

ABSTRACT

By using institutional theory, this study aims to identify and obtain empirical evidence related to the influence of leadership, accounting function capacity, and the role of APIP on accountability and quality of financial reporting; and examine the effect of financial reporting quality on accountability.

The research model and hypotheses have been tested using the partial least squares structural equation model (SEM PLS) and analyzed using SmartPLS 3.2.9 software with 226 survey samples obtained from the Central Statistics Agency (BPS) work unit (Satker) throughout Indonesia, where the respondents are employees who carry out accounting/financial administration functions, or prepare financial reports at the BPS satker level.

The results showed that the leadership and role of APIP had a significant positive effect on accountability; the capacity of the accounting function has no significant effect on accountability; leadership, accounting function capacity, and the role of APIP have a significant positive effect on the quality of financial reporting; and the quality of financial reporting has a significant positive effect on accountability.

Key words: Leadership, accounting function capacity, role of APIP, quality of financial reporting, accountability.