and

accountable reporting. Here is an excerpt of one of the sources:

*"moreover making a good financial statement and putting it into the internet, just making manual financial report is still difficult. Furthermore, the funds are always late down. We are also confused about what money we use for operating and how the report can be made then"*

The **fourth** is the lack of supervision. Accountability Report of Village Budget implementation realization and Village Fund Accountability Report are always made with the assistance of village counselors. However, supervision in the form of government audits has never been done. This makes the village is not encouraged to present an informative report that can fulfill the principles of transparency and accountability. The creation of Village website as one of the tools to support transparency and accountability is voluntary. So, if the village does not report the activities and the use of village funds, it is not a problem. The goodwill of the Village Head to make his government transparent and accountable is a major factor in the success of e-village government.

The four reasons why most of these villages do not create websites are in line with the results of research conducted by Kelley (2015). The local government problem of why they do not present relevant and timely information on their website is due to: lack of resources, lack of experience, lack of trained financial personnel, inadequate oversight, and inadequate technology. In developed countries like the United States there are institutions outside government agencies that collect the financial statements of local governments and publish them on their websites. If it just relies on central government initiatives and or local government awareness to publish government financial reports online, e-government will never succeed.

## CONCLUSION AND SUGGESTION

The village autonomy mandated by Law No. 6 of 2014 forces villages to manage their own household, including in managing their own finances. Good village governance with the principle of transparency and accountability must be implemented if the village does not want to repeat the failure of regional autonomy that is filled with fraud. E-village government is a breakthrough that can be used by villages to support transparent and accountable village governance.

Of the 301 villages in Banyumas Regency, only 47 villages have website. Of the 47 villages that have websites, only 4 villages have the most informative websites with timely and relevant presentation, and serve as a two-way communication medium between the village government and village stakeholders. The factor of progressive and innovative Village Leaders has made the four villages one step ahead with e-village government. While the factors that cause most of the villages in Banyumas Regency do not have their own websites are: lack of human resources, lack of experience, lack of trained financial personnel and lack of supervision. The location of the village that is closer to the district capital and the high level of education of the village community do not support the development of e-village government. There is a need for government agencies to oversee and assist villages in e-village governments such as those in the United States (Kelley, 2015). In Indonesia, the role of institutions like GDM needs to be strengthened again to assist villages in terms of information technology.

The number of studies on village governance after the implementation of Village Law is still relatively few so that the opportunity to do research on this topic is wide open. Further research can discuss why the high level of rural community education and location closer to the capital do not support the development of e-village government. Further

research can also examine whether e-village government can prevent fraud in villages.

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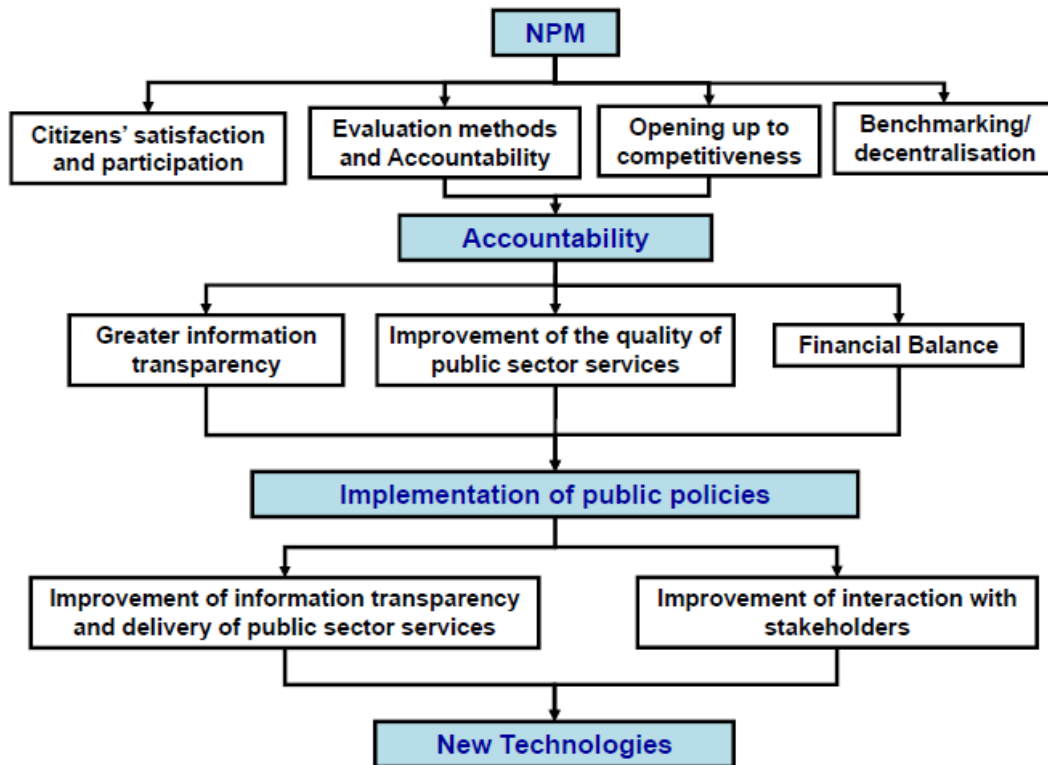
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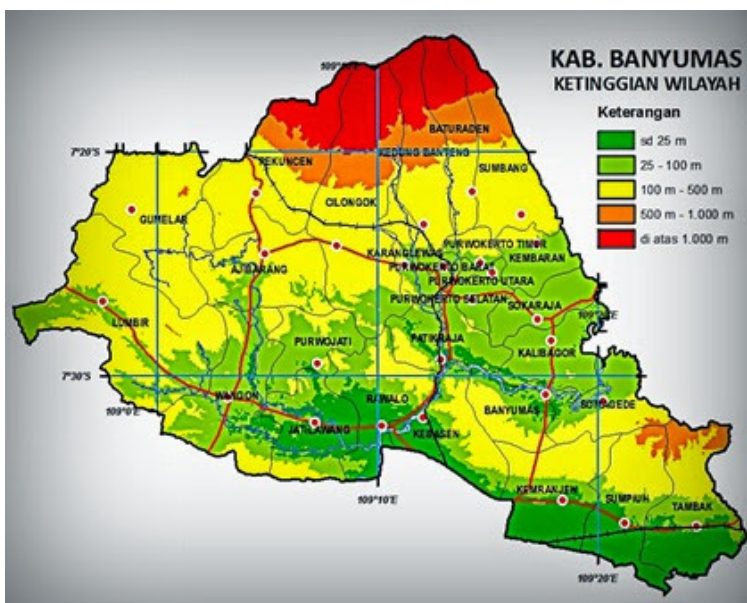
APPENDIX

Figure 1. Relationship among Transparency, Accountability, and the Use of Technology



Source: *E-Information Disclosure for Enhancing Transparency in Public Administration* (Bolivar, 2013 )

Figure 2. Maps of Banyumas Regency



Source: Wikipedia

