

The Effect of Clarity on Budgetary Targets and Organizational Culture on Government Agencies' Performance Accountability at Aceh Besar District Government Offices

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Abstract:

This research is an empirical study that aims to determine the effect of clarity on budget targets and organizational culture both jointly and partially on agency performance accountability at the Aceh Besar District Government Office. The population in this study were all financial management officials at 21 SKPDs in the Aceh Besar District Government, consisting of secretaries, heads of finance sub-divisions and treasurers, totaling 81 people. Because the total population is less than 100, the entire population is used as a sample. Data collection was carried out by distributing closed questionnaires that had been prepared to the respondents. Primary data were analyzed using multiple linear regression. The results of the study explain that both jointly and partially the clarity of budget targets and organizational culture influence the performance accountability of government agencies at the Aceh Besar District Government Office with an influence value of 0.621 and 0.290 respectively. The R value of 0.620 or 62.00% explains that there is a positive and strong relationship between the clarity of budget targets and organizational culture with Government Agency Performance Accountability at the Aceh Besar District Government Office. The value of R Square (R^2) is 0.384, meaning that the ability of the two independent variables to explain the dependent variable is 38.40%. While the remaining 61.60% is influenced by other variables not included in this research model.

Keywords:

Clarity of Budget Targets, Organizational Culture, Performance Accountability of Government Agencies

JEL: H61, H83, M41

INTRODUCTION

Reforms in regional financial management and accountability that have taken place since 2001 have made the performance of government agencies in Indonesia increasingly play a role in determining the future of the region. Regional financial management and accountability reforms have made government agencies more responsive and a priority to community aspirations. This condition makes the regional budget used by regional governments for post-autonomy governance and development activities experience a significant increase. However, not a few of the projects and program activities that use the regional budget cannot be accounted for. For this reason, the government feels the need to develop a measurable and valid accountability system in accordance with applicable laws which is then realized in the Agency Performance Accountability System.

Government Agency Performance Accountability System is a government management system that focuses on improving performance and at the same time increasing responsibility that is result-oriented (outcome). The AKIP system is implemented in a "self-assessment" manner by each government agency, this means that government agencies independently plan, implement, measure and monitor performance and report it to a higher agency. However, after being implemented for more than a decade in many districts where the government's performance has not shown improvement and improvement from before. This condition

requires that there are still many problems faced by SKPD in implementing Government Agency Performance Accountability in Indonesia.

This condition occurs in almost all government agencies in districts/cities in Indonesia, including one within the work environment of the Aceh Besar district government. Government agencies in Aceh Besar District were formed to handle government affairs in various fields, carry out public services and become facilitators in regional development. However, the use of the budget by the government has not yet produced significant results for the welfare of the community. This condition requires that accountability for the performance of government agencies in Aceh Besar District is still weak.

According to SK Head of LAN No. 239/IX/6/8/2003 dated 25 March 2003 concerning guidelines for preparing and reporting government agency performance accountability. Accountability for the performance of government agencies is the embodiment of the obligation of a government agency to be accountable for the success/failure of implementing the organization's mission in achieving the goals and objectives that have been set through periodic accountability tools. However, it turns out that many factors affect accountability for the performance of these government agencies, including the clarity of budget targets and organizational culture. Clarity of budget targets and organizational culture affect the performance accountability of government agencies (Heptaria et.al, 2013; Nur, 2010; Suwandi, 2012).

All government agencies in Aceh Besar District must set strategic targets and priorities for budget work programs to be achieved in a sustainable and effective manner, then must be accountable in accordance with applicable regulations in the form of LAKIP. With this format, all work programs and agency activity programs in Aceh Besar District must have a good level of clarity on budget targets so that the goals that have been set can be achieved. Government budgets that classify various types and forms of government activity work programs with very specific details of budget values and time require a good level of budget clarity.

Clarity of budget objectives is the extent to which budget objectives are set clearly and specifically with the aim that the budget can be understood by the person responsible for achieving the budget target. Regional budget targets must be clearly stated, specific and understandable by those responsible for preparing and implementing them (According to Kenis (1979) in Kusumaningrum, 2010). However, what often appears and occurs at the Regional Government Office in Aceh Besar District is that there are many activities that do not have good clarity on budget targets and there are even a number of officials who do not understand work program activities so that many activities planned in the form of a budget are not accompanied by clear objectives. . This condition then makes work programs and activity programs carried out by the government less beneficial to the community. If this condition occurs, the government's performance cannot be properly accounted for.

In addition, organizational culture is also a factor that influences the performance accountability of government agencies in Aceh Besar District. Organizational culture is the dominant values that are supported by the organization, the philosophy that guides company policies towards employees and customers and the way employees and directors do work in the workplace (Sopiah, 2008). Organizational culture apart from giving color to the identity of the local government in Aceh Besar District, is also an inspiration in elaborating various policies and carrying out tasks, as a driving force for the organization, and providing patterns of behavior that outline the boundaries of social tolerance. These conditions greatly determine the implementation of performance accountability properly.

The organizational culture in each SKPD work environment in Aceh Besar District is reflected in a set of prevailing values, beliefs, attitudes. These elements are important to provide understanding for employees and officials in their actions, as well as to understand what is the foundation, ideals, provisions and virtues of each SKPD in Aceh Besar District. Then the organizational culture also shows how government agencies in this area can carry out their administrative processes properly for the community, ethically and always uphold goodness. Each SKPD in Aceh Besar District has a different organizational culture and brings both functional and dysfunctional behavior to regional financial executive officials. Functional behavior has a positive impact in the form of doing things according to regulations, precisely

and not procrastinating. Meanwhile, dysfunctional behavior that often arises from bad organizational culture is arrogant behavior, feeling the most knowledgeable, the most powerful, tends to expect rewards for all the work and activities that should be done and often favors close people (Nawawi, 2013). Some of the behaviors from the dimensions of organizational culture will affect accountability for agency performance.

Based on the previous description, the authors are interested in conducting a study with the title: The Effect of Budgetary Target Clarity and Organizational Culture on Government Agencies Performance Accountability in Aceh Besar District Government Offices. Based on the description of the previous problem formulation, the research objectives are:

1. To determine the effect of clarity on budget targets and organizational culture together on the performance accountability of Aceh Besar District government agencies.
2. To determine the effect of clarity on budget targets on performance accountability of Aceh Besar District government agencies.
3. To determine the effect of organizational culture on performance accountability of Aceh Besar District government agencies.

LITERATURE REVIEW

Government Agencies Performance Accountability

Accountability is a form of accountability. Accountability will grow and develop in an environment and environment that prioritizes transparency as the basic foundation of accountability. Media accountability in the concept of accountability is not only in the form of accountability reports but includes more broadly, namely practices that facilitate the giver of authority to obtain information or, either directly or indirectly or both orally and in writing (Adisasmita, 2011). Accountability according to Nasucha (2009) is a key concept in public management. Accountability involves accountability related to a higher authority. This accountability is actually accountability in the form of an explanation or justification of what has been done, is being done and what plans need to be made again.

Then Adisasmita (2011) explains accountability is the obligation to provide accountability or answer and explain the performance and actions of a person, legal entity, leader or organization to those who have the right or authority to request information or accountability. According to Bastian (2010) in the public sector the term accountability is accountability for the actions and decisions of the leaders or managers of public sector organizations to parties who have an interest (stakeholders) as well as the community. More specifically in government agencies accountability is accountability for the actions or decisions of the executive (executive) to the people's representatives (legislature) and the general public.

Clarity of Budget Targets

The regional budget must be able to become a benchmark for achieving the expected performance, so that regional budget planning must be able to clearly describe performance targets. According to Kenis (1979) in Kusumaningrum (2010) the clarity of budget targets is the extent to which budget objectives are set clearly and specifically with the aim that the budget can be understood by the person responsible for achieving the budget target. Therefore, regional budget targets must be clearly stated, specific and understandable to those responsible for preparing and implementing them. One of the characteristics of the budgeting system is the clarity of budget targets (Darma, 2005). Clear budget targets will make it easier for individuals to set budget targets. Therefore, budget objectives must be clearly stated, specific and understandable to those responsible for preparing and implementing them.

The clarity of budget objectives relates to the extent to which budget objectives are specifically and clearly stated and understood by those who are responsible for fulfilling them. With clarity of purpose, lower-level managers can be informed about what higher-level managers expect. Conversely, higher managers can learn about the supports and problems of managers below them through reports from below. This situation will encourage the creation of cost efficiency because additional costs caused by wrong decision making can be reduced. In other words, clear budget goals will direct budget executors to realize the goals that have been set.

Organizational Culture

Organizational culture becomes an important variable that influences the running of the organization. An organization is a group of people who have the same beliefs, values, and assumptions that will become the foundation for everyone to act. With a good culture, the goals that will be set will be achieved satisfactorily. According to Darmawan (2013) organizational culture is a set of values, beliefs, and main attitudes that are enforced among members of the organization. A culture that adapts and encourages employee engagement can clarify organizational goals and direction.

Robbins further (2013) explains that organizational culture is "organizational culture refers to a system of shared meaning held by members that distinguishes the organization from other organizations". Then organizational culture according to Sobirin (2009) is: "shared beliefs and values that give meaning to members of the organization and make these beliefs and values a rule/guideline for behavior in the organization.

METHODOLOGY

This research was conducted at government agencies in the Aceh Besar District SKPD in Jantho City. The object of this research is the SKPD which implements the clarity of budget targets, organizational culture and performance accountability. The population of this study were secretaries, heads of finance sub-divisions and treasurers of all SKPDs in Aceh Besar district, totaling 81 SKPDs. The number of research samples was set at 27 officials or equivalent to the number of SKPD consisting of 2 secretariats, 14 offices, 7 agencies and 4 offices. This sampling is guided by the opinion of Arikunto (2009) who says that if the population is less than 100, it is better if all are taken as samples so that this research is a population study. The data used in this research is primary data. Primary data is obtained from the first source, for example from individuals or individuals (Arikunto, 2009). Primary data collection was carried out by distributing questionnaires. Questionnaires are a number of written questions that are used to obtain information from respondents (Arikunto, 2009). The questionnaire used in this study was closed, namely questions designed in the form of choices that have been provided. To determine the effect of clarity on budget targets and organizational culture on the performance of Aceh Besar District government agencies, multiple linear regression analysis is used as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

Information:

Y = Accountability for agency performance

X₁ = Clarity of budget targets

X₂ = Organizational culture

β = Regression Coefficient

α = intercept

ε = Epsilon

Hypothesis testing is a temporary answer to a problem that is still presumptive because it still has to be proven true. In this study, hypothesis testing was carried out simultaneously and partially using multiple linear regression parameters as follows:

Simultaneous Testing

Ho₁: β₁= β₂=0; The clarity of budget targets and organizational culture has no effect on accountability for the performance of government agencies in Aceh Besar District SKPD.

Ha₁: β₁=β₂≠0 (β_i ≠0); The clarity of budget targets and organizational culture influences the performance accountability of government agencies in Aceh Besar District SKPD.

Partial Testing

Ho₂: β₁=0; The clarity of budget targets has no effect on the performance accountability of government agencies in Aceh Besar District SKPD.

Ha₂: β₁≠0; The clarity of budget targets affects the performance accountability of government agencies in Aceh Besar District SKPD.

Ho₃: β₂=0; Organizational culture has no effect on the performance accountability of government agencies in Aceh Besar District SKPD.

Ha₃: $\beta_2 \neq 0$; Organizational culture influences the performance accountability of government agencies in Aceh Besar District SKPD.

RESULT & DISCUSSION

Research Result

Table 1
Description of Research Data

	N	Minimum	Maximum	Mean	Std. Deviation
Clarity of budget goals	81	2.86	4.43	3.540	.4643
Organizational culture	81	2,40	4,20	3.528	.4893
Agency performance accountability	81	2.50	4.50	3.531	.5271
Valid N (listwise)	81				

Based on the table above, it explains that the Likert scale primary data used for measuring the variable clarity of free budget targets in this study averages around 3.54 Likert scale units, with the lowest answer value being 2.86 scale units and the highest value being 4.43 scale units. The rate of change (increase and decrease) of the scale value averages around 0.4643 units. While the value of the organizational culture scale used in this study averaged around 3.53 scale units, with the lowest answer value being 2.40 and the highest answer being 4.20 scale units. The rate of change (increase and decrease) of the scale value averages around 0.489 units.

Then the value of the government agency performance accountability scale used in this study averaged around 3.53 scale units, with the lowest answer value being 2.50 and the highest answer being 4.50 scale units. The rate of change (increase and decrease) of the scale value averages around 0.527 units.

Multiple Linear Regression

Table 2
SPSS Output Multiple Linear Regression Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	0,307	0,484	
	Clarity of budget goals	0,621	0,101	0,547
	Organizational culture	0,290	0,096	0,270

Source: Primary Data (processed), 2016

Based on the table above, a multiple linear equation can be made as follows:

$$Y = 0,307 + 0,621X_1 + 0,290X_2 + \epsilon$$

Correlation Coefficient and Determination

To analyze the relationship between research variables, correlation and termination formulation analysis is also used. The correlation (r) is strong positive if the correlation result is close to 1 or equal to 1. The negative correlation is strong if the correlation result is close to -1 or equal to -1. There is no correlation if the correlation results are close to 0 or equal to 0. While the correlation is terminated (r^2) explains the extent to which one variable contributes to another variable, which can be seen in the following table.

Table 3
Results of Correlation Analysis and Termination Correlation

Model	R	R Square	Adjusted R Square
1	0,620	0,384	0,368

Source: Primary Data (processed), 2016

Hypothesis Test

H₁: The value of $\beta_1 = 0.621$ and $\beta_2 = 0.290$, based on these values then $\beta_1 = \beta_2 \neq 0$ ($\beta_i \neq 0$), so that it can be described that the null hypothesis (H₀) is rejected, and the alternative hypothesis H_a is accepted. This means that the clarity of budget targets and organizational culture have an effect on the Performance Accountability of Government Agencies in the Regional Government Offices of Aceh Besar District.

Partial Hypothesis Testing

H₂: The value of $\beta_1 = 0.621$, based on this value then $\beta_1 \neq 0$, so that it can be described that the alternative hypothesis (H_a) is accepted and the null hypothesis (H₀) is rejected or the value of $\beta_1 = 0.621$ can be concluded that the hypothesis is accepted. This means that the clarity of budget targets affects the Performance Accountability of Government Agencies at the Regional Government Offices of Aceh Besar District.

H₃: The value of $\beta_2 = 0.290$, based on this value then $\beta_2 \neq 0$, so that it can be described that the alternative hypothesis (H_a) is accepted and the null hypothesis (H₀) is rejected or the value of $\beta_2 = 0.290$ can be concluded that the hypothesis is accepted. This means that organizational culture influences the performance accountability of government agencies at the Aceh Besar District Government Office.

Discussion

Based on the research results and the results of hypothesis testing, each independent variable is obtained, namely budget clarity and organizational culture have an influence on agency performance accountability, so that budget target clarity and organizational culture affect Government Agencies Performance Accountability at the Aceh Besar District Government Office. Taken together, the clarity of budget targets and organizational culture influence the Performance Accountability of Government Agencies at the Aceh Besar District Government Office with influence values of 0.621 and 0.290. Thus the previous research conducted by Heptariani et.al (2013) regarding the effect of clarity on budget targets and organizational culture on Government Agencies Performance Accountability is supported by this research. The results of previous research indicate that the clarity of budget targets, organizational culture and reporting systems have an effect on Government Agencies' Performance Accountability.

The value of multiple linear regression can be stated that the constant value of Government Agencies Performance Accountability at the Aceh Besar District Government Office is = 0.307, this value explains that if the clarity of budget goals and organizational culture does not change or goes well, then Government Agencies Performance Accountability in The Aceh Besar District Government Office is constantly at a position of 0.307 units on the Likert scale.

The clarity of budget targets affects the Performance Accountability of Government Agencies. From the results of the regression analysis, it was obtained that the coefficient of influence of the variable clarity of budget targets was = 0.621 units on the Likert scale, explaining that every increase in clarity of budget targets by 1 (one) unit on the Likert scale will increase Accountability for the Performance of Government Agencies at the Regional Government Offices of Aceh Besar District. Thus, if the clarity of budget targets can be increased, the performance accountability of government agencies at the Aceh Besar District Government Office will be even better. The results of this study are supported by previous research conducted by Heptariani et.al (2013) which said the clarity of budget targets affects Government Agencies Performance Accountability.

In addition to the clarity of budget targets, organizational culture is also one of the factors that influence Government Agency Performance Accountability at the Aceh Besar District Government Office. From the results of the regression analysis, it was obtained that the coefficient of influence of the organizational culture variable was = 0.290 units on the Likert scale, explaining that every increase in the level of organizational culture by 1 (one) unit on the Likert scale will increase the Accountability of Performance of Government Agencies at the Regional Government Offices of Aceh Besar District. Thus if the organizational culture can be

improved then the performance accountability of government agencies in the Government Office will be better. The results of this study are supported by previous research conducted by Heptariani et.al (2013) which said organizational culture influences government agency performance accountability.

The correlation coefficient R is 0.620 or 62.0%, explaining positively that there is a relationship between the variables of clarity of budget targets and organizational culture with Performance Accountability of Government Agencies Regional Government Offices of Aceh Besar Regency with a close relationship of 62.0%. This relationship is moderate.

The correlation of determination (R^2) of 0.384 explains that the ability of the variable clarity of budget targets and organizational culture in explaining the variable Performance Accountability of Government Agencies Regional Government Offices of Aceh Besar District is 0.384 or 38.40%. While the residual value of 0.616 or 61.60% is influenced by other variables not involved in this study such as supervision and inspection, control, quality of human resources, information systems and other variables.

CONCLUSION

Based on the results of research and discussion, it can be concluded several conclusions as follows:

1. The clarity of budget targets and organizational culture jointly influence the Performance Accountability of Government Agencies in the Regional Government Offices of Aceh Besar District.
2. The clarity of budget targets has a partial effect on the Performance Accountability of Government Agencies at the Regional Government Offices of Aceh Besar District with an influence value of 0.621.
3. Organizational culture has a partial effect on the Performance Accountability of Government Agencies at the Aceh Besar District Government Office with an influence value of 0.290.
4. The R value of 0.620 or 62.00% explains that there is a positive and strong relationship between the clarity of budget targets and organizational culture with Government Agency Performance Accountability at the Aceh Besar District Government Office.
5. The value of R Square (R^2) is 0.384, meaning that the ability of the two independent variables to explain the dependent variable is 38.40%. While the remaining 61.60% is influenced by other variables not included in this research model.

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