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THE EFFECT OF SUPERVISION AND COMPETENCE ON THE PERFORMANCE OF FINANCIAL MANAGEMENT WITH WORK DISCIPLINE AS A MEDIATION VARIABLE IN VILLAGES IN ALL OF JEMBER DISTRICT

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Abstract: Problems of Village Fund Management in All of Jember Regency in the Village Financial Management Team, it can be seen that the performance of 243 villages in the Financial Management Team is still not optimal in planning, implementing and reporting the use of village and sub-district funds, where there are still several obstacles or inconsistencies in reports with applicable provisions . So the purpose of this study is to analyze the effect of supervision and competence on performance through work discipline of Village Financial Managers in Jember Regency. The research method used is descriptive and quantitative with a population of 1518 and a sample of 152 respondents (10% * sample). Proportional sampling technique or balanced sampling is a technique used in determining the sample. The data analysis method uses SEM-PLS version 8. The results of the study indicate that supervision and competence have a significant effect on work discipline in Village Fund Management in All of Jember Regency. Supervision, competence and work discipline have a significant effect on the performance of Village Fund Management in All of Jember Regency. Supervision and competence have a significant effect on performance through work discipline as an intervening variable in Village Fund Management in All of Jember Regency.

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INTRODUCTION

Human Resources can be interpreted as an activity carried out by a company or organization within a certain time to improve the skills and expertise of its human resources in the organizational entity and ultimately increase the productivity of the organization as a whole. The definition of development according to [1]the following: Development is a long-term educational process that utilizes systematic and organized procedures, where managerial personnel learn conceptual and theoretical knowledge for general purposes. According to [2]Human Resource Development is an effort to improve the knowledge, abilities, attitudes of members, organizations, and the provision of career paths supported by organizational flexibility in achieving goals. Hasibuan further explained that human resource development is an effort to improve the technical, theoretical, conceptual and moral abilities of employees according to the needs of the job or position through education and training. Organizations need to understand that individuals have families and social lives so that mutually beneficial conditions are created. This means that in order to have effective employees in an organization, the human aspect is fundamental in employee development.

Supervision aims to ensure that the results of the work implementation are obtained efficiently and effectively, in accordance with the previously established plan. According to [3]stating that supervision is a systemic effort to determine implementation standards with planning objectives, design feedback information systems, compare actual activities with previously established standards, determine and measure deviations and take corrective actions as needed to ensure that all company resources have been used in the most effective and efficient way in achieving company goals. This is in line with the opinion [4], [5], [6], [7], [8]concluding that supervision has a significant influence on performance. However, there is a different opinion [9]stating that supervision does not have a significant influence on performance.

Conceptually according to researchers, Competence is an ability possessed by employees which is used as a guideline in carrying out their duties in accordance with SOP (*Standard Operating Procedure*). According to [10]Competence is an ability to carry out or do a job that is based on skills and experience and supported by the work attitude required by workers. According to [11]Competence is the ability of an individual to carry out a job correctly and have advantages based on matters relating to knowledge, skills and attitudes. According to [12]Competence is a basic personal characteristic that is a determining factor in the success or failure of a person in carrying out a job in a company.

In line with empirical evidence showing that competence has a significant influence on employee performance [13], [14], [15], [16], [17], [18]. However, research [19], [20], [21]states otherwise where competence does not have a significant influence on performance.

Good discipline reflects a person's great sense of responsibility for the tasks given to him. This encourages passion for performance, work spirit, and the realization of the goals of the agency, employees, and society. Therefore, every manager always tries to ensure that his subordinates have good discipline. A manager is said to be effective in his leadership if his subordinates are well disciplined. Maintaining and improving good discipline is difficult because many factors influence it. According to [2]discipline, it is the most important HRD operative function because the better the employee discipline, the higher the work performance that can be achieved. Without good discipline, it is difficult for organizations and agencies to achieve optimal results.

In line with the research results, [22], [23], [24], [25], [26], [27]it is concluded that work discipline has a significant effect on performance. However, the research [28], [29], [30], [31]states that work discipline does not have a significant effect on increasing work productivity.

Dessler (2015) stated that performance is work achievement, namely the comparison between work results and established [32]*standards* . *While* performance is the result of work both in quality and quantity achieved by a person in carrying out tasks according to the responsibilities given. According to [2]states that employee performance is the result of work achieved by a person in carrying out assigned tasks including the quality and quantity of output and reliability in working. According to Mangkunegara, (2012) performance is the result of work in quality and quantity achieved by an employee in carrying out his duties according to the responsibilities given. According to [10]states that performance is about how to do the job and the results achieved from the job.

Based on theoretical references and previous similar research results, the object of the research chosen is the Village & Sub-district Financial Management Team in Jember Regency. Jember Regency in East Java has 31 sub-districts divided into 243 villages and 5 sub-districts. Villages in Jember have an important role in running the government at the local level. Each village is led by a Village Head who is directly elected by the community through the village head election (Pilkades) which is held every 6 years. The term of office of the Village Head can be extended for one period only. Village government is regulated by Law Number 6 of 2014 concerning Villages ("Village

Law"). The Village Law gives villages broad authority to manage resources and regulate their own affairs. Villages are also entitled to receive village funds from the central government to finance village development.

The main tasks of the village include organizing village government, implementing village development, fostering, maintaining, and improving the lives of village communities, and maintaining public order in the village. Decree of the Regent of Jember Number: 188.45/100/1.12/2024 Concerning Priorities for Use and Determination of Village Fund Allocation Ceilings for the 2024 Fiscal Year. Considering letter a. that in order to implement the provisions of Article 10 paragraph (3) and Article 13 paragraph (2) of the Jember Regent Regulation Number 40 of 2023 concerning the method of distribution, determination of details and guidelines for the allocation of village fund allocations in Jember Regency, it is necessary to determine the priority of use and determination of the Village Fund Allocation Ceiling for the 2024 fiscal year; letter b. That based on the considerations referred to in letter a, it is necessary to stipulate a Regent's decision. Operational Village Funds, but in reality the Village Government is still less able to understand the existing regulations, so that in preparing the planning, implementation and accountability of Village financial management there are still many technical administrative errors, of course this phenomenon is not entirely the fault of the village but also caused by the suboptimal socialization carried out by the Jember Regency Government. This causes low competence of Village financial managers which has implications for the disorderly submission of accountability reports which results in many Villages having problems in Village financial management. This is shown based on the problems that often occur in the Sub-districts and Villages in Sumber Jmabe District, namely as follows:

Table 1 Problems of Village Fund Management in Jember Regency

No	Team Performance Indicators	Achievements
1.	Compliance with procedures in preparing and determining the revenue and expenditure budget	85.66%
2.	Compliance with financial accountability reports	87.14%
3.	Compliance of drawings and RAB in physical construction	94.99
4.	Preparation of minutes in the implementation of physical activities	85.68%
5	Completeness of documents for financial accountability.	82.56%

Source: Jember Regency Government (2024)

Based on Table 1 Problems of Village Fund Management in All of Jember Regency in the Village Financial Management Team, it can be seen that the performance of 243 villages in the Financial Management Team is still not optimal in planning, implementing and reporting the use of village and sub-district funds, where there are still several obstacles or non-conformities in reports with applicable provisions, so that in this study, the researcher found a phenomenon of the performance of the Financial Management Team, namely "The less than optimal performance of the Financial Management Team in implementing planning, use and reporting of village fund finances". Referring to the findings of problems from the results of research observations on the object, the researcher tried to raise several important factors that are assumed to be able to minimize problems that can hinder performance. These factors include the variables of the Influence of Supervision and, Competence of Workload on Work Discipline and its Impact on the Performance of Village Financial Managers throughout Jember Regency.

METHOD

Research design

Research design is the overall planning design of a research that will be carried out and will be used as a guideline in conducting research. The research method is basically a scientific way to obtain valid data with the aim of being able to find, prove and develop knowledge so that in turn it can be used to understand, solve and identify problems [33]. This study uses descriptive and quantitative research methods.

Population, Sample, Sampling

The population in this study was the Village Financial Management Team throughout Jember Regency totaling 1518 Village apparatus. Arikunto (2010), stated that in sampling if the subjects are less than 100, all are taken so that the study is a population study. Furthermore, if the number of subjects is large, it can be taken between 10%. 15% or 20%, 25% or more. The number of samples in this study was 10% of the population, which was 151.8 or rounded up to 152. The sampling technique in this study was Proportional sampling or balanced sampling, namely in determining the sample, the researcher took representatives from each group in the population whose number was adjusted to the number of subject members in each group.

Instrument

Hypothesis testing is done by testing *Variance-based SEM* or *Partial Least Square* (SEM-PLS) with the warp pls 6.0 program. The analysis steps used in the PLS approach include: (Ghozali, 2011)

a. *Outer Model* Testing

The outer model (*outer relation* or *measurement model*) defines how each indicator block relates to its latent variables. The measurement model or outer model with reflective indicators is evaluated with *covergent* and *discriminant validity* of the indicators and *composite reliability* for *block indicators* . (Ghozali, 2011).

1) *Convergent validity* can be assessed based on the correlation between the component/indicator value and the construct value. The individual reflexive measure is said to be high if the correlation of the indicator with the construct is more than 0.70. However, in the early stages of the study, a loading value of 0.50 to 0.60 can be considered sufficient.
2) *The discriminant validity of* the reflective indicator can be seen in *the crossloading* between the indicator and its construct. If the correlation of the construct with the measurement item (indicator) is greater than the other constructs, then it can be said that the latent construct predicts the size in its block better than the size in the other blocks. Another method to assess *discriminant validity* is by comparing *the square root of average variance extracted* (AVE) for each construct with the correlation between the construct and other constructs in the model. If the square root of the AVE of each construct is greater than the correlation value between the construct and other constructs, then the discriminant validity value is good. Measuring *discriminant validity* by looking at the AVE value can be used to measure the reliability of the latent variable component value and the results are more conservative than composite reliability. The recommended AVE value is greater than 0.50. (Ghozali, 2011).
3) *Composite reliability is used to measure construct reliability*. *Composite reliability* measurements consist of 2 types, namely *internal consistency* and *Cronbach's alpha* .

Cronbach's alpha tends to *lower bound estimate reliability* , while internal consistency is *a closer approximation* assuming parameter estimates are accurate. *Internal consistency* can only be used for constructs with reflective indicators. (Ghozali, 2011).

b. Structural Model Testing (*Inner Model*) The inner model (*inner relation, structural model, or substantive theory*) describes the relationship between latent variables based on *substantive theory* . The structural model is assessed using R- *square* for the dependent construct, *Stone-Geisser Q-square* for predictive relevance, and t-test and significance of the structural path parameter coefficients. Changes in the R-square value can be used to assess the substantive influence of certain independent latent variables on the dependent latent variable. *Q-square* is used to measure how well the observation values are generated by the model and its parameter estimates. A *Q-square value* greater than 0 (zero) indicates that the model has predictive relevance, while a Q *-square value* less than 0 (zero) indicates that the model has less predictive relevance. (Ghozali, 2011).

c. The level of confidence used in this study is 5%. The hypothesis will accepted if the p value < 0.05. The path coefficient value is used to determine the direction of the relationship correlation coefficient. A positive correlation coefficient indicates that there is a relationship positive between constructs and vice versa. The research model will also be tested by looking at the value coefficient of determination (R^2). This value explains the variation in the dependent variable. The R $^{2\text{ value}}$ is between zero and one. If the value is zero then it cannot explain variation on the dependent variable, whereas if it has a value of one then the independent variable explains one hundred percent of the variation in the dependent variable. (Ghozali, 2011)

RESULTS AND DISCUSSION

Hypothesis Testing

This section describes each path in the model section using path analysis . Each path tested shows the direct and indirect influence of supervision (X1) and financial manager competence (X2) on Work Discipline (Z) and financial manager performance (Y) in Villages Throughout Jember Regency. By knowing the significance or otherwise of each path, it will answer whether the proposed hypothesis is accepted or rejected. Each path tested represents the hypothesis in this study. The path coefficient values can be seen in the following table:

Table 2 Hypothesis Test Results

No	Hypothesis	Path coefficients	P values	Information
1	Discipline Supervision→	0.398	0.001	Significant
2	Discipline Competence→	0.529	0.001	Significant
3	Performance Monitoring→	0.198	0.006	Significant
4	Performance Competence→	0.287	0.001	Significant
5	Performance Discipline→	0.459	0.001	Significant
6	Performance Discipline →Supervision→	0.183	0.001	Significant
7	Performance Discipline →Competence→	0.243	0.001	Significant

a. The Influence of Supervision (X1) on Work Discipline (Z)

The results of the test of the supervision variable (X1) on Work Discipline obtained a *Path coefficient value* of 0.398 with *a ρ -value* of 0.001. Because the *ρ -value* is smaller than α (0.001 < 0.05) then H0 is rejected, thus there is a significant influence of supervision (X1) on Work Discipline (Z).

b. The Influence of Financial Management Competence (X2) on Work Discipline (Z)
The test results of the financial manager competency variable (X2) on Work Discipline (Z) obtained a *Path coefficient value* of 0.529 with *a ρ -value* of 0.001. Because the *ρ - value* is smaller than α (0.001 < 0.05) then H0 is rejected, thus there is a significant influence of financial manager competency (X2) on Work Discipline (Z).

c. The Influence of Supervision (X1) on Financial Management Performance (Y)
The results of the test of the supervision variable (X1) on the performance of financial managers (Y) obtained a *Path coefficient value* of 0.198 with *a ρ -value* of 0.006. Because the *ρ -value* is smaller than α (0.006 < 0.05) then H0 is rejected, thus there is a significant influence of supervision (X1) on the performance of financial managers (Y).

d. The Influence of Financial Manager Competence (X2) on Financial Manager Performance (Y)
The test results of the financial manager competency variable (X2) on the performance of financial managers (Y) obtained a *Path coefficient value* of 0.287 with *a ρ -value* of 0.001. Because the *ρ - value* is smaller than α (0.001 < 0.05) then H0 is rejected, thus there is a significant influence of financial manager competency (X2) on financial manager performance (Y).

e. The influence of work discipline (Z) on financial management performance (Y)
The test results of the Work Discipline (Z) variable on the performance of financial managers (Y) obtained a *Path coefficient value* of 0.459 with *a ρ -value* of 0.001. Because the *ρ -value* is smaller than α (0.001 < 0.05) then H0 is rejected, thus there is a significant influence of Work Discipline (Z) on the performance of financial managers (Y).

f. The Influence of Supervision (X1) on Financial Management Performance (Y) through Work Discipline (Z)
The results of the test of the indirect influence of supervision (X1) on the financial manager performance variable (Y) through the *intervening variable* Work discipline (Z) were 0.183, which is smaller than the direct influence of the supervision variable (X1) on the financial manager performance variable (Y), which was 0.198.

g. The Influence of Financial Manager Competence (X2) on Financial Manager Performance (Y) through Work Discipline (Z)
The results of the test of the indirect influence of the financial manager competency variable (X2) on the financial manager performance (Y) through the *intervening variable* Work discipline (Z) were 0.243, which is smaller than the direct influence of the financial manager competency variable (X2) on the financial manager performance variable (Y), which was 0.287.

Based on the calculation above, the independent variable that has the strongest influence on the Work Discipline variable (Z) is the Financial Manager Competence variable (X2) which is 0.529. Meanwhile, the independent variable that has the strongest influence on the Financial Manager Performance variable (Y) is Work Discipline. which is 0.459. And the independent variable that has the strongest influence on the financial manager performance variable (Y) through the *intervening variable* Work discipline (Z) is the financial manager competency variable (X2) which is 0.243.

Hypothesis testing is based on the results of the SEM PLS model analysis containing all supporting variables for hypothesis testing. The PLS model with the addition of the Work discipline variable as a mediating variable explains that the addition of variables will provide additional contributions as an explanation of financial manager performance.

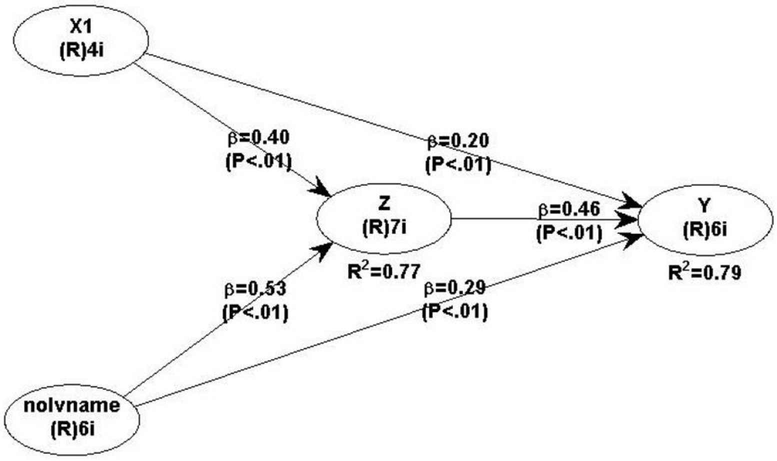

Figure 1 Hypothesis Model

Based on the results of the analysis, it shows that supervision, financial management competence and teamwork are able to explain the variable of Work Discipline by 76.5% or categorized as a strong correlation, and the remaining 23.5% is explained by other constructs outside those studied in this study. While supervision, financial management competence, teamwork and Work Discipline are able to explain the variable of Village Financial Management Performance in All of Jember Regency by 78.9% or categorized as a strong correlation, and the remaining 21.1% is explained by other constructs outside those studied in this study.

The Effect of Supervision on Work Discipline.

Based on the first hypothesis, supervision has an effect on work discipline. After testing and data analysis, the results obtained stated that supervision has a significant effect on the work discipline of village financial managers throughout Jember Regency, proven to be true or H1 $_{is}$ accepted. This can be caused by aspects related to supervision that have an impact on work discipline. Aspects of supervision include : changes in the organizational environment. increasing organizational complexity. mistakes. the need for managers to delegate authority. The significant effect of supervision on work discipline can be explained because supervision is one of the crucial management functions in ensuring the achievement of organizational goals. In the context of village financial management, effective supervision creates a control mechanism that encourages financial managers to work in accordance with established standards and procedures. When aspects of supervision such as trust, expertise, and intellectual capacity are carried out properly, this will naturally increase employee awareness to act more disciplined in carrying out their duties.

Furthermore, this finding also indicates that the supervision system implemented in Jember Regency has succeeded in creating a work culture that supports increased work discipline. Personal characteristics and motivations that are part of the supervision aspect play an important role in shaping the disciplined behavior of village financial managers. When employees feel supervised and evaluated regularly, they tend to be more careful and responsible in carrying out village financial management tasks, which ultimately contributes to increased overall work discipline.

This is reinforced by research [34]that found that supervision has a positive and significant influence on the work discipline of local government employees. In addition, research [35]also shows that supervision plays an important role in improving the work discipline of village officials in village financial management. In the context of the Village Financial Management Team, effective supervision can help prevent deviations and encourage compliance with village financial management rules. [36]emphasized that good supervision can improve employee work discipline because they feel cared for and directed in carrying out their duties. Research [37]on village financial management in Central Java also found that supervision has a positive effect on the work discipline of the Village Financial Management Team.

The Influence of Financial Manager Competence on Work Discipline.

Based on the second hypothesis, financial manager competence has an effect on work discipline. After testing and data analysis, the results obtained stated that financial manager competence has a significant effect on the work discipline of village financial managers throughout Jember Regency, proven true or H2 is accepted. This is due to the existence of aspects related to financial manager competence that have had a positive impact on the work discipline of village financial managers throughout Jember Regency. The aspects of financial manager competence include: trust and values, expertise or skills, experience, personal characteristics , motivation, emotional issues and intellectual capacity. The significant effect of financial manager competence on work discipline can be understood considering that competence is a combination of knowledge, skills, and attitudes needed to carry out tasks effectively. In the context of village financial management, a manager who has high competence will better understand the responsibilities and consequences of each action taken in financial management. This understanding naturally encourages them to act more disciplined, follow established procedures, and maintain integrity in village financial management. This finding also shows that aspects of competence such as expertise, experience, and intellectual capacity possessed by financial managers in Jember Regency have reached a sufficient level to support increased work discipline. Personal characteristics and motivations that are part of competence play an important role in forming awareness of the importance of discipline in village financial management. When a financial manager has high competence, they tend to be more confident in carrying out their duties, better able to overcome challenges that arise, and more motivated to maintain high work standards through the implementation of good work discipline. Research conducted by [38]shows that competence has a positive and significant influence on the work discipline of village officials in village financial management. In addition, a study conducted by Wulandari (2020) also found that there is a strong relationship between competence and work discipline in local government employees. In carrying out the duties of the Village Financial Management Team, adequate competence can help them face the challenges and complexities of village financial management. Sutrisno (2015) emphasized that good competence will increase employee confidence in carrying out their duties, which in turn will encourage better work discipline. Hidayat's (2021) research on village financial management in West Java also found that competence has a positive effect on the work discipline of the Village Financial Management Team.

The Influence of Supervision on Financial Management Performance.

Based on the third hypothesis, supervision has an effect on the performance of financial managers. After testing and analyzing the data, the results obtained stated that supervision has a significant effect on the performance of financial managers in villages throughout Jember Regency, proven true or H3 is accepted. The results of this study confirm that supervision has a significant effect on the performance of financial managers in all OPDs of Jember Regency. Effective supervision, characterized by the ability to make decisions, discipline subordinates, and good communication, has been proven to be able to improve the overall performance of financial managers. The significant effect of supervision on the performance of financial managers can be explained because supervision is an important instrument in ensuring the effectiveness and efficiency of village financial management. Through effective supervision, there is a systematic monitoring and evaluation process of financial management activities, which allows early detection of potential deviations and ensures appropriate decision making. Good communication between supervisors and financial managers also creates a conducive work environment, where feedback and direction can be delivered constructively to improve performance. Furthermore, this finding confirms that the supervision system implemented in Jember Regency has succeeded in creating an effective control mechanism in encouraging improved performance of village financial managers. Supervisory ability in disciplining subordinates not only creates compliance with rules and procedures, but also builds a work culture that is oriented towards results and accountability. When financial managers feel effectively supervised, they tend to be more motivated to show their best performance, which is reflected in the improvement in the overall quality of village financial management.

Good supervision can improve accountability and transparency in village financial management, which in turn will have a positive impact on the performance of the Village Financial Management Team. As stated by Siagian (2018), effective supervision can prevent deviations and encourage optimal performance. Research conducted by Nugroho (2019) shows that supervision has a positive and significant influence on the performance of village officials in village financial management. In addition, a study conducted by Wibowo (2020) also found that there is a strong relationship between supervision and performance in local government employees in financial management.
In carrying out the duties of the Village Financial Management Team, effective supervision can help identify and overcome obstacles that may arise in the process of managing village finances. Sutrisno (2016) emphasized that good supervision will increase employee motivation to achieve better performance. Rahmawati's (2021) research on village financial management in South Sulawesi also found that supervision had a positive effect on the performance of the Village Financial Management Team.

The Influence of Competence on Financial Manager Performance.

Based on the fourth hypothesis, competency influences the performance of financial managers. After testing and analyzing the data, the results obtained stated that the competency of financial managers had a significant effect on the performance of financial managers in villages throughout Jember Regency , which was proven true or H4 was accepted. This could be due to the aspects related to the competency of financial managers that have been able to increase the work productivity of financial managers in villages throughout Jember Regency. The significant influence of competency on the performance of financial managers can be understood because competency is the main foundation in carrying out complex and responsible village financial management tasks. When a financial manager has adequate competency, they are not only able to understand the technical aspects of the job, but can also apply their knowledge and skills effectively in different situations. This directly contributes to increasing work productivity and achieving the targets that have been set in village financial management.

Furthermore, the competency possessed by financial managers in Jember Regency has been proven to be a key factor in increasing the efficiency and effectiveness of village financial management. With adequate knowledge, skills, and experience, financial managers can make more informed decisions, manage risks better, and complete tasks with a higher level of accuracy. Good competency also allows them to be more adaptive to regulatory changes and increasingly complex work demands in village financial management. This finding also indicates that investment in developing financial manager competency is the right strategic step in an effort to improve the performance of village financial management in Jember Regency. When financial managers have high competency, they are not only able to carry out routine tasks well, but can also provide added value through innovation and improvements in the financial management system. This is reflected in the increase in work productivity which ultimately contributes to the achievement of overall organizational goals.

The competencies possessed by the Village Financial Management Team can improve their ability to manage village finances in accordance with the principles of good governance. As stated by Moeheriono (2018), good competency will help employees understand and apply established work standards, thereby improving their performance. Research conducted by Pratama (2019) shows that competency has a positive and significant influence on the performance of village officials in village financial management. In addition, a study conducted by Nurhayati (2020) also found that there is a strong relationship between competency and performance in local government employees in financial management. In carrying out the duties of the Village Financial Management Team, adequate competency can help them face various challenges and complexities in village financial management. Sutrisno (2016) emphasized that good competency will increase employee confidence in carrying out their duties, which in turn will encourage improved performance. Widodo's (2021) research on village financial management in Central Java also found that competency had a positive effect on the performance of the Village Financial Management Team.

The Influence of Work Discipline on Financial Management Performance.

Based on the fifth hypothesis, work discipline has an effect on the performance of financial managers. After testing and analyzing the data, the results obtained stated that work discipline has a significant effect on the performance of village financial managers throughout Jember Regency, proven to be true or H5 $_{is}$ accepted. This could be due to aspects of work discipline related to the performance of village financial managers throughout Jember Regency. The significant effect of work discipline on the performance of financial managers can be explained because work discipline is a fundamental factor that forms work ethic and professionalism in village financial management. When a financial manager has a high level of discipline, they tend to work regularly, systematically, and consistently in carrying out their duties. This is reflected in the timeliness of financial report completion, compliance with standard operating procedures, and consistency in maintaining work quality which ultimately contributes positively to improving overall performance. Furthermore, the work discipline applied among village financial managers in Jember Regency has proven to be a catalyst in creating a work culture that is oriented towards results and accountability. Discipline in carrying out tasks is not only related to punctual attendance or compliance with rules, but also includes broader aspects such as commitment to achieving targets, compliance in following financial management procedures, and willingness to continuously improve work quality. This shows that work discipline has become an intrinsic value that drives continuous performance improvement.

This finding also confirms that efforts to improve work discipline among village financial managers are the right investment in order to improve the effectiveness of village financial management. When work discipline is well-ingrained, it creates a more structured and predictable work environment, where each financial manager clearly understands what is expected of them and how to achieve those expectations. This condition not only results in better performance in terms of quantity and quality of work, but also creates an atmosphere of professionalism that supports the achievement of organizational goals more efficiently and effectively. The work discipline implemented by the Village Financial Management Team can increase compliance with procedures and rules in village financial management, which in turn will have a positive impact on their performance. As stated by Sutrisno (2017), good discipline will accelerate the achievement of organizational goals, while low discipline will be a barrier and slow down the achievement of organizational goals. Research conducted by Purwanto (2019) shows that work discipline has a positive and significant influence on the performance of village officials in village financial management. In addition, a study conducted by Sulistyowati (2020) also found that there is a strong relationship between work discipline and performance in local government employees in financial management. In carrying out the duties of the Village Financial Management Team, high work discipline can help create an orderly and efficient work environment, thereby supporting improved performance. Wibowo (2018) emphasized that good work discipline will increase employee productivity and encourage optimal performance achievement. Nugroho's (2021) research on village financial management in Yogyakarta also found that work discipline has a positive effect on the performance of the Village Financial Management Team.

The influence of supervision on financial management performance through work discipline

Based on the sixth hypothesis, supervision has an effect on the performance of financial managers through work discipline. After testing and data analysis, the results obtained stated that supervision has an effect on the performance of financial managers through the work discipline of village financial managers throughout Jember Regency, which was proven true or $H6_{was}$ accepted. The effect of supervision on the performance of financial managers through work discipline shows the existence of an effective mediation mechanism in the village financial management system in Jember Regency. Good supervision not only has a direct impact on performance, but also plays a role in forming and strengthening the work discipline of financial managers. When the supervision system runs effectively, it creates awareness and encouragement for financial managers to act more disciplined in carrying out their duties, which ultimately contributes to improving overall performance.

This finding also indicates that the supervisory function has succeeded in creating a control mechanism that encourages the formation of strong work discipline among village financial managers. Through systematic and structured supervision, financial managers not only feel monitored in carrying out their duties, but are also motivated to build more disciplined work habits. The work discipline formed from this supervision process then becomes a catalyst that strengthens the relationship between supervision and improving the performance of financial managers. Furthermore, the results of this study emphasize the importance of integrating the supervision system with efforts to improve work discipline in order to optimize the performance of village financial managers. When supervision is carried out properly, it will encourage the creation of high work standards and a strong culture of discipline, which in turn will increase the effectiveness and efficiency of village financial management. The indirect relationship between supervision and performance through work discipline shows that performance improvement strategies will be more effective if they pay attention to the aspect of forming work discipline as an important intervening variable. in turn can improve work discipline and employee performance.

Good supervision can increase the awareness of the Village Financial Management Team of their responsibilities, thereby encouraging increased work discipline which ultimately has a positive impact on performance. As stated by Sedarmayanti (2017), consistent supervision can shape disciplined behavior in employees, which then contributes to improved performance. Research conducted by Pratiwi (2019) shows that supervision has a positive and significant influence on work discipline and performance of local government employees. In addition, a study conducted by Nugroho (2020) also found that supervision affects the performance of village officials in village financial management through increased work discipline. In the context of the Village Financial Management Team, effective supervision can help prevent deviations and encourage compliance with village financial management rules, which in turn improves work discipline and team performance. Wibowo (2016) emphasized that good supervision can improve employee work discipline because they feel cared for and directed in carrying out their duties, thus having a positive impact on performance. Widodo's (2021) research on village financial management in Central Java also found that supervision has a positive effect on the performance of the Village Financial Management Team through increased work discipline.

There is an Influence of Competence on Financial Manager Performance through Work Discipline

Based on the seventh hypothesis, financial manager competency influences financial manager performance through work discipline. After testing and data analysis, the results obtained stated that competency influences financial manager performance through work discipline of village financial managers throughout Jember Regency, which was proven true or H7 $_{\text{was}}$ accepted. The influence of competency on financial manager performance through work discipline shows a complex but effective mechanism in the village financial management system in Jember Regency. High competency not only has a direct impact on performance, but also plays an important role in forming better work discipline behavior. When a financial manager has adequate competency, they tend to better understand the importance of discipline in carrying out tasks, have a higher awareness of work standards that must be met, and are better able to manage time and resources effectively, which ultimately contributes to improving overall performance.

This finding also indicates that the competence of financial managers has succeeded in creating a strong foundation for the formation of good work discipline. Through knowledge, skills, and a deep understanding of their duties and responsibilities, financial managers are not only able to carry out their work better, but are also motivated to build and maintain high standards of discipline. Work discipline that is formed from a strong foundation of competence then becomes a significant reinforcement in the relationship between competence and increased performance of financial managers.

The results of this study emphasize the importance of developing financial management competencies in a sustainable manner while paying attention to the aspect of forming work discipline as a crucial mediating factor. When high competence is combined with good work discipline, this creates a strong synergy in improving village financial management performance. The indirect relationship between competence and performance through work discipline shows that efforts to improve performance will be more optimal if the competency development program also emphasizes the formation of disciplined attitudes and behaviors in working, not only focusing on technical aspects and knowledge alone. The competence possessed by the Village Financial Management Team can improve their understanding of their duties and responsibilities, thus encouraging increased work discipline which ultimately has a positive impact on performance. Research conducted by Pratama (2019) shows that competence has a positive and significant influence on work discipline and the performance of village officials in village financial management. In addition, a study conducted by Wulandari (2020) also found that competence affects the performance of local government employees through increased work discipline.

In the context of the Village Financial Management Team, adequate competence can help them face the challenges and complexities of village financial management, which in turn improves work discipline and team performance. Sutrisno (2016) emphasized that good competence will increase employee confidence in carrying out tasks, thereby encouraging better work discipline and having a positive impact on performance. Hidayat's (2021) research on village financial management in West Java also found that competence has a positive effect on the performance of the Village Financial Management Team through increased work discipline.

CONCLUSION

Based on the results of the research and discussion that have been conducted, it can be concluded that there is a complex and interrelated relationship between supervision, competence, work discipline, and the performance of village financial managers in Jember Regency. Supervision and competence have been proven to have a significant influence both directly and indirectly on the performance of financial managers, with work discipline acting as an effective mediating variable. These findings confirm that the village financial management system in Jember Regency has been running well, supported by an effective supervision mechanism, adequate manager competency levels, and a strong work discipline culture. The causal relationship between variables that have been proven significant indicates that improving the performance of village financial managers can be achieved through strengthening the supervision and competency development aspects, which will then encourage the formation of better work discipline.

Based on the research findings, some suggestions that can be recommended are the need to strengthen a more systematic and structured supervision system, accompanied by a sustainable competency development program for village financial managers. The Jember Regency Government needs to consider implementing a technology-based supervision system that can facilitate real-time performance monitoring and evaluation, as well as developing training and competency development programs that not only focus on technical aspects, but also include the formation of disciplined attitudes and behaviors at work. In addition, a more structured reward and punishment system is needed to encourage increased work discipline, as well as the formation of a communication forum between village financial managers to share experiences and best practices in village financial management. These efforts need to be supported by adequate policies and appropriate resource allocation to ensure the effectiveness of their implementation in the long term.

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