Profixa: International Journal of Economic and Business Research
Vol 1 No 2 April 2026, Hal 135-145
ISSN: 3124-3738 (Print) ISSN: 3124-372X(Electronic)
Open Access: https://researchfrontiers.id/profixa/index

Systematic Literature Review: Determinants of Financial Statement Disclosure in Local Governments and Implications for Jambi City Government

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Article Info :
Received:
28-03-2026
Revised:
20-04-2026
Accepted:
23-04-2026

Abstract

Financial statement disclosure is a critical element of public sector accountability and transparency, yet the determinants influencing disclosure quality in local governments remain fragmented across the literature. This study aims to systematically review and synthesize the determinants of local government financial statement disclosure and to derive implications for the Jambi City Government. Using a Systematic Literature Review (SLR) approach, relevant studies were identified from major academic databases and analyzed through thematic synthesis and qualitative content analysis. The findings indicate that disclosure quality is influenced by interconnected factors, including human resource competence, governance quality, internal control systems, audit mechanisms, organizational commitment, information systems, and accounting standards implementation. The review also reveals growing attention to technological and organizational dimensions alongside traditional governance and compliance factors. The synthesis suggests that effective disclosure practices require integrated institutional, managerial, and technological support rather than reliance on regulatory compliance alone. The study contributes by providing a comprehensive framework of disclosure determinants and offering evidence-based insights for strengthening financial transparency and accountability in local governments.

Keywords: *Accountability, Financial Statement Disclosure, Local Government, Public Sector Accounting, Transparency.*

INTRODUCTION

The increasing demand for public sector transparency and accountability has transformed financial statement disclosure from a procedural reporting obligation into a strategic governance instrument that shapes public trust, fiscal legitimacy, and institutional performance across different governmental systems. Contemporary public financial management reforms have emphasized the importance of comprehensive disclosure practices as a mechanism for reducing information asymmetry between governments and stakeholders while strengthening democratic oversight and evidence-based policymaking (Saputri et al., 2024). Within this evolving governance landscape, local governments are expected not only to produce financial statements that comply with statutory requirements but also to provide disclosures that adequately reflect financial conditions, operational risks, and resource utilization (Aswar et al., 2022). The expansion of accrual-based accounting frameworks has further intensified expectations regarding disclosure quality because accounting modernization is presumed to generate more transparent and decision-useful financial information for both internal and external stakeholders (Wiguna et al., 2023). Empirical developments in Indonesia indicate that disclosure practices remain a critical issue despite substantial regulatory improvements, suggesting that institutional capacity and governance arrangements continue to influence reporting outcomes (Hariyani et al., 2022). The growing international interest in public sector financial disclosure has consequently shifted scholarly attention toward identifying the determinants that explain variations in disclosure quality across local governments and administrative contexts.

Existing studies have generated a substantial body of evidence demonstrating that financial statement disclosure is shaped by a complex interaction of organizational, institutional, and managerial factors rather than by regulatory compliance alone. Research has shown that internal control effectiveness significantly contributes to higher disclosure levels because robust control mechanisms improve information reliability and reporting discipline throughout governmental organizations (Hanif et al., 2023). Audit opinions have also been identified as an important explanatory factor, reflecting how external assurance processes create incentives for governments to improve disclosure completeness and reporting credibility (Thio et al., 2022). Several studies further argue that human resource competence, accounting expertise, and professional experience influence the quality and transparency of financial reporting by enhancing the capacity to interpret and implement governmental accounting standards effectively (Gunawan & Nilakandi, 2026). Investigations into local government financial reporting quality similarly emphasize the relevance of organizational governance, leadership commitment, and administrative capability in determining reporting outcomes (Bestari & Wahyuni, 2023). Evidence from regional government institutions suggests that transparency and disclosure performance are often embedded within broader governance ecosystems where accountability mechanisms and institutional cultures interact dynamically (Viyurintina & Sisdianto, 2024). These findings collectively indicate that disclosure quality cannot be understood through isolated variables because multiple organizational dimensions operate simultaneously within public financial management systems.

Despite the growing volume of empirical research, the literature remains fragmented by divergent theoretical perspectives, inconsistent findings, and substantial variations in contextual focus. Some studies identify internal organizational factors as dominant determinants of disclosure quality, whereas others emphasize external institutional pressures and governance mechanisms as more influential explanatory variables (Purba & Purba, 2023). Research conducted in different local government settings frequently produces contrasting conclusions regarding the significance of human resources, accounting standards implementation, and managerial commitment, indicating unresolved causal relationships within the field (Shofiyah et al., 2023). Scholarly attention has also been disproportionately concentrated on financial reporting quality as a broad construct, leaving disclosure-specific dimensions comparatively underexamined despite their central role in transparency and accountability assessments (Anggreni et al., 2024). Existing systematic reviews have provided useful syntheses regarding government financial reporting and disclosure determinants, yet many remain limited by narrow thematic scopes, fragmented classifications of explanatory variables, and insufficient integration of theoretical perspectives across studies (Firman & Kusumawati, 2024). Similar methodological limitations are evident in reviews focusing on accounting fraud, where determinant mapping often remains disconnected from broader disclosure and governance frameworks that influence reporting behavior in local governments (Mardiyanto, 2022). The absence of a comprehensive synthesis capable of reconciling these diverse findings restricts the development of a coherent explanatory model for understanding disclosure practices in local government environments.

The unresolved nature of these inconsistencies creates both scientific and practical challenges because financial statement disclosure represents a critical foundation for fiscal accountability and public sector performance evaluation. Weak disclosure practices can undermine stakeholder confidence, reduce the effectiveness of governmental oversight, and constrain informed decision-making processes at multiple administrative levels (Febriyanti et al., 2026). The emergence of digital governance and integrated information systems has introduced new dimensions into financial reporting processes, creating additional questions regarding how technological capabilities influence disclosure outcomes and reporting quality (Oktaviani et al., 2025). Evidence suggests that organizational commitment may moderate the effectiveness of governance mechanisms and reporting practices, indicating that determinant relationships are potentially more complex than commonly assumed in previous empirical models (Libuang et al., 2025). Studies focusing on financial reporting quality in Jambi have highlighted the importance of contextual factors that may differ from those identified in other Indonesian regions, raising concerns regarding the generalizability of existing findings (Yuliusman, 2023). The continuing expansion of determinant variables without an accompanying integrative framework has consequently produced a fragmented knowledge base that limits both theoretical advancement and policy applicability.

Against this backdrop, a systematic literature review offers a valuable opportunity to consolidate fragmented evidence, evaluate competing explanatory perspectives, and identify patterns that remain obscured within individual empirical investigations. The need for such synthesis is particularly important because disclosure determinants have been examined through diverse analytical lenses, including governance quality, accounting standards implementation, institutional capacity, organizational culture, audit mechanisms, and transparency frameworks (Aswar & Julianto, n.d.). Emerging evidence indicates that the quality of local government financial reporting is increasingly understood as a multidimensional phenomenon shaped by interdependent institutional and organizational processes rather than isolated technical factors (Gunawan & Ya, 2025). A more integrated understanding of determinant structures is necessary for clarifying which factors consistently influence disclosure outcomes across contexts and which remain contingent upon local administrative conditions. Such clarification is particularly relevant for local governments seeking to strengthen transparency initiatives while navigating evolving accountability requirements and resource constraints.

This study positions itself at the intersection of public sector accounting, governmental transparency, and evidence synthesis by systematically reviewing and critically evaluating the determinants of local government financial statement disclosure. The research seeks to construct an integrative framework that organizes the diverse determinant factors identified in previous studies into coherent analytical categories capable of explaining variations in disclosure practices. Particular attention is devoted to deriving implications for the Jambi City Government by translating accumulated empirical knowledge into insights relevant for strengthening disclosure quality and public accountability. Through a rigorous systematic literature review approach, this study contributes theoretically by advancing a more comprehensive conceptual understanding of disclosure determinants and contributes methodologically by providing an updated synthesis that identifies dominant themes, research gaps, and future directions within the field of local government financial reporting.

RESEARCH METHODS

This study employs a non-empirical research design using a Systematic Literature Review (SLR) approach to synthesize and critically evaluate the determinants of financial statement disclosure in local governments. The review follows a structured and transparent procedure adapted from established systematic review protocols to ensure rigor, reproducibility, and comprehensiveness (Firman & Kusumawati, 2024). Relevant literature was identified through searches in major academic databases, including Scopus, Google Scholar, ScienceDirect, and other peer-reviewed sources. The selection process involved predefined inclusion and exclusion criteria, focusing on articles published in reputable journals that examined factors influencing local government financial statement disclosure, financial reporting quality, transparency, accountability, and related governance issues. Studies not directly addressing local government financial reporting or lacking sufficient methodological information were excluded. The final corpus of literature consisted of empirical and conceptual studies published within the last decade, providing a contemporary understanding of disclosure determinants in the public sector.

The analytical framework of this review is based on thematic synthesis and qualitative content analysis. Selected studies were systematically coded according to key dimensions, including institutional factors, organizational characteristics, governance mechanisms, human resource capacity, information systems, audit quality, and regulatory compliance. The analysis aimed to identify recurring patterns, theoretical convergences, contradictory findings, and emerging research trends across different administrative contexts (Hariyani et al., 2022). Interpretative analysis was then employed to develop an integrative conceptual framework that explains the relationships among disclosure determinants and their implications for local government transparency. Particular attention was given to extracting insights relevant to the Jambi City Government by comparing findings from national and international studies and identifying contextual factors that may influence disclosure practices. This approach enables the study to generate evidence-based conclusions while highlighting research gaps and directions for future investigation.

RESULTS AND DISCUSSION

Mapping the Determinants of Financial Statement Disclosure in Local Governments

The thematic synthesis indicates that financial statement disclosure in local governments has increasingly been examined through a governance-oriented perspective rather than a purely compliance-based approach. The reviewed studies consistently suggest that disclosure quality is influenced by a combination of organizational, institutional, and managerial factors that shape the production and presentation of financial information. Financial disclosure is no longer viewed merely as a reporting obligation but as an instrument for strengthening public accountability and transparency. Several studies emphasize that differences in disclosure levels among local governments cannot be explained solely by regulatory requirements because organizational characteristics often determine the effectiveness of reporting practices (Aswar et al., 2022). This pattern reflects a broader shift in public sector accounting research toward understanding disclosure as part of a wider governance ecosystem.

One of the most frequently identified determinants is human resource capacity. The literature repeatedly highlights that employee competence, accounting expertise, and professional experience contribute significantly to the quality and completeness of financial disclosures. Competent personnel are more capable of implementing governmental accounting standards, interpreting reporting requirements, and maintaining consistency in financial reporting processes. Similar findings are reported across different regional contexts, indicating that human resources constitute a relatively stable predictor of disclosure quality (Bestari & Wahyuni, 2023). The persistence of this variable across studies suggests that organizational capability remains a central element in explaining variations in local government disclosure performance.

Governance mechanisms also emerge as a dominant theme within the reviewed literature. Transparency initiatives, accountability systems, internal control structures, and good governance practices are frequently associated with improved disclosure outcomes. These mechanisms create institutional pressures that encourage local governments to provide more complete and reliable financial information. The relationship between governance quality and disclosure practices supports institutional theory, which argues that organizational behavior is shaped by formal rules as well as normative expectations within the administrative environment (Viyurintina & Sisdianto, 2024). Financial disclosure therefore reflects not only technical accounting processes but also broader governance dynamics operating within public institutions.

Table 1 presents the dominant determinants identified in the reviewed studies. The findings demonstrate that disclosure research has evolved toward multidimensional explanations incorporating governance, organizational, technological, and audit-related factors. Several variables appear repeatedly across different studies, suggesting a relatively high level of agreement regarding the factors that influence disclosure quality in local government settings (Firman & Kusumawati, 2024).

Table 1. Summary of Determinants Identified in Previous Literature

Author	Year	Variable	Finding
Aswar et al.	2022	Government Size	Positive effect on disclosure
Hariyani et al.	2022	Organizational Characteristics	Influence disclosure level
Thio et al.	2022	Audit Opinion	Improves disclosure quality
Mardiyanto	2022	Governance and Fraud Control	Related to reporting accountability
Aswar & Julianto	2022	Institutional Factors	Significant determinant
Bestari & Wahyuni	2023	Human Resource Competence	Enhances reporting quality
Hanif et al.	2023	Internal Control System	Positive relationship
Purba & Purba	2023	Organizational Capacity	Significant contributor
Shofiyah et al.	2023	Financial Management Practices	Positive influence
Wiguna et al.	2023	Organizational Culture	Supports accounting adoption
Yuliusman	2023	Local Government Capacity	Improves reporting quality
Anggreni et al.	2024	Human Resources	Supports financial quality

Firman & Kusumawati	2024	Governance Factors	Frequently significant
Saputri et al.	2024	Transparency Mechanisms	Increase disclosure
Viyurintina & Sisdianto	2024	Good Governance	Positive effect
Gunawan & Ya	2025	Organizational Factors	Determine reporting quality
Libuang et al.	2025	Organizational Commitment	Moderating effect
Oktaviani et al.	2025	Information Systems	Improve reporting quality
Febriyanti et al.	2026	Financial Performance	Associated with disclosure
Gunawan & Nilakandi	2026	SAP Implementation	Positive relationship

The synthesis further reveals that disclosure quality is generated through interactions among multiple determinants rather than through the influence of a single factor. Human resource competence affects the implementation of accounting standards, governance structures influence organizational accountability, while audit and control mechanisms strengthen reporting credibility. The recurring appearance of these variables across the reviewed studies suggests the existence of a relatively integrated explanatory framework within the literature. Such findings support the view that financial statement disclosure represents the outcome of interconnected organizational and institutional processes rather than isolated administrative activities (Hanif et al., 2023). This pattern provides an important foundation for understanding how local governments, including the Jambi City Government, can improve disclosure quality through simultaneous improvements in organizational capacity, governance arrangements, and accountability systems.

Theoretical Convergence, Contradictions, and Emerging Trends in the Literature

The review identifies a considerable degree of theoretical convergence regarding the factors that influence financial statement disclosure in local governments. Across different research settings, disclosure quality is consistently associated with organizational capacity, governance effectiveness, and accountability mechanisms. Studies examining local government financial reporting frequently conclude that stronger institutional arrangements support more transparent reporting practices and reduce information asymmetry between governments and stakeholders. Similar patterns are evident in studies focusing on financial reporting quality, where organizational competence and managerial commitment are repeatedly identified as important explanatory variables (Purba & Purba, 2023). The recurrence of these findings suggests that disclosure practices are fundamentally shaped by the interaction between organizational resources and institutional pressures.

Despite these areas of convergence, the literature also reveals notable contradictions concerning the relative importance of specific determinants. Some studies position human resource competence as the primary driver of disclosure quality, arguing that technical expertise directly affects compliance with accounting standards and reporting requirements (Anggreni et al., 2024). Other studies emphasize governance-related variables, suggesting that organizational transparency and accountability systems exert stronger influence than individual competencies because they shape institutional behavior more broadly (Saputri et al., 2024). These contrasting interpretations indicate that determinant effects may vary according to administrative context, organizational maturity, and the regulatory environment in which local governments operate. Such inconsistencies highlight the limitations of universal explanatory models and reinforce the need for context-sensitive interpretations of disclosure behavior.

A further area of divergence concerns the role of organizational culture and commitment. Several studies suggest that technical reforms in accounting and reporting systems do not automatically produce higher-quality disclosures unless accompanied by supportive organizational values and behavioral norms. Research on accrual accounting adoption demonstrates that organizational culture influences the effectiveness of accounting reforms by shaping employee acceptance, learning processes, and reporting practices (Wiguna et al., 2023). Similarly, organizational commitment has been identified as a moderating factor capable of strengthening the relationship between institutional mechanisms and financial reporting quality (Libuang et al., 2025). These findings challenge purely technical explanations and indicate that disclosure quality is influenced by both structural and behavioral dimensions of public sector organizations. The reviewed studies also reveal growing scholarly interest in technological determinants of financial reporting. Digital governance initiatives and information system development have become increasingly prominent themes within recent literature. Researchers argue that integrated financial information systems improve reporting accuracy, facilitate information processing, and support the timely preparation of financial statements. The relationship between information systems and reporting quality has attracted particular attention because technological capabilities are increasingly viewed as strategic resources for strengthening transparency and accountability in local governments (Oktaviani et al., 2025). This emerging trend reflects broader transformations in public administration, where technological modernization is expected to enhance both efficiency and disclosure effectiveness.

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Table 2 summarizes the major areas of convergence, contradiction, and emerging trends identified through the literature review. The table illustrates that while scholars generally agree on the importance of governance and organizational capacity, considerable variation remains regarding the mechanisms through which these factors influence disclosure outcomes. The presence of both consensus and disagreement demonstrates the complexity of disclosure practices within local government environments and highlights opportunities for future theoretical development.

Table 2. Areas of Convergence, Contradiction, and Emerging Trends

Theme	Dominant View	Contradictory View	Emerging Trend
Human Resources	Strong predictor of disclosure quality	Influence varies across institutions	Focus on professional development
Governance	Improves transparency and accountability	Impact differs according to local context	Governance-performance integration
Internal Control	Strengthens disclosure reliability	Effectiveness depends on implementation quality	Digital control systems
Audit Opinion	Encourages better disclosure practices	Some effects are indirect	Risk-based auditing approaches
Organizational Culture	Supports accounting reforms	Difficult to measure consistently	Culture-driven accountability
Information Systems	Improve reporting quality	Benefits depend on user capability	E-government integration

The synthesis indicates that recent research is moving toward more integrated explanatory frameworks capable of capturing the multidimensional nature of financial statement disclosure. Earlier studies tended to examine individual determinants separately, whereas contemporary research increasingly emphasizes interactions among governance structures, organizational characteristics, technological capabilities, and accountability mechanisms. This transition reflects a broader recognition that disclosure quality emerges through interconnected institutional processes rather than isolated variables. Financial performance has also begun to receive greater attention because stronger fiscal conditions may create incentives and resources for improving reporting practices (Febriyanti et al., 2026). Such developments suggest that future studies should prioritize multidimensional analytical models capable of explaining both direct and indirect relationships among disclosure determinants.

The presence of theoretical convergence alongside empirical inconsistencies demonstrates that financial statement disclosure remains a dynamic area of public sector accounting research. Existing evidence supports the argument that transparency and disclosure quality are influenced by a combination of organizational, institutional, and technological factors, yet the relative importance of these factors continues to vary across contexts. This observation is particularly relevant for local governments seeking to improve reporting quality because successful disclosure reforms require attention to multiple dimensions simultaneously. The literature increasingly supports an integrative perspective in which governance quality, human resource capacity, information systems, and organizational commitment operate as complementary rather than competing determinants. Such an interpretation provides a stronger conceptual foundation for deriving policy implications relevant to the Jambi City Government and other local administrations facing similar accountability challenges.

Implications for Jambi City Government and Future Research Directions

One of the most important findings emerging from the literature synthesis is that improvements in financial statement disclosure require a comprehensive institutional approach rather than isolated technical interventions. The reviewed studies consistently indicate that disclosure quality is shaped by the interaction of organizational resources, governance mechanisms, accounting practices, and accountability systems. Local governments that focus exclusively on regulatory compliance often experience difficulties in sustaining transparency because disclosure quality depends on broader organizational conditions. Financial reporting practices are closely connected to institutional capacity, managerial commitment, and administrative culture. Evidence from local government studies demonstrates that successful disclosure reforms generally occur in environments where organizational and governance improvements are implemented simultaneously (Gunawan & Ya, 2025).

The implications of these findings are particularly relevant for the Jambi City Government. Research conducted in Jambi suggests that local government financial reporting quality is influenced by multiple organizational and managerial factors rather than by compliance with accounting regulations alone (Yuliusman, 2023). This observation indicates that efforts to strengthen disclosure practices should not be limited to improving reporting procedures. Institutional capacity building, employee competency development, and governance enhancement must be considered integral components of disclosure reform. The literature repeatedly demonstrates that sustainable improvements in reporting quality are more likely to occur when organizational development initiatives accompany technical accounting reforms. Such an approach aligns with contemporary public sector governance perspectives emphasizing integrated accountability systems.

Human resource development emerges as a strategic priority for local governments seeking to improve disclosure quality. Several studies highlight the role of accounting competence, professional expertise, and work experience in supporting the preparation of accurate and transparent financial reports (Gunawan & Nilakandi, 2026). Technical knowledge enables public officials to apply governmental accounting standards effectively and respond to evolving reporting requirements. Competent personnel also contribute to stronger internal review processes and improved information reliability. The literature suggests that investment in training and professional development should be viewed not as an administrative expenditure but as a long-term governance strategy. Capacity-building programs may therefore represent one of the most practical interventions available to local governments.

The review also emphasizes the importance of strengthening governance structures as a means of improving disclosure outcomes. Good governance contributes to transparency by encouraging accountability, responsiveness, and adherence to institutional procedures. Governance quality influences not only the production of financial information but also the organizational commitment required to maintain reporting integrity. Empirical evidence indicates that local governments with stronger governance systems tend to exhibit higher levels of financial transparency and reporting quality

(Saputri et al., 2024). Governance reforms consequently possess the potential to generate benefits that extend beyond accounting performance and influence broader public sector effectiveness. Internal control systems represent another area requiring strategic attention. The literature demonstrates that effective control mechanisms improve reporting reliability by reducing errors, enhancing supervision, and supporting compliance with reporting standards (Hanif et al., 2023).

Internal controls also contribute to risk management by identifying procedural weaknesses before they affect financial reporting outcomes. Strong control environments facilitate accountability because reporting processes become more transparent and verifiable. Local governments that invest in control system improvements are therefore more likely to achieve consistent disclosure performance. This finding is particularly significant in administrative environments characterized by increasing public demands for transparency.

Audit-related mechanisms further strengthen disclosure quality by creating external incentives for reporting improvement. Studies examining local government disclosure frequently identify audit opinions as important signals of reporting credibility and accountability (Thio et al., 2022). Positive audit assessments encourage confidence among stakeholders and reinforce institutional commitments to transparency. Audit processes also provide feedback regarding weaknesses in reporting systems, allowing governments to implement corrective measures. The relationship between auditing and disclosure quality illustrates the complementary nature of internal and external accountability mechanisms. Effective disclosure reforms therefore require attention to both organizational processes and external oversight structures.

Technological modernization constitutes another emerging implication derived from the reviewed literature. Recent studies suggest that information systems contribute significantly to reporting quality by facilitating data management, reducing processing errors, and improving reporting efficiency (Oktaviani et al., 2025). Digital platforms support transparency because information can be processed, monitored, and disseminated more effectively than under traditional administrative arrangements. The integration of financial information systems may also strengthen accountability through improved data consistency and accessibility. Technological investments should consequently be considered a strategic component of disclosure enhancement initiatives. The increasing digitalization of public administration further reinforces the relevance of this recommendation.

The synthesis additionally indicates that organizational commitment plays a critical role in determining whether institutional reforms translate into improved disclosure outcomes. Organizational commitment influences employee motivation, compliance behavior, and willingness to adopt administrative innovations. Research suggests that commitment can strengthen the effectiveness of governance mechanisms and improve the implementation of financial reporting practices (Libuang et al., 2025). Institutional reforms are often less successful when organizational members perceive reporting requirements merely as regulatory obligations. Commitment encourages a stronger sense of responsibility toward transparency and public accountability. This behavioral dimension remains an important consideration for local governments pursuing long-term disclosure improvements.

To summarize the practical implications identified through the literature review, Table 3 presents the principal determinants and their relevance for the Jambi City Government. The table demonstrates that disclosure quality depends upon interconnected institutional and organizational dimensions rather than isolated factors. The identified priorities provide a foundation for designing evidence-based strategies aimed at strengthening financial transparency and accountability.

Table 3. Strategic Implications for Jambi City Government

Determinant	Main Issue Identified	Strategic Implication
Human Resource Competence	Limited technical capacity	Continuous training and certification
Governance Quality	Inconsistent accountability practices	Strengthening governance frameworks
Internal Control System	Monitoring weaknesses	Improving control effectiveness
Audit Mechanisms	Need for reporting credibility	Enhancing audit responsiveness

Organizational Commitment	Variable implementation quality	Building accountability culture
Information Systems	Technological limitations	Expanding digital financial systems
Accounting Standards Implementation	Compliance challenges	Strengthening SAP implementation
Organizational Culture	Resistance to change	Promoting transparency-oriented values

Beyond practical implications, the review also reveals several opportunities for future research. Existing studies predominantly employ cross-sectional empirical designs that focus on direct relationships between determinants and disclosure outcomes. Such approaches provide valuable insights but often overlook dynamic interactions among organizational, institutional, and technological variables. Future investigations may benefit from adopting longitudinal designs capable of capturing changes in disclosure practices over time. Greater attention should also be directed toward examining mediating and moderating mechanisms that influence determinant relationships. These approaches would contribute to a more comprehensive understanding of public sector disclosure behavior.

Another research opportunity concerns the integration of governance, technology, and organizational culture within unified analytical frameworks. Current studies frequently examine these variables separately despite evidence suggesting substantial interdependence among them. More sophisticated conceptual models could provide deeper insights into how multiple determinants jointly influence disclosure quality. Comparative studies involving different local governments may also help identify contextual factors that explain variations in reporting performance. Such research would strengthen the external validity of existing findings and support the development of more generalizable theoretical explanations.

The overall synthesis demonstrates that financial statement disclosure should be understood as a multidimensional governance outcome rather than a purely technical accounting process. Disclosure quality reflects the combined influence of institutional arrangements, organizational capacity, accountability systems, technological infrastructure, and human resources. The evidence reviewed in this study suggests that improvements in transparency require coordinated reforms addressing these dimensions simultaneously. For the Jambi City Government, strengthening disclosure practices involves not only compliance with reporting standards but also the development of organizational conditions that support sustainable accountability. The literature consequently provides a strong foundation for designing policies aimed at improving both financial reporting quality and public trust in local government administration.

CONCLUSION

This systematic literature review demonstrates that financial statement disclosure in local governments is influenced by a combination of organizational, institutional, governance, technological, and human resource factors. The synthesis reveals a strong convergence in the literature regarding the importance of human resource competence, internal control systems, audit mechanisms, governance quality, and organizational capacity as key determinants of disclosure outcomes. At the same time, the review identifies inconsistencies concerning the relative influence of these determinants across different administrative contexts, suggesting that disclosure quality is shaped by complex interactions rather than by isolated variables. The findings support the view that financial statement disclosure should be understood as a multidimensional governance outcome that reflects both technical reporting capabilities and broader accountability arrangements within local governments.

The review further highlights the growing significance of organizational commitment, information systems, and organizational culture in explaining variations in disclosure quality. Contemporary studies increasingly emphasize integrated explanatory frameworks that combine governance, technology, and institutional perspectives, indicating a shift away from traditional compliance-oriented approaches. The analysis suggests that successful disclosure practices emerge when technical accounting reforms are accompanied by improvements in organizational capacity, accountability mechanisms, and transparency-oriented governance structures. These findings contribute to the public sector accounting literature by providing a consolidated understanding of the determinants that consistently influence local government financial disclosure.

For the Jambi City Government, the evidence indicates that efforts to improve financial statement disclosure should prioritize human resource development, governance strengthening, internal control enhancement, and digitalization of financial management systems. Improvements in disclosure quality are unlikely to be sustained through regulatory compliance alone without corresponding institutional and organizational support. Future research should examine the dynamic relationships among disclosure determinants through longitudinal and comparative approaches, particularly in regional government contexts, to develop a more comprehensive understanding of how governance and organizational factors jointly shape financial transparency and accountability.

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