

FACTORS INFLUENCING THE PERFORMANCE OF PUBLIC SECTOR ORGANIZATION (Study at the Government Agencies of Central Aceh District, Province of Aceh, Indonesia)

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ABSTRACT

The objective of study is to examine the effect of budgetary participation, quality of human resources, organizational commitment and public accountability either simultaneously or partially on the performance of public sector organizations at the government agencies of Central Aceh District.

The population of this study is the institutions, namely SKPK (District's Work Unit) which includes public officers in Central Aceh District of which consist of 28 SKPK. Each SKPK consists of 3 (three) persons who will be selected as respondents, namely Head of SKPK, PPK (Finance Administration Officer), and PPTK (Technical Activity Officer) as research respondents. Sources of data in this study using primary data that is the results of questionnaires obtained from respondents research. While the technique of collecting research data is done by questionnaire distribution technique. The analysis method used is Multiple Linear Regression Analysis. The results showed that budgetary participation, quality of human resource, organizational commitment and public accountability both jointly and separately influenced the performance of public sector organizations in the Central Aceh District Work Unit.

Keywords: Budgetary Participation, Quality of Human Resources, Organizational Commitment, Public Accountability, Public Sector Organization Performance

INTRODUCTION

The Law Number 32 of 2004 on Regional Government led to a new paradigm in the implementation of regional autonomy of which the central government granted a full, broad and responsible autonomy to the regions. As a public sector organization, local governments are

required to have performance that is oriented to the interests of the community and encourage it to always be responsive to its environment, by striving to provide the best services in a transparent and quality manner.

There several crucial Issues related to the performance of public sector organizations in Central Aceh. Those issues among others are the weak performance of the government officers in performing tasks according to the determined job description that has been issued based on the Decree of the District Head of Central Aceh, resulted in programs that are still in the planning stage have not been completed prepared according to Standard Operating Procedures (Jayusman 2016). Another problem that is often the case and relatively weak as well as need serious attention is that all heads of SKPK (District's Work Unit) need to have a comprehensive and good planning of each program and activities. Furthermore, SKPK head must know exactly the field conditions, output and outcome to be achieved from a program or activity (Fauzi 2015).

Based on the issues and phenomena discussed previously, it needs to have an empirical research regarding the effect of budgetary participation, quality of human resources, organizational commitment and public accountability on the performance of public sector organizations at the work units in Central Aceh District.

LITERATURE REVIEW

Actually several previous studies have identified the factors that affect the performance of public sector organizations or local governments, namely; (1) budgetary participation (Dewi, Dharmawan and Werastuti 2015); (Aji 2011); (Erwati 2009); (2) the quality of human resources (Dewi, Dharmawan and Werastuti 2015); (Revika 2015); (Taufik 2008); (3) organizational commitment (Revika 2015); (Anurti 2013); (Baihaqi 2012); And (4) public accountability (Sari 2013); (Auditya and Lismawati 2013); (Aji 2011).

The participation of budget formation affects the performance of public sector organizations. In the preparation of Regional Revenue and Expenditure Budget (APBD), local governments have implemented the participation of each work unit in the preparation of the budget. Each District's Work Unit (SKPD) prepares a Working Budget Plan (RKA), which is usually called as a RKA SKPD. In a RKA SKPD, each SKPD has identified the performance indicators to be achieved for each program and activities to be implemented. In a RKA, it included inputs, outputs and outcomes from each program and activity. In this case, budgeting is often used in a performance approach, then any planned cost allocation should be linked to the level of service or expected outcomes achieved.

The relationship between budgetary participation and the performance of public sector organizations also have been the object of research by several researchers by Dewi, Dharmawan

and Werastuti 2015, (Aji 2011), (Erwati 2009). The results prove that budgetary participation influences the performance of local governments. This means that the participation of budget preparation that followed by the organization will improve the performance of the organization as a whole

Similarly, the quality of human resource also affects the performance of public sector organizations. In fact, producing good performance, it must be supported with adequate human resource quality. In this case, If the available human resources are competent in the field, then the desired performance will be achieved accordingly. The quality of human resources is the ability of employees to carry out the tasks and responsibilities given to them with adequate education, training, and experience (Sibagariang 2013).

The relationship between the quality of human resources and the performance of public sector organizations have been revealed through the research of (Dewi, Dharmawan and Werastuti 2015), (Revika 2015) and (Taufik 2008), the results of their research indicated that the quality of human resources has a positive and significant impact on the performance of local government. The research revealed that the higher the quality of human resources, then the higher the performance of local government.

In addition, organizational commitment also affects the performance of public sector organizations. This finding showed by Mahmudi. 2007 that stated that the success of performance is determined by organizational commitment. The degree of organizational commitment will greatly determine the performance to be achieved by the organization. Commitment can be realized if individuals in the organization exercise their rights and obligations in accordance with their respective duties within the organization; because truly, the achievement of organizational goals is the work of all members of a collective organization (Siagian 2002). The relationship between organizational commitment and the performance of public sector organizations also revealed by the research of Revika. 2015, Anurti. 2013, and Baihaqi. 2012. Their research results proved that organizational commitment had a significant effect on organizational performance. This means that with a high commitment to the organization, it will help the work unit to achieve better organizational performance.

In addition to budgetary participation, quality of human resources, organizational commitment, the public accountability also affects the performance of public sector organizations. Public accountability and openness are an inseparable part of the principles of good governance. Both have become a logical consequence in its application to the participative regional planning, implementation and accountability. To strengthen accountability mechanisms, good performance management is required. Therefore, understanding the concept of public organization's performance can be done with two approaches, namely looking at the performance of public

organizations from the perspective of the bureaucracy itself, and looking at the performance of public organizations from the perspective of target groups or users of public service organizations (Mardiasmo 2006). Public accountability relationships with the performance of public sector organizations also can be found out from the previous study by Sari. 2013, Auditya and Lismawati. 2013, Aji. 2011. Their outcome of research prove that public accountability affects the performance of local governments.

RESEARCH METHODS

The type of this research is a causal hypothesis testing of which examining the effect of independent variables on the dependent variable. The population of this study are district government agencies or working units (SKPK) within the Central Aceh District. The research respondents will be taken from all 28 SKPK in the district and each SKPK will be selected of 3 persons as a representative respondents of which consist of Head of SKPK, PPK (Finance Administration Officer), and PPTK (Technical Activity Officer).

This research conducted by using primary data that collected by handing out questionnaires to all research respondents. The collected data in this research are analyzed by using multiple linear regression method with a supported SPSS software (Sekaran 2007). This study is a census study, so no significance test was conducted. The design of hypothesis testing is done two stages, namely the design of a simultaneous hypothesis testing and a partial hypothesis testing design.

RESULTS AND DISCUSSIONS

•The Budgetary Participation, Human Resource Quality, Organizational Commitment and Public Accountability have a simultaneously significant Influence on Performance of Public Sector Organization

The simultaneous influence is equal to 0.858 or 85.8%. It means that 85.8 % of the performance of public sector organizations is simultaneously influenced by the budgetary, human resource quality, organizational commitment and public accountability and the remaining 14.2% influenced by other variables beyond of this research model. The results of this study are in line with the results of previous research conducted by Revika 2015 which both use the performance of public sector organizations as a dependent variable. The similar independent variables used a human resource quality, organizational commitment, and budgetary participation. The results of his research proved that independent variables also have a simultaneous effect on the performance of public sector organizations in Payakumbuh by 28%.

In addition, Aji. 2011 also used public sector performance variable as a dependent variable, while some of the same independent variables used with this research are public accountability

and budgetary participation. The result of his research also proved that public accountability and the participation of budget formulation also have a simultaneous influence on managerial performance in Wonosobo regency by 77.6%.

▪The Budgetary Participation Has an Influence on Public Sector Organization Performance

The results indicated that budgetary participation has an influence on the performance of public sector organizations in the Central Aceh district. The regression coefficient (β_1) equal to 0.592 indicates that any increase in the participation of budget preparation by 1 unit of the interval scale will be followed by the increase of public sector organization performance by 0.3592 units of the interval scale. The positive relationship between the budgetary participation and the performance of public sector organizations shows that the higher the level of budgetary participation by government officers in SKPK of Central Aceh district, the higher the performance of public sector organizations in the regions.

The previously discussed theory refers to the participation of budgetary as the involvement of all employees in an agency to perform activities in achieving the targets set in the budget. Such involvement will encourage employees and heads of departments to be responsible for each of their duties so that they will be able to improve their performance setting up in targeted budget. This indicates a positive relationship between the participation of budgeting and the performance of local government (Dewi, Dharmawan and Werastuti 2015).

The results of this study are consistent with the results of the study conducted by Dewi, Dharmawan and Werastuti. 2015 which found a positive and significant influence on the participation of budget formulation of local government performance. The outcome of research by Aji in 2011 also found the same result that the participation of public budgeting influenced on managerial performance in the local Work Unit. Similar results are also evidenced by Erwati. 2009 in her research proving that the participation of performance-based budgeting has a significant effect on the performance of SKPA Head of Local Government.

▪The Organizational Commitment has an Influence on Public Sector Organization Performance

The regression coefficient (β_3) obtained by 0.142 indicates that each increase in organizational commitment by 1 unit of interval scale will be followed by the increase of public sector organization performance by 0.142 units of the interval scale. The positive relationship between organizational commitment and the performance of public sector organizations shows that the higher the organization's commitment, the higher the performance of public sector organizations in Central Aceh District.

This finding confirms the previous research done by Wiratno, Ningsih and Putri, 2016, stated that a strong organizational commitment within the individual will cause individuals to strive to achieve organizational goals in accordance with the goals and interests of the organization and will have a positive view and will be trying to do the best for the benefit of the organization. This is also in accordance with the research outcome done by Chong and Chong, 2002, revealed that a high commitment makes individuals more concerned with the organization than personal interests and trying to make the organization better. A low organizational commitment will make the individual to act for his or her own interests. In addition, organizational commitment can be a psychological tool in running the organization for achievement of expected performance.

The results of this study are also consistent with the finding of research by Anurti, 2013, that found a significant positive effect of organizational commitment on SKPD performance in Padang City. The same result is also evidenced by Baihaqi, 2012 in his research proving that organizational commitment has a significant effect on SKPD's managerial performance in Bengkulu regional work unit.

Public Accountability has an Influence on Public Sector Organization Performance

The research findings show that public accountability has an effect on the performance of public sector organization in the district of Central Aceh. The regression coefficient (β_4) obtained by 0.117 indicates that any increase in public accountability of 1 unit of the interval scale will be followed by an increase in public sector organization's performance of 0.117 units of the interval scale. The positive relationship of public accountability with the performance of public sector organizations shows that the higher the public accountability performed by the Central Aceh Regency SKPK, the higher the performance of public sector organizations in the district of Central Aceh.

In theory, (Presidential Instruction No. 7 of 1999) states that every head of the government agency / working unit is obliged to report its work to the supervisor who gives the duties and authority, and also to the public in accordance with the prevailing laws and regulations. According to The Oxford Advance Learner's Dictionary, as cited by LAN (National Administrative Institutions) and BPKP (State Development Audit Agency, 2000, "accountability is required or excused to give an explanation for one's action", that is, accountability is required or expected to provide an explanation what has been done. Thus accountability is an obligation to provide accountability or answer and explain the performance of the actions of an individual / legal entity / head of an organization to a party who has the right or authority to request information or accountability.

The results of this study are consistent with the results of research conducted by Sari, 2013, which found a positive influence of accountability on the performance of public services of SKPD. Similar results were also revealed by Auditya and Lismawati, 2013, which found a significant positive effect of accountability on the performance of local government in Bengkulu Province. In addition the research result done by Aji. 2011 also found an influence of public accountability on managerial performance.

CONCLUSIONS

The budgetary participation, quality of human resource, organizational commitment and public accountability have an influence on the performance of public sector organization at Work Unit of Central Aceh District either tested simultaneously or partially

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