



Focus Enhancing SKPD Capacity in Preparing Periodic Financial Statements through Focus Group Discussion: Evidence from Semarang City Government

Suhantoro^{1*}

Sekolah Tinggi Ilmu Ekonomi Cendekia Karya Utama

Correspondence author email: masanthok031068@gmail.com

Keywords: FGD, regional financial statements, SKPD, SAP, accountability

Abstract: This community service activity aims to improve the competency of Regional Apparatus Work Unit (SKPD) personnel in preparing monthly, quarterly, and semi-annual financial statements in accordance with Government Accounting Standards (SAP). This activity uses a participatory approach through Focus Group Discussions (FGD) involving 95 participants consisting of Financial Administration Officers and expenditure treasurers from various SKPDs in the Semarang City Government. The evaluation indicators included participant participation, improvement of understanding, identification of reporting problems, and formulation of follow-up actions. The finding, based on the results of the post-test, an average of 80% of participants showed improvement, particularly in account classification, transaction recording, and periodic report preparation. The FGD identified four major issues: limited mastery of financial information systems, data input errors, insufficient competent human resources, and weak inter-unit coordination causing delays in report submission. As post-FGD outcomes, participants agreed on the need for continuous technical training, standardized operating procedures, optimization of information system integration, and the establishment of a reporting coordination forum. These results provide evidence that FGD was effective not only in evaluating participants' competencies but also in generating practical solutions to enhance transparent and accountable regional financial governance.

1. INTRODUCTION

Transparent and accountable regional financial management is an important part of realizing good governance. Recent public sector accounting reforms also emphasize that financial governance quality is increasingly determined by the government's ability to produce timely, reliable, and decision-useful financial information as a basis for public accountability (Mariana, 2024). According to, public sector accountability requires every government agency to be able to present reliable, relevant, and accountable financial reports to the public as a form of public supervision. SKPD as an accounting entity has the obligation to prepare periodic financial reports, both monthly, quarterly, and semi-monthly, as a form of accountability for the use of the public budget (Mardiasmo, 2018). Explaining that regional financial statements are the main instrument

in assessing the effectiveness of budget implementation, so that the accuracy of the preparation of reports on a monthly, quarterly, and semi-monthly basis is an important indicator in the quality of regional financial governance (Halim, 2017).

The preparation of the financial statements must refer to Government Accounting Standards as stipulated in Government Regulation Number 71 of 2010 and Minister of Home Affairs Regulation Number 77 of 2020. However, in practice, there are still various obstacles faced by SKPD apparatus, both from the technical and non-technical sides. He emphasized that the implementation of accrual-based government accounting requires the apparatus's understanding of account classification, transaction recognition, and reporting suitability so that the financial information produced has beneficial value for decision-making (Nordian, Putra, & Rahmawati, 2019). Although Government Accounting Standards have formally regulated accrual-based reporting procedures, practical implementation in many local governments remains uneven and often encounters administrative as well as institutional barriers (Amal, 2024).

Although Government Accounting Standards and technical regulations have formally provided clear guidelines for periodic financial reporting, the implementation at the local government level remains problematic. Recent studies indicate that the existence of accrual-based accounting standards does not automatically guarantee the quality, timeliness, and reliability of financial statements because many local government institutions still experience administrative complexity, fragmented reporting systems, and uneven staff competencies. In many cases, financial reporting compliance is still oriented toward administrative fulfilment rather than managerial accountability and evidence-based decision making. The existence of accrual-based accounting regulations does not automatically guarantee the usefulness of financial reports in managerial practice. Empirical evidence shows that accrual information in local governments is often considered complex, difficult to interpret, and not yet optimally utilized for managerial decision making, causing a gap between regulatory compliance and substantive accountability (Dharmayuni, 2024)

Furthermore, the challenges of accrual-based SAP implementation in local governments are not only technical but also institutional. Previous literature explains that the low capability of human resources, weak internal control, inadequate financial information systems, and limited inter-unit coordination remain dominant obstacles in producing transparent and accountable

reports. Recent evidence from Indonesian local governments also confirms that regulatory compliance tends to vary depending on audit capacity, organizational readiness, and leadership support. These conditions show a significant gap between normative accounting regulations and actual reporting practices in the field, making periodic financial reporting still a recurring governance issue. In addition, the successful implementation of accrual accounting is strongly influenced by human resource competence, internal control systems, and information technology readiness. Weaknesses in these aspects continue to be the dominant causes of reporting delays and inaccuracies in regional governments (Amelia, 2024).

Some of the problems that often arise include inconsistencies in the format of reports, delays in preparation, limited human resource competence, and lack of coordination between work units. This condition has an impact on the quality of the regional financial statements as a whole. Therefore, strengthening apparatus understanding through participatory forums is necessary because the main challenge of accrual reporting lies not merely in regulation availability, but in practical comprehension and inter-unit coordination among report preparers (Herdiyana, 2024).

In an effort to overcome these problems, a participatory and solution-oriented approach is needed. One effective method is Focus Group Discussion (FGD), which allows for interactive discussions to identify problems and formulate solutions together.

The purpose of this activity is to increase the understanding of SKPD apparatus, identify obstacles faced, and formulate recommendations to improve the quality of regional financial report preparation.

2. METHOD

This service activity uses a qualitative approach with the Focus Group Discussion (FGD) method. According to the qualitative approach, it is used to understand social phenomena in depth through direct interaction with the subject, while FGD is an effective technique to explore perceptions, experiences, and solutions from participants collectively. This approach was chosen because it is able to dig deep into information and produce contextual solutions (Moleong, 2018).

FGD was conducted on October 29, 2025, at the Meeting Room of the Regional Financial and Asset Management Agency (BPKAD) of Semarang City. The activity involved 95 participants consisting of Financial Administration Officers (PPK), expenditure treasurers, and financial

reporting staff representing several Regional Apparatus Work Units (SKPD). These participants were selected purposively because they are directly responsible for the preparation and submission of monthly, quarterly, and semi-annual financial statements.

The stages of the activity include:

- Preparation: identification of problems, coordination with local governments, and preparation of materials.
- Implementation of FGD: presentation of material, group discussion, problem identification, and solution formulation.
- Data analysis: data is analyzed in a qualitative descriptive manner based on the theme of the problem. The qualitative data obtained from participant discussions, field notes, and response summaries were analyzed using thematic coding techniques. The analysis process included data reduction, identification of recurring issues, categorization into technical and non-technical problem themes, interpretation of participant suggestions, and synthesis of priority recommendations. This procedure was used to ensure that the discussion findings were systematically organized and evidence-based.
- Reporting: preparation of activity results and recommendations.

The effectiveness of the program was evaluated using four criteria: (1) participant attendance and active involvement during the discussion, (2) improvement in participant understanding as reflected in their ability to explain reporting procedures and identify reporting errors, (3) the number and relevance of problems successfully identified during the FGD, and (4) the formulation of applicable post-discussion recommendations agreed upon by the participants.

3. RESULT

The implementation of the Focus Group Discussion (FGD) activity regarding the preparation of monthly, quarterly, and semester financial reports at the Regional Apparatus Work Unit (SKPD) of the Semarang City Government went well and in accordance with the planned agenda. Based on thematic analysis of the discussion results, the findings were grouped into three major categories: technical barriers in report preparation, organizational barriers affecting reporting timeliness, and strategic recommendations proposed by participants. This thematic grouping was used to provide a clearer interpretation of recurring issues emerging during the FGD. This activity

was attended by apparatus who have a strategic role in regional financial management, such as Financial Administration Officers (PPK), expenditure treasurers, and supporting financial staff. During the activity, participants showed a high level of participation, especially in the discussion session which provided space for them to convey their experiences, obstacles, and practices in the preparation of periodic financial statements. Of the 95 participants involved, 81 participants actively conveyed their reporting experiences, while 67 participants specifically highlighted recurring difficulties in accrual transaction recording and financial information system operation. This indicates that the reporting issues discussed were not incidental but represented common patterns across SKPD.

Based on the results of the discussion, it was obtained that most SKPD apparatus already had a basic understanding of the preparation of financial statements, especially for relatively simpler monthly reports. However, this understanding is not evenly distributed, especially in the preparation of quarterly and semi-annual reports which require a higher level of analysis and accuracy. In addition, the implementation of accrual-based Government Accounting Standards is still a challenge for some participants, especially in terms of account classification and transaction recording that have not been fully understood consistently.

From the technical side, participants revealed that the use of regional financial information systems still faces various obstacles. Some of them are limited ability to operate applications, errors in the data input process, and not optimal integration between the systems used, such as planning, budgeting, and reporting systems. This condition often causes data inconsistencies that have an impact on the quality of the financial reports produced. In addition, changes in the report format that are quite dynamic are also a separate obstacle for the apparatus in adjusting the preparation of reports in accordance with the latest regulations.

In addition to technical constraints, there are also significant non-technical obstacles. The limited number of human resources who have competence in the field of government accounting is one of the main factors that affect the quality of financial statements. The high workload also causes apparatus difficulties in completing reports on time. In addition, the lack of coordination between work units and delays in the submission of data from related units are also obstacles in the process of preparing periodic financial statements.

The issue of reporting timeliness is also a dominant issue in the discussion. Some

participants said that delays in submitting reports still often occur, especially in quarterly and semi-annual reports. This is due to the data reconciliation process that takes a long time and the dependence on data from other units. This condition shows that the process of preparing financial statements does not only depend on one party but involves complex coordination between various work units.

Furthermore, participants also expressed a strong need for sustainable capacity building. They expect regular technical training, the preparation of clearer and uniform standard operating procedures (SOPs), and the existence of a communication forum between SKPDs that can be a forum for sharing experiences and solutions. This need shows that improving the quality of financial statements not only requires system improvement but also strengthening human resource competencies and better organizational governance.

Table 1. Thematic Summary of FGD Findings on Periodic Financial Report Preparation

Thematic Category	Main Findings	Frequency/Participant Response	Proposed Solutions
Technical Barriers	Difficulty operating financial applications, accrual recording errors, inconsistent data integration	67 participants reported recurring technical issues related to application use and accrual transaction recording	Technical training, system optimization
Organizational Barriers	Limited competent human resources, high workload, weak coordination, delayed supporting documents	59 participants emphasized coordination weaknesses and staff workload constraints	Inter-unit coordination strengthening, workload distribution
Reporting Timeliness	Long reconciliation process and dependence on other units for supporting data completion	53 participants reported frequent delays in monthly, quarterly, and semester reporting submission	Standard reporting schedule and integrated monitoring
Recommended Solutions	SOP standardization, regular technical assistance, reporting communication forum	88 participants agreed on the urgency of continuous mentoring and reporting coordination forums	Continuous mentoring, SOP uniformity, reporting forum

Overall, the FGD findings indicate that the recurring weaknesses in periodic financial reporting are concentrated in three interconnected dimensions, namely technical system readiness, organizational coordination, and human resource competency. The thematic evidence also

confirms that participants expect not only regulatory guidance but also practical and continuous institutional assistance.

4. DISCUSSION

Contains Activity results show that there is a gap between regulation and implementation in the field. This finding is consistent with recent public sector accounting studies which explain that formal adoption of accrual-based standards often does not immediately translate into effective reporting practices because implementation is constrained by technical complexity, staff readiness, and institutional adaptation processes. Although SAP has provided clear guidelines, its implementation is still constrained by human resource competence and system readiness.

This is in line with the statement that the quality of financial reports is greatly influenced by the capacity of the apparatus (Mardiasmo, 2018). Empirical studies in Indonesian regional government institutions similarly confirm that employee accounting competence, organizational commitment, and managerial support are among the strongest predictors of successful accrual accounting compliance. Therefore, the participants' demand for continuous technical assistance reflects a broader issue of organizational readiness rather than merely individual knowledge deficiency. In addition, (Mahmudi, 2016) it emphasizes the importance of system and resource support in the implementation of accrual-based accounting. In addition to the human resource aspect, the quality of local government financial statements is also influenced by the accounting system used. stating that the public sector accounting system must be able to support the accuracy of recording, data consistency, and the speed of reporting in order for the accountability process to run effectively. In the context of this activity, the obstacles to information system integration presented by the participants showed that information technology support still needs to be improved (Bastian, 2014).

Information system problems also show that technology integration is not optimal. Similar reporting delays have also been reported in broader public sector governance studies, where weak data synchronization, delayed supporting documents, and fragmented institutional communication significantly reduce the timeliness and reliability of government financial statements. This indicates that reporting punctuality is structurally linked to organizational workflow efficiency. On the other hand, the lack of coordination between units worsens the timeliness of reporting.

Explained that the timeliness of regional financial reporting is greatly influenced by the synchronization between the budgeting, administration, and reporting processes (Yuwono, Susanto, & Tinangon, 2017). If coordination between units has not run optimally, then the delay in reporting will continue to be repeated and have an impact on the low quality of financial information.

FGD has proven to be an effective method because it is able to:

- Identify problems directly
- Unifying perceptions between participants
- Produce solutions that are applicable

Thus, the discussion confirms that the weaknesses identified in this service activity are not isolated administrative incidents, but reflect broader patterns of accrual-based accounting implementation challenges commonly experienced in public sector institutions.



5. CONCLUSION

FGD activities in the preparation of SKPD financial statements went well and were effective in identifying problems and formulating solutions.

The main problems include technical and non-technical constraints, as well as the timeliness of reporting. In addition, there is still a gap in understanding the implementation of accrual-based SAP.

The main recommendations produced are increasing human resource capacity, preparing uniform SOPs, optimizing information systems, and strengthening coordination between work units. Practically, these findings imply that periodic financial reporting improvement cannot rely solely on regulatory compliance, but requires structured institutional intervention from the Regional Financial and Asset Management Agency (BPKAD) through continuous technical training, standardized reporting assistance, integrated monitoring mechanisms, and routine coordination forums among SKPD financial officers. Therefore, this activity provides policy-relevant input for strengthening the capacity development model of local government financial apparatus.

However, this activity has several limitations. The FGD was conducted only within selected SKPDs in the Semarang City Government and involved a limited number of participants, so the findings represent contextual institutional conditions and cannot yet be generalized to all local government agencies. In addition, the qualitative discussion approach emphasizes perception-based findings and requires further quantitative validation in future studies.

Overall, this community service activity confirms that participatory evaluation through FGD is not only effective in identifying recurring reporting barriers, but also strategic in formulating institutional policy directions toward more transparent, timely, and accountable regional financial governance.

ACKNOWLEDGEMENT

The author expressed his gratitude to the Semarang City Government, especially the Regional Financial and Asset Management Agency (BPKAD), as well as all FGD participants who had actively participated in this activity.

Gratitude was also conveyed to STIE Cendekia Karya Utama for its support in the implementation of this community service activity.

REFERENCES

- Amal, M. I. (2024). Implementation of Accrual Basis Accounting in the Public Sector in Indonesia: A Literature Review. . *East Asian Journal of Multidisciplinary Research*, 361-376.
- Amelia, E. I. (2024). nalysis of the Implementation of Accrual-Based Government Accounting and its Implications for the Quality of Financial Reports in the Public Sector. *International Journal of Management Research and Economics*, 392–409.
- Bastian, I. (2014). *Sistem Akuntansi Sektor Publik*. Jakarta: Salemba Empat.
- Dharmayuni, L. R. (2024). Value Relevance of Accrual Information in Public Sector: Facts from Practices. *International Journal of Public Administration*.
- Halim, A. (2017). *Akuntansi Keuangan Daerah*. Jakarta: Salemba Empat.
- Herdiyana, D. S. (2024). Evaluation of the Accrual Based Accounting Implementation in Sub-National Governments of Indonesia. *Public Sector International Conference Proceedings*, 1-15.
- Mahmudi. (2016). *Analisa Laporan Keuangan Pemerintah Daerah*. Yogyakarta: UPP STIM YKPN.
- Mardiasmo. (2018). *Akuntansi Sektor Publik*. Yogyakarta: Andi.
- Mariana, M. D. (2024). Public Sector Accounting Reform: A Systematic Literature Review. *HEI EMA Journal*, 131-146.
- Moleong, L. J. (2018). *Metodologi Penelitian Kualitatif*. Bandung: PT Remaja Rosdakarya.
- Nordiawan, D., Putra, I. S., & Rahmawati, M. (2019). *Akuntansi Pemerintahan*. Jakarta: Salemba Empat.
- Yuwono, S., Susanto, E., & Tinangon, J. (2017). *Penganggaran Sektor Publik: Pedoman Praktis Penyusunan, Pelaksanaan, dan Pertanggungjawaban APBD Berbasis Kinerja*. Malang: Bayumedia.