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Analysis Of The Effectiveness of Financial Control In The Toraja Church, Lauwa Congregation, Wajo Regency

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Abstract

Study This aiming For evaluate effectiveness control finances at Toraja Church Congregation Lauwa Regency Wajo during period 2021–2023. Approach descriptive quantitative used with method analysis difference between budget and realization reception as well as expenses , plus analysis sources and uses of funds. Research results show that realization reception always beyond budget , reflects effectiveness tall in management income . On the contrary , there is difference in expenditure that shows effectiveness is not yet optimal even though Still within tolerance limits . Analysis source and use of funds indicated that the funds are used in accordance allocation with system good documentation and verification . Findings This indicates that control finance church classified as Enough effective , especially in implementation The principles of Stewardship Theory emphasize not quite enough moral responsibility , transparency and accountability in organizational fund management non-profit . Research This give contribution practical for management finance church as well as enrich literature academic related control finances in non-profit based institutions religious .

Keywords: Control Finance, Effectiveness, Church , Analysis Difference, Stewardship Theory

1. Background

Finance is vital components in operational organizations , both profit and non-profit. Without management proper finance , organization will difficult reach the purpose in a way efficient and sustainable . This is also applies to organizations based on religious like church , which although No profit oriented financial , still need governance structured and accountable finance (Anthony & Govindarajan , 2007). In context organization church , finance become base main in support various activity service , start from liturgy , education congregation , activities social , up to development physical . The majority of funds used church originate from offering congregation and donations voluntary , which demands management in a way transparent and responsible answer . Without system control effective finance , church at risk face imbalance between income and expenses .

A frequent phenomenon happens in many church is inefficiency in shopping operational , weak documentation finance , up to mismatch between budget and realization . In some case , thing This even cause perception negative from congregation to administrator church . Low accountability can reduce participation congregation in support church programs , both both spiritually and financial (Setiyani & Handayani , 2022). The condition exacerbated by the lack of understanding administrator church about system internal control . Many churches in Indonesia, especially those in rural areas, do not yet have own procedure standard in recording , internal auditing, and reporting finance . Research by Ringo et al. (2023) shows that No A little church which is still use system manual and non-manual recording documented with well , so difficult do evaluation accountable to finance organization .

On the other hand , there are a capable church build system management effective finance through distribution clear tasks and usage principles of modern governance . One of them like shown by studies Runtuwene et al. (2024), who found that separation function between treasurer , secretary , and team verification capable increase effectiveness control finance and reduce risk misuse of funds. Findings This show that effectiveness control No always determined by size organization , but rather by systems and commitments the manager. Framework think about importance trust and responsibility answer in management finance church in line with Stewardship Theory, which emphasizes that manager or manager must act in the interests of collective , not personal (Davis, Schoorman , & Donaldson, 1997). In the context of church , administrator play a role as

responsible servant answer towards the congregation's funds and God. Therefore that, transparency, integrity, and accountability No only must technical, but also moral and spiritual.

Stewardship Theory also states that when a leader have a sense of moral ownership towards source managed power, then they tend make profitable decision organization in a way term long. Concept this is very appropriate with church, where finances No just tool management, but also the form service. Therefore that, the implementation theory This in studies control finance church become relevant in a way conceptual and practical (Puyod & Charoensukmongkol, 2019). Church, Lauwa Congregation in Regency Wajo is one of church local that has structure service complete and sufficient worship activities intensive. Standing since 1970s, church This develop rapid Good from side amount congregation and activity service. With increase scale service, needs will system control professional finance also becomes the more urge.

Although has own structure a clear organization, including an internal verification body, exists indication ineffectiveness in some aspect management finance. Based on report finance period 2021–2023, found existence mismatch between budget and realization expenditure, especially in 2023 where the realization exceed the budget that has been set. This is potential cause deficit as well as bother continuity of church programs. Temporary that, from side reception, church show good performance where realization reception exceed budget target every year. This indicates that There is trust tall from congregation and potential strong financial. However, if No balanced with control adequate expenditure, conditions finance church still can experience pressure.

This fact underline the need evaluation comprehensive to system control applied finance. This evaluation important No only For repair existing weaknesses, but also for strengthen aspects that have been walk good. Further again, results evaluation can made into base in taking policy finance church in a way collective. In addition, evaluation This expected can be a model for churches local others who face problem similar. Although nature contextual, practice effective management in one church can replicated with adaptation certain in other places. Therefore that, research This expected give benefit theoretical and practical.

Urgency study This is also supported by scarcity studies empirical about system control finance churches in the area. Most of them study previous more Lots carried out in the organization church in the city big or institution non-profit finance in general general. Even though church local, such as Congregation Lauwa, has unique characteristics and challenges that require study alone.

Through approach descriptive quantitative, research This aiming For evaluate effectiveness system control finances at Toraja Church Congregation Lauwa with using two instruments main, namely analysis difference (variance analysis) between budget and realization, as well as analysis conformity sources and uses of funds. Approach This chosen Because capable give description objective and measurable on performance finance church. With Thus, research This No only answer question whether system control finance church Already walk effective, but also identify dot, dot, dot critical that can repaired. The result of studies This expected can become reference for administrator church and organization similar in build system more finances accountable, transparent and sustainable.

2. Research methods

This study employs a quantitative descriptive approach, aimed at providing a systematic overview of the effectiveness of financial control at the Toraja Church of Lauwa Congregation, Wajo Regency. This approach is deemed suitable for evaluating the actual conditions of a financial system or procedure using numerical data without manipulating the variables under study. The research design allows the researcher to objectively describe financial phenomena through measurements of the variance between budgeted and actual figures, as well as analyzing the alignment between the sources and uses of funds.

The population in this study consists of all annual financial reports of the Toraja Church of Lauwa Congregation over a three-year period—2021, 2022, and 2023. These reports include data on both routine and non-routine income and expenditures, church revenue and expenditure budgets (APBG), and records of fund utilization based on their sources. Given the manageable and limited scope, this research adopts a total sampling technique, whereby all available financial documents are used as primary data sources.

In addition to document data, this study involves internal church stakeholders who play a direct role in financial management, including the treasurer, church secretary, and members of the financial verification board. These individuals serve as key informants through structured interviews, providing contextual understanding of the financial control practices being implemented. The interviews also aim to explore working procedures, verification policies, and challenges faced in budget planning and expenditure realization.

This research was conducted at the Toraja Church of Lauwa Congregation, located on Jalan Pongtiku, Lompoloang Village, Pitumpanua Subdistrict, Wajo Regency, South Sulawesi Province, Indonesia. The site was purposively selected because the church has a complete financial organizational structure, maintains well-organized documentation, and conducts regular internal audits. Additionally, the church administration granted access to relevant documents needed for this study.

The study was carried out in May 2025 over a period of approximately four weeks. The research activities included collecting secondary data (financial documents), interviewing church officials, conducting limited observations of financial administrative processes, and analyzing the data. All activities were conducted directly on-site to ensure data validity and gain an in-depth understanding of the local context.

Data collection techniques in this study comprised document review and interviews. The document review was conducted on annual financial statements, including budgeted and actual income and expenditures, while the interviews served to validate and complement the numerical data with qualitative insights. Data validity was ensured through source triangulation, by comparing document data with interview results and internal church records.

For data analysis, two primary techniques were employed: variance analysis and source and use of funds analysis. Variance analysis was carried out by comparing budgeted versus actual income and expenditures for each year. Any variance indicating efficiency or inefficiency was interpreted based on predefined effectiveness criteria. Meanwhile, the source and use of funds analysis assessed whether fund allocations (e.g., regular offerings, tithes, special donations) aligned with their respective uses (e.g., ministry operations, building projects, or social aid). These two methods provide a comprehensive picture of the effectiveness of the church's financial control system throughout the study period.

3. Results and Discussion

3.1 Characteristics Respondents

Characteristics Respondent in study This consists of from administrator Toraja Church Congregation Lauwa involved direct in management and supervision finance, namely Pastor, Treasurer, Secretary Assembly, as well as members of the Verification Body. Total respondents A total of 6 people were selected purposively because own access and responsibility answer direct regarding the process of recording, using, and verifying church funds. From the results interviews and observations, all Respondent own minimum 3 years experience in management church and understand the financial process in a way operational.

Table 1 : Description Respondents

No	Position Respondents	Amount	Percentage (%)
1	Pastor	1	16.7%
2	Treasurer	1	16.7%
3	Secretary of the Assembly	1	16.7%
4	Verification Body (Team)	3	50.0%
	Total	6	100%

Analysis Results Variance (Difference)

Study This use analysis variance analysis for evaluate effectiveness control finance. Analysis done to difference between budget and realization of income and expenditure finance during three year.

Table 2: Difference Reception Church (2021–2023)

Year	Budget (Rp)	Realization of Revenue (Rp)	Difference (Rp)	Category
2021	227,700,000	236,469,000	+8,769,000	Very Effective
2022	266,400,000	277,237,000	+10,837,000	Very Effective
2023	278,200,000	287,035,000	+8,835,000	Very Effective

Realization reception always exceed budget. Based on criteria effectiveness (difference positive → effective), then system reception finance church categorized as very effective.

Table 3: Difference Expenditure Church (2021–2023)

Year	Budget (Rp)	Realization (Rp)	Difference (Rp)	Category
2021	290,103,000	282,707,200	+7,395,800	Enough Effective
2022	273,530,000	270,098,900	+3,431,100	Enough Effective
2023	233,940,000	250,530,500	-16,590,500	Ineffective

In 2021–2022 there was a surplus, but Still show lack of accuracy planning . In 2023 there will be deficit , which shows weakness in control expenditure . So in general general , control expenditure categorized not enough effective .

Table 4 : Analysis Sources and Uses of Funds

Year	Total Source of Funds (Rp)	Total Fund Usage (Rp)	Final Balance (Rp)	Category
2021	283,317,975	282,707,200	610,775	Effective
2022	277,847,775	270,098,900	7,748,875	Effective
2023	286,932,375	250,530,500	36,401,875	Very Effective

Funds used in accordance the source and recorded in a way systematic . This shows that fund management according to with principle accountability and stewardship. Then it can concluded that control to Allocation and use of funds is very effective .

3.3 Discussion

Research result show that system control finance Toraja Church Congregation Lauwa has walk with level sufficient effectiveness well , though Still there is a number of weaknesses that need to be addressed be noted . Analysis difference reception show that during three year consecutively (2021–2023), realization reception always exceed budget . This is indicates good ability in project sources income church and show participation a consistent congregation , which can reflect trust to institution church . In the context of Stewardship theory , thing This show that administrator church has capable to build connection trust with congregation so that push commitment strong financial from member church (Davis et al., 1997).

However , from side expenditure , occurs ineffectiveness in control , especially in 2023 , where the realization expenditure exceed budget amounting to Rp. 16,590,500. Ineffectiveness This can caused by several factors , such as planning under budget accurate , the emergence need urgent that is not anticipated previously , or weakness system supervision in expenditure operational . Inaccuracy allocation budget like This potential cause deficit budget and, if Keep going happen , can bother stability finance church in term long . This also has the potential lower accountability administrator in the eyes congregation .

On the other hand , the results analysis to source and use of funds indicated that church own system good documentation and verification . All funds received noted in a way accurate and used in accordance its designation , as well as reported in a way open to congregation and checked by the verification body church twice in a year . This is reflect practice high accountability and transparency in management finance church . With existence separation clear task between treasurer , secretary , and verification body , risk manipulation or misuse of funds can pressed . This characteristic is very appropriate with principle main in Stewardship Theory, namely that manager (in matter This administrator church) act as responsible servant answer on asset organization and behavior Honest For interest collective (Elfronzo , 2020).

Furthermore , the existence of system control sufficient finances effective in church This also strengthens results study previously by Runtuwene et al. (2024), who found that strong internal structure and culture organizations that support transparency become factor key success management finance church . On the other hand , a study by Setiyani and Handayani (2022) shows that Still Lots organization non-profit that is experiencing weakness in internal control consequences limitations source Power humans and technology accounting . This is underline that success Toraja Church Congregation Lauwa in guard transparency No let go from role active management and awareness collective will the importance of governance good finances .

From the perspective practical , findings This show that church local , although located in a non- urban area , able to implement system control sufficient finances ripe . With structure clear organization , procedures orderly reporting , and mechanisms evaluation periodic , church capable guard stability financial and trust congregation . However Thus , the results study this also becomes warning that without planning more budget precision and anticipation risk finance , deficit as it happened in 2023 can repetitive .

System control finances at Toraja Church Congregation Lauwa own strength in aspect receipt and use of funds, but Still need improvement in aspect planning and control expenditure . The effectiveness achieved moment This show existence commitment to the principle of stewardship, but evaluation periodic and strengthening capacity treasurer as well as planning strategic finance still become step important For reach greater efficiency and sustainability high in the future .

With Thus, the hypothesis research that states that “the system control finances at Toraja Church Congregation Lauwa allegedly Enough effective” can be accepted, based on evidence quantitative from results analysis difference and conformity use of funds during three year final,

4. Conclusion

Study This aiming For analyze effectiveness control finances at Toraja Church Congregation Lauwa Regency Wajo during period 2021–2023. Based on results analysis difference between budget and realization reception as well as expenditure, as well as through evaluation to conformity sources and uses of funds, found that system control applied finance classified as Enough effective. This is reflected from realization always acceptance exceed budget, as well as appropriate use of funds with designation and recorded in a way systematic. Research result show that management reception church has walk very well and shows indicator high effectiveness. However, on the other hand expenditure, found mismatch between budget and realization, especially in 2023 which shows deficit. Although thus, ineffectiveness This Still within the tolerance limit and not indicates deviation big. In general, structure management finance church has show implementation principles of Stewardship Theory, such as accountability, transparency, and responsibility moral responsibility. With referring to the formulation problems and hypotheses research, can concluded that hypothesis which states system control finances at Toraja Church Congregation Lauwa allegedly Enough effective can be accepted. Findings This give contribution to development literature in the field management finance organization non-profit, especially in institutions religious which has non-commercial and based characteristics community. Limitations in study This located in space scope that only covers One church local in period time three years, and approach analysis of a nature descriptive without inferential testing. In addition, the data sourced from internal documentation and interviews qualitative limited, so that generalization results study to organization similar other need done with Be careful. For study Next, it is recommended that you do testing effectiveness control finance with involving more Lots object church from different regions, as well as use approach quantitative-inferential with more statistical tests comprehensive. Development instrument standardized evaluation can also be done help produce indicator greater effectiveness objective and measurable in context religious non-profit organization.

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