

Original article

The Influence of Government Performance Accountability System on Budget Performance through Value for Money in Tanah Laut Regency Government

¹Tri Praptiwi Setyarini, ²Fanlia Prima Jaya

^{1,2}Finance Management Program, STIMI Banjarmasin, Indonesia.

Received Date: 20 November 2024

Revised Date: 01 December 2024

Accepted Date: 09 December 2024

Published Date: 20 December 2024

Abstract: *This study aims to understand the influence of the Government Performance Accountability System (SAKIP) on budget performance through the Value for Money (VfM) approach in the Tanah Laut Regency Government. SAKIP, as a performance-based management framework, aims to ensure efficiency, effectiveness, and economy in local financial management. Utilizing a quantitative approach and Structural Equation Modeling (SEM) analysis via SmartPLS software, the findings reveal that SAKIP significantly positively affects budget performance directly and indirectly through Value for Money. Based on these findings, recommendations include enhancing SAKIP implementation to optimize budget outcomes and create greater value for the public.*

Keywords: *Government Performance Accountability System, Budget Performance, Value for Money.*

I. INTRODUCTION

Public accountability has become an increasingly crucial issue in managing state finances, particularly in this era of bureaucratic reform that demands transparency and efficiency. As part of the local government in Indonesia, Tanah Laut Regency has implemented SAKIP as a primary tool to improve government agency performance and budget management. Although Tanah Laut Regency has received an “Unqualified Opinion” (Wajar Tanpa Pengecualian or WTP) for eleven consecutive years, concerns about the effectiveness and efficiency of budget use persist.

The government’s budget performance in Tanah Laut Regency is considered suboptimal compared to performance targets. As a result, the goals of Tanah Laut Regency’s government have not been fully achieved. For example, public welfare remains below expectations, as seen in the 2023 education service data, where the average school enrollment duration is 7.29 years (target 8.07 years), and the expected schooling duration is 12.41 years (target 13.22 years). Effective budget performance is evaluated based on regulatory compliance and the extent to which it provides added value (Value for Money) to the public.

One way to measure budget performance to achieve these goals is through the Value for Money (VfM) concept. Value for money is a core principle in measuring government performance, holistically assessing inputs (resources), outputs, and outcomes. Furthermore, certain services require the measurement of distribution and coverage for the public. The key principles underpinning modern public management are economy, efficiency, effectiveness, and public accountability, which are aligned with public expectations and the fundamental goal of the public sector: to deliver services to society.

The objectives of this study are to determine the partial effect of the Government Performance Accountability System on the Budget Performance of the Tanah Laut Regency Government, to assess the partial effect of SAKIP on Value for Money within the Tanah Laut Regency Government, and to examine the influence of SAKIP on Budget Performance through Value for Money in Tanah Laut Regency.

II. LITERATURE REVIEW

A) Government Performance Accountability System (SAKIP)

SAKIP is a management system that ensures that all government activities are outcome-oriented, contributing to the organization’s vision and mission. SAKIP emphasizes accurate performance measurement, transparent reporting, and budget use in accordance with Value for Money principles. Performance is defined as actions and procedures that convert inputs into outputs, ultimately yielding outcomes. This includes assessing how well a program or activity complies with regulations, policies, or process standards (Mardiasmo, 2009: 19).

The indicators for this variable align with Regulation No. 88 of 2021 issued by the Minister of Administrative Reform and Bureaucratic Reform, which includes performance planning, performance measurement, performance reporting, internal evaluation, and achievement of performance goals.



B) Value for Money (VfM)

Value for money ensures that public resources are used in ways that provide the best value for the public. It encompasses three main aspects: economy (minimizing input costs), efficiency (optimal input-output ratio), and effectiveness (achieving goals with desired results). According to Mahmudi (2015), Value for Money is essential in public sector organizations, emphasizing value recognition. Key indicators in this variable are economy, efficiency, and effectiveness.

C) Budget Performance

Budget performance refers to the extent to which the budget has been implemented to achieve organizational goals. Performance indicators include alignment between budget planning and realization and the impact of budget use on public services.

In line with Law No. 17 of 2003, Budget Performance prioritizes achieving specific work performance or objectives. Mardiasmo (2009:61) explains that Budget Performance addresses limitations in traditional budgets, especially the lack of performance indicators for evaluating goal and service delivery achievement. Budget Performance focuses on Value for Money and strictly monitors output performance.

III. STUDY METHODOLOGY AND DATA

This study uses a quantitative approach with descriptive and causal methods to analyze the relationships among the variables. The analytical model employed is Structural Equation Modeling (SEM), operated through the SmartPLS software.

The population in this study includes all Regional Work Units (SKPD) in Tanah Laut Regency, totaling 40 SKPDs. The sample was selected using a saturated sampling method, where all population members were included, resulting in 81 respondents comprising SKPD heads, secretaries, sub-section heads, and staff involved in performance report preparation.

Data were collected through a questionnaire designed to measure the SAKIP, Value for Money and budget performance variables. The questionnaire used a Likert scale ranging from 1 to 5 to gauge respondents' perceptions of SAKIP implementation and budget performance achievement.

Data analysis was conducted using SEM with SmartPLS, covering measurement model testing (validity and reliability) and structural model testing for hypothesis verification.

IV. RESULTS AND DISCUSSION

A) Outer Loading Factor

A loading factor value of 0.50 or higher is considered sufficient to validate the latent constructs (Hair et al., 2010). The initial outer loading values for the Government Performance Accountability System, Value for Money, and Budget Performance variables are presented in Table 1 and Figure 1.

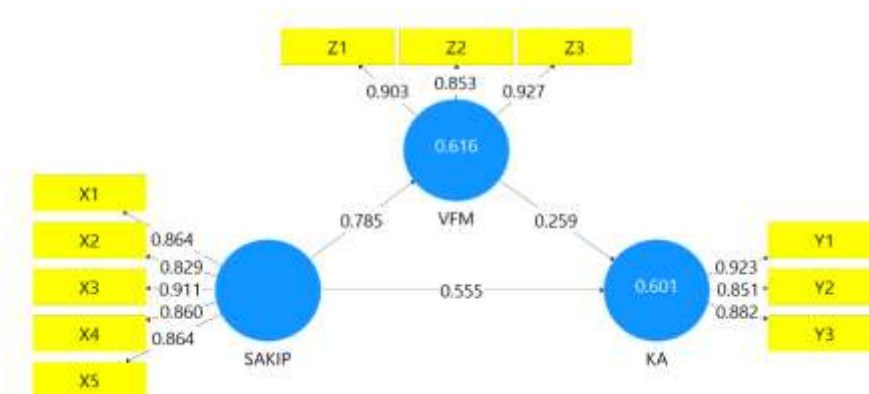


Figure 1 : Output PLS

Table 2: Outer Loading

	Budget Performance	SAKIP	Value For Money
X1		0,864	
X2		0,829	
X3		0,911	
X4		0,86	
X5		0,864	
Y1	0,923		
Y2	0,851		
Y3	0,882		
Z1			0,903
Z2			0,853
Z3			0,927

B) Validity and Reliability Tests

Average Variance Extracted (AVE) values for all constructs in this study exceed 0.5, indicating validity. Reliability tests using Cronbach's Alpha and Composite Reliability also show that all constructs have values above 0.7, confirming the reliability of the research instrument.

Table 2: Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	AVE
Budget Performance	0,862	0,869	0,916	0,784
SAKIP	0,917	0,923	0,937	0,750
Value for money	0,876	0,887	0,923	0,801

C) Discriminant Validity Test

The discriminant validity test is used to assess relationships among constructs. A construct has a good level of validity if the square root of the AVE of each construct is greater than its correlation with other constructs in the model.

Table 3: Nilai Discriminant Validity

	Budget Performance	SAKIP	Value for money
Budget Performance	0,886		
SAKIP	0,758	0,866	
Value for money	0,695	0,785	0,895

D) Structural Model Test

The R Square values for Budget Performance and Value for Money were 0.601 and 0.616, respectively, indicating that the model explains approximately 60.1% of the variance in budget performance and 61.6% of the variance in value for money.

Table 4: R Square

	R Square
Budget Performance	0,601
Value for money	0,616

Using the predictive relevance (Q^2) formula, the result is 0.85 (85%), indicating that 85% of the variance in the data is explained by the model, while the remaining 15% is explained by other variables and errors. This predictive relevance suggests that the research model is suitable and significant for hypothesis testing.

E) Hypothesis Testing**Table 5: Hasil Path Coefficient**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
SAKIP → Budget Performance	0,555	0,542	0,12	4,62	0
SAKIP → Value for money	0,785	0,787	0,041	19,048	0
Value for money → Budget Performance	0,259	0,279	0,116	2,235	0,026

The results of the hypothesis tests show that SAKIP has a positive and significant effect on-budget performance, with a t-statistic of 4.620, which exceeds the t-table value of 1.664. This indicates that better SAKIP implementation leads to improved budget performance. SAKIP significantly influences Value for Money, with a t-statistic of 19.048, highlighting its critical role in ensuring budget use aligns with Value for Money principles. Value for money mediates the effect of SAKIP on-budget performance, with a t-statistic of 2.235, indicating that Value for Money strengthens the relationship between SAKIP and budget performance.

The results demonstrate that because SAKIP promotes a performance-based culture inside government organizations, the Government Performance Accountability System partially impacts budget performance. Agencies are motivated to enhance the quality of public services and accomplish development objectives through results and an attitude of accountability. Thus, the Tanah Laut Regency Government's budget performance improves with better SAKIP implementation.

Because SAKIP is implemented in Tanah Laut Regency, which is evaluated not only on input-output efficiency but also on output performance, it somewhat impacts value for money. Thus, this demonstrates that the Tanah Laut Regency Government's value for money will be enhanced by implementing SAKIP.

Lastly, SAKIP considerably influences budget performance through Value for Money. This impact arises from SAKIP's role in improving the processes of budgeting, prioritizing, and effectively allocating financial resources. In fact, SAKIP aids in improving budget performance since every spending contributes to desired objectives and maximizes public benefits.

V. CONCLUSION

According to the study's findings, Tanah Laut Regency's budget performance is significantly impacted by the Government Performance Accountability System, and there is a direct correlation between improved budget performance and SAKIP implementation. Value for Money in Tanah Laut Regency was significantly impacted by SAKIP, highlighting its function in advancing public value. The fact that SAKIP implementation can improve budget performance by aligning budget utilization with Value for Money principles is supported by the fact that SAKIP considerably impacts budget performance through Value for Money.

The following suggestions are made in light of the research's limitations and findings. An efficient monitoring system must be put in place to evaluate the performance of budgets in real time and ensure that every expenditure contributes the most value possible. Regular preparation of performance reports is necessary to assess how expenditure affects value for money. Enhance the SAKIP implementation so that it not only improves budget performance but also increases responsibility. Future studies should take into account additional factors that could impact budget performance and include samples from both the government and the general people whom government budget outcomes might impact.

VI. REFERENCES

- [1] Anggraeni, F dan Saleh S.A., 2020. Pengaruh Penerapan Anggaran Berbasis Kinerja Terhadap Akuntabilitas Kinerja Instansi Pemerintah. *Indonesian Accounting Research Journal* Vol.1:36-44.
- [2] Ariatin D., 2021. Pengaruh Implementasi Sistem Akuntabilitas Kinerja Instansi Pemerintah (SAKIP) Terhadap Penerapan Good Governance Pada Badan Pengelola Keuangan dan Aet Daerah Provinsi Riau. *Skripsi. Universitas Islam Riau, Pekanbaru*.
- [3] Arikunto, Suharsimi. 2017. *Prosedur Penelitian Suatu Pendekatan Praktik*. Jakarta: Rineka Cipta.
- [4] Arisandi, Z. 2016. Analisis pengukuran kinerja pelaksanaan anggaran belanja dengan Value for money pada Dinas Pekerjaan Umum Bina Marga dan Pengelolaan Sumber Daya Air Kota Palembang. *Skripsi. Universitas Muhammadiyah Palembang, Palembang*.
- [5] Bambang, Sancoko dkk. 2008. *Kajian Terhadap Penerapan Penganggaran Berbasis Kinerja di Indonesia*. Departemen Keuangan Republik Indonesia
- [6] Bastian, Indra. 2006. *Akuntansi Sektor Publik: Suatu Pengantar*. Jakarta: Erlangga
- [7] BPPK. 2008. *Riset kesehatan dasar (Riskesdas) 2007*. Departemen Kesehatan RI: Jakarta
- [8] Departemen Keuangan Republik Indonesia dan Kementerian Negara Perencanaan Pembangunan Nasional (2009).
- [9] Firmansyah, Sapiri Muhtar, dan Setiawan Lukman (2018). Pengaruh Akuntabilitas, Transparansi, dan Pengawasan terhadap Kinerja Anggaran Berkonsep Value for money Pada Instansi Pemerintah di Kota Makassar. *Economic Bosowa Journal*, Vol.4, No.01
- [10] Ghozali, Imam. 2005. *Aplikasi Analisis Multivariate dengan SPSS*. Semarang: Badan Penerbit UNDIP.
- [11] Hakiki M, Indriani E, Suryantara AB, 2023. Analisis Transparansi, Akuntabilitas dan Konsep Value for money Atas Laporan Akuntabilitas Kinerja Instansi Pemerintah (LAKIP). *Journal of Management Accounting, Tax and Production* Vol.1:134-145.
- [12] Haryono, Siswoyo. 2017. *Metode SEM Untuk Penelitian Manajemen Dengan AMOS LISREL PLS*. Luxima Metro Media.
- [13] Hasanah, I dan Hidayat MT, 2023. Pengukuran Kinerja Dengan Pendekatan Value for money Sebagai Perwujudan Good Governance. *Management Studies and Entrepreneurship Journal* Vol.4:2675-2693. 5(11), 28-39.
- [14] Instruksi Presiden Nomor 7 Tahun 1999 tentang Akuntabilitas Kinerja Instansi.
- [15] Keputusan Menteri Dalam Negeri Nomor 29 Tahun 2002 tentang Pedoman Pengurusan, Pertanggungjawaban Dan Pengawasan Keuangan Daerah Serta Tata Cara Penyusunan Anggaran Pendapatan Dan Belanja Daerah, Pelaksanaan Tata Usaha Keuangan Daerah Dan Penyusunan Perhitungan Anggaran Pendapatan Dan Belanja Daerah.
- [16] Kuncoro, Mudrajat. 2003. *Metode Riset untuk Bisnis & Ekonomi*. Jakarta: Erlangga.
- [17] Komite Standar Akutansi Pemerintah. 2022. *Standar Akutansi Pemerintah*.
- [18] Laoli, Victorinus. 2019. Pengaruh Akuntabilitas dan Transparansi terhadap Kinerja Anggaran Berkonsep Value for money pada Pemerintahan Kabupaten Nias. *Riset dan Jurnal Akutansi* Vol 3 Nomor 1:91-101
- [19] Maharani, Sari. (2021). Analisis Kinerja Badan Penanggulangan Bencana Daerah. (BPBD) Kota Padang dalam Penanggulangan Bencana Banjir. *Skripsi*.

- [20] Mahmudi. 2015. Manajemen Kinerja Sektor Publik Edisi Kedua. Yogyakarta: UPP STIM YKPN.
- [21] Mardiasmo. 2010. Akuntansi Sektor Publik. Yogyakarta: Andi
- [22] Moeheriono. (2014). Pengukuran Kinerja Berbasis Kompetensi. Jakarta: PT. RajaGrafindo Persada.
- [23] Muchamad Rizki, 2014. Pengukuran Kinerja atas pelaksanaan anggaran belanja dengan menggunakan metode Value for money pada Dinas PU. Bina Marga Kabupaten Muara Enim.
- [24] Mudrikah Ms, M. M. (2020). Analisis Kemampuan Guru PPKn Dalam Menyusun Soal HOTS (Higher Order Thinking Skills) Di UPT Satuan Pendidikan SMP Negeri 5 Mandai, Kabupaten Maros (Doctoral dissertation, UNIVERSITAS NEGERI MAKASSAR).
- [25] Peraturan Pemerintah Nomor 21 Tahun 2014 tentang Penyusunan Rencana Kerja dan Anggaran Kementerian Negara/Lembaga.
- [26] Peraturan Menteri Pendayagunaan Aparatur Negara dan Reformasi Birokrasi Republik Indonesia Nomor 88 Tahun 2021 tentang Evaluasi Akuntabilitas Kinerja Instansi Pemerintah.
- [27] Peraturan Pemerintah No 58 Tahun 2005 tentang Pengelolaan Keuangan Daerah. Jakarta: Legalitas.
- [28] Peraturan Presiden (Perpres) Nomor 29 Tahun 2014 tentang Sistem Akuntabilitas Kinerja Instansi Pemerintah (SAKIP).
- [29] Putri,NZA. 2020. Analisis Value for money pada kinerja keuangan Dinas Kesehatan Provinsi Jawa Timur.Skripsi. Universitas Islam Negeri Sunan Ampel,Surabaya.
- [30] Sarumaha, Mentari Oktaviani. 2021. Analisis Kinerja Keuangan Dinas Pertanian Kabupaten Nias Selatan Periode 2016-2018. Jurnal Riset Akuntansi Dan Bisnis Vol 4 (1)
- [31] Sekaran, U. 2003. Metode Penelitian untuk Bisnis: Pendekatan Pengembangan Keterampilan. Edisi ke-4, John Wiley & Sons, New York.
- [32] Sugiyono. 2019. Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Bandung : Alfabet.
- [33] Sya,roni, M dan Widyawati, D.2019. Pengaruh Penerapan Anggaran Berbasis Kinerja Terhadap Akuntabilitas Kinerja Instansi Pemerintah. Jurnal Ilmu dan Riset Akuntansi.
- [34] Undang-undang Nomor 17 Tahun 2003 tentang Keuangan Negara.
- [35] Veronika, Pingki dan Nugraeni.2023.Pengaruh Akuntabilitas,Transparansi dan Pengawasan terhadap Kinerja Anggaran dengan Konsep Value for money.Jurnal Ilmiah Manajemen Ekonomi dan Akuntansi Vol.7:938-948.
- [36] Warsito, J.A dan Arza,F.I.2023.Pengaruh Penerapan Konsep Value for money dan Sistem Pengendalian Internal Pemerintah terhadap Akuntabilitas Publik di Kota Padang.Jurnal Eksplorasi Akuntansi Vol 2:666-674.