

The Influence of Accountability and Transparency on Budget Performance With The Concept of Value For Money in The Lumajang District Government

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ABSTRACT

The purpose of this study was to determine the effect of accountability and transparency on budget performance with the concept of value for money at the Lumajang District Government. The type of research used is causal associative research, namely analysis that aims to understand the causal relationship, data collection by interviewing and distributing questionnaires to respondents. Purposive sampling technique and this research data is processed using SPSS (Statistica Product and Service Solution) software with data analysis testing, classical assumption test and hypothesis testing. The conclusion of this study is that partially accountability and transparency have a positive and significant effect on budget performance with the concept of value for money. In hypothesis testing there is a positive and significant effect, and simultaneously between accountability and transparency together have an effect on budget performance with the concept of value for money. Based on the research results, the advice given to the Lumajang Regency government is to be able to create accountability and maintain accountability and transparency on budget performance.

Keywords: Accountability, Transparency, Budget Performance With Value For Money Concept.



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INTRODUCTION

In the era of reform, public sector accounting is facing a very rapid development in Indonesia and has brought many changes in the life of the nation and state. Public sector accounting is a process used by public institutions as a medium of accountability to the public. In budget management activities, accountability and transparency are very important because every public institution is required to present responsible and open financial report management to the general public. One of the most important demands for realizing good governance is good budget management. Paramita, (2018) states that good corporate governance is a rule that directs all elements of the company to run together to achieve company goals. The main objective of public sector reform is the realization of accountability and transparency. To support accountability and transparency of performance in the

implementation of its program, the Regional Financial Management Agency of Lumajang Regency often fails because in the preparation of its strategy it is still not implemented according to procedures and abuse of authority in managing regional budgets often occurs.

Accountability is closely related to responsibility for the effectiveness of activities in achieving program policy goals or targets. In any budget management, it is always associated with public accountability. Public accountability contains an obligation to serve or facilitate independent observers or observers who have the right to report findings or information regarding financial administration available in accordance with high-level government requests. By implementing strong accountability, it will influence government agencies to work hard in managing reliable budgets so that they can achieve the goals they set, especially the results of government performance that must be felt by the general public. Governments that implement accountability in performance budgets and financial reports will lead the government to be better (Loi, 2015).

Sinaga (2017), states that transparency (openness) in budget preparation can improve budget performance with the concept of value for money to produce the expected budget. Transparency is one of the principles of Good Corporate Governance. Transparency is built on the basis of free flow of information, all government processes, institutions and information need to be accessible to interested parties, and the information available must be sufficient so that it can be understood and monitored. The achievement of good budget management is related to Value For Money. Value For Money is at the heart of government measurement. Government performance cannot be measured in terms of outputs produced by controlling inputs, outputs and outcomes side by side. The development of performance indicators relies on software and work or what is known as the 3Es. Economical means economical or appropriate, efficient is appropriate or appropriate, and effectiveness is the target can be achieved on what has been planned (Aldiana, 2016).

From several previous studies, differences in research results were found. There are several researchers who discuss the effect of Accountability and Transparency on Value For Money Concept Budget Performance including research conducted by Suryaningsih Loi (2015), I Desak Nyoman Tri Wandari, Edy Sujana, and I Made Pradana Adi Putra (2015), Aldiana (2016), Aries Iswahyudi, Iwan Triyuwono and M. Achsin (2016), Latifah Sinaga (2017). With the differences from the results of previous studies, this study will re-examine the accountability and transparency variables on budget performance with the concept of value for money. Because that is the basis for researchers to assess whether accountability and transparency can affect budget performance with the concept of value for money.

From the description above, researchers are interested in observing and analyzing the effect of accountability and transparency on budget performance on the Lumajang District Government. So the researcher took the title "The Effect of Accountability and Transparency on Value For Money Conceptualized Budget Performance at the Lumajang District Government".

METHODS

Type of Research and Overview of the Research Population (Object)

The type of research used in this study is quantitative research that uses a survey form for data collection. This research is research with the characteristics of the problem carried out through observation with the causal associative method, namely analysis that aims to understand the causal relationship. This research is based on basic data and secondary data. Primary data are statistics obtained directly from the original source (not through intermediary media), while secondary data are data obtained in an indirect way, namely quoting and recording documents in the form of archival data, images, and graphs from the Lumajang District Government. This study aims to see how far the independent variable affects the dependent variable, namely how much influence accountability and transparency have on budget performance with the concept of value for money. The population in this analysis is the employees of the Regional Financial Management Agency of Lumajang Regency Government, of which there are 102 people in total. This sampling technique is purposive sampling, which is a sampling method where the researcher submits his own judgment when the sample can logically be considered representative of the population. In sampling the criteria needed

by respondents must have insight, ability and experience about accountability and transparency on budget performance with the concept of value for money in Lumajang District Government. So the sample obtained was 30 people. The steps of data analysis in this study are first collecting data then tabulating the data before inputting it into the SPSS application and then analyzing it using SPSS.

RESULTS AND DISCUSSION

Overview of Research Objects

Data collection was carried out by distributing questionnaires directly to employees of the Regional Financial Management Agency which was used as a research site. The questionnaire was distributed as many as 30 pieces directly to respondents. So the total questionnaires used as a medium for analysis were 30 pieces.

Validity and Reliability Test

Validity Test

Priyatno (2014) states that the item validity test is a data instrument test to find out how carefully an item measures what you want to measure and the validity test technique with Pearson correlation. The validity test is useful for knowing whether there are questions or statements on the questionnaire that must be removed or replaced because they are considered irrelevant. Testing the validity of the Accountability, Transparency on Value For Money Conceptualized Budget Performance variables requires a two-sided test with a significance level of α 0.05. The test comparison is if $r\text{-count} \geq r\text{-table}$ then the item is declared valid, but if $r\text{-count} < r\text{-table}$ then the item is declared invalid.

Based on the test results obtained, it shows that the results of testing the validity of the indicators of all independent variables and the dependent variable show valid results because the significance value is less than 0.05, so it is stated that all research variables are valid.

Reliability Test

Reliability test is a test used to determine the consistency of the measuring media used that can be trusted and remains consistent if the test is repeated. The data reliability test used in this study is the Cronbach alpha method. the Alpha Cronbach statistical test the closer the Cronbach alpha is to 0.6 the higher the reliability. According to Sekaran in the book Duwi Priyatno (2014) that Reliability less than 0.6 is not good while above 0.7 is acceptable and above 0.8 is good.

Table 1. Reliability Test Results

Variables	Chronbach's Alpha	Description
Accountability	0,842	Reliable
Transparency	0,806	Reliable
Value For Money Conceptualized Budget Performance	0,892	Reliable

Source: Results of Primary Data Processing with SPSS, 2021

Based on the SPSS results obtained for the Cronbach alpha value, namely for Accountability (0.842); Transparency (0.806); Value For Money Conceptualized Budget Performance (0.892). It can be concluded that the questionnaire on each research variable can be declared reliable and can be trusted as a measuring tool that produces relatively consistent answers.

Descriptive Statistical Analysis

Descriptive statistical analysis has a function to provide an overview of the research variables, so researchers use descriptive statistical tables.

Table 2. Descriptive Statistical Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
ACCOUNTABILITY	30	28,00	45,00	37,3667	4,8600
TRANSPARENCY	30	25,00	45,00	37,5000	5,0973
Value For Money Conceptualized Budget Performance	30	31,00	50,00	43,4667	5,5007
Valid N (listwise)	30				

Source: Results of Primary Data Processing with SPSS, 2021

Based on the results of descriptive statistical testing in table 2, it shows that the results of measuring the accountability variable (X1) with a minimum value of 28.00, a maximum value of 45.00, a mean of 37.3667 and a Std. Deviation 4.8600. The results of measuring the transparency variable (X2) with a minimum value of 25.00, a maximum value of 45.00, a mean of 37.5000 and a Std. Deviation 5.0973. The results of measuring the budget performance variable with the concept of value for money (Y) have a minimum value of 31.00, a maximum value of 50.00, a mean of 43.4667 and a Std. Deviation 5.5007.

Classical Assumption Test

Normality Test

The data normality test is used to test whether the residual values resulting from regression are normally distributed or not. Visual testing can be done with the normal Probability Plots image method. With the criteria if the data spreads around the diagonal line and follows the direction of the diagonal line, the regression model fulfills the assumption of normality and this regression model is good.

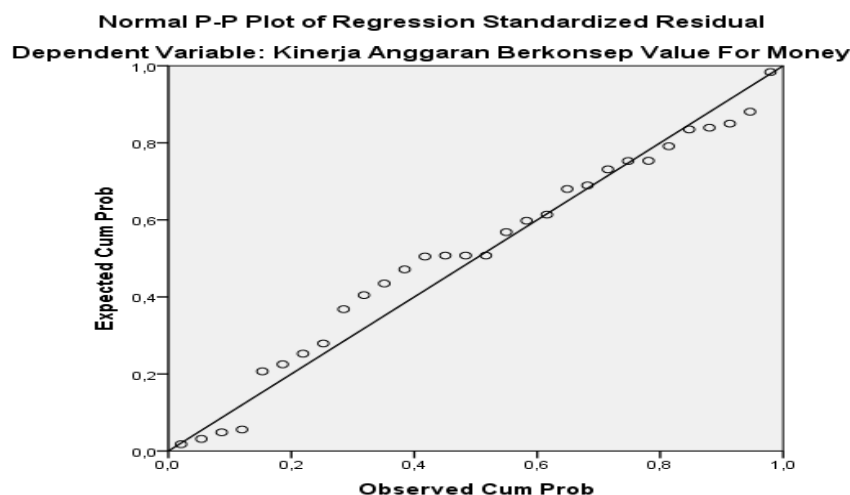


Figure 1. Data Normality Test

Source: Results of Data Processing with SPSS, 2021

Based on the results of testing the normality test of the normal *Probability Plot* graph data, which shows the distribution of data (points) around the regression line and the distribution of data points in the direction of following the diagonal line, it can be concluded that the regression model is suitable for use because it fulfills the assumption of normality.

Multicollinearity Test

The multicollinearity test aims to determine whether the proposed regression model has found a correlation between the independent variables. The multicollinearity test in this study looks at the Variance Inflation Factor (VIF) and Tolerance values, if the VIF value is smaller than 10 and the tolerance is greater than 0.1, it is concluded that there is no multicollinearity.

Table 3. Multicollinearity Test Results

Collinearity Statistics		
Variables	Tolerance	VIF
ACCOUNTABILITY	0,349	2,863
TRANSPARENCY	0,349	2,863

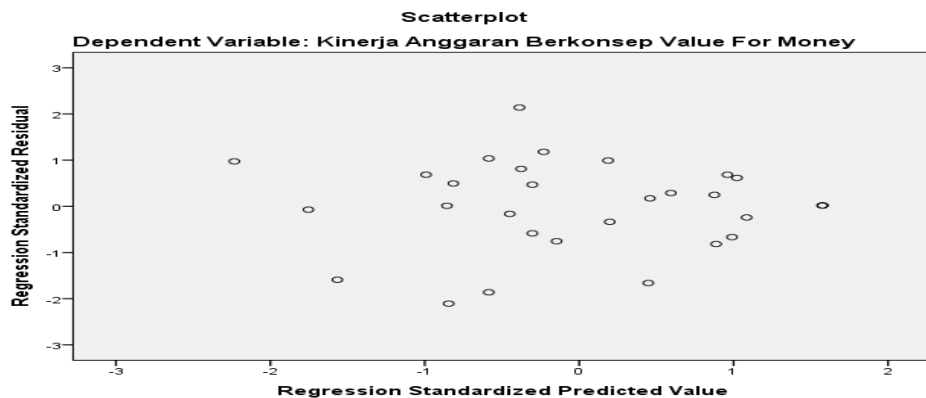
Dependent Variable: Value For Money Conceptualized Budget Performance

Source: Results of Primary Data Processing with SPSS, 2021

Based on the results of the multicollinearity test, the VIF value for all variables has a value of 2.863 smaller than 10 and the Tolerance value is 0.349 greater than 0.1, it can be concluded that there are no multicollinearity symptoms between the independent variables.

Heteroscedasticity Test

Heteroscedasticity is used to test whether there is an inequality of variance from the residual value on one observation to another. This test is done by looking at whether there is a certain pattern on the scatterplot graph between ZRESID and ZPRED.



Scatterplot

Source: Results of Primary Data Processing with SPSS, 2021

Based on the results of Scatterplot data processing, it shows that there is no clear pattern and the points spread above and below the number 0 on the Y axis, it can be concluded that there is no heteroscedasticity in the regression model.

Autocorrelation Test

The Autocorrelation test aims to test the linear regression model whether there is a correlation between confounding errors in period t and confounding errors in the previous period. Autocorrelation is detected whether or not by looking at the Durbin Watson (DW) value in the output.

Table 4. Autocorrelation Test

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of	Durbin-Watson

	the Estimate				
1	,746 ^a	0,556	0,524	3,797	1,582

a. Predictors: (Constant), TRANSPARENCY, ACCOUNTABILITY

b. Dependent Variable: Value For Money Conceptualized Budget Performance

Source: Results of Primary Data Processing with SPSS, 2021

Based on the results of the autocorrelation test for the DW value = 1.582. Compared to the value of the 5% significance table (0.05) with N = 30 and the number of independent variables 2 (K = 2) = 1.30 so that the results obtained dU from the Durbin Watson table = 1.5666. So the DW value is greater than the dU value and less than (4-dU) = 4 - 1.5666 = 2.4334. So it is concluded that if $dU < DW < 4-dU$ then H_0 is accepted which means there is no autocorrelation in the regression model.

Hypothesis Testing Results

Multiple Linear Regression

Multiple linear regression analysis serves to assess how much influence on two independent variables with the dependent variable. the magnitude of the influence between two or more independent variables with one dependent variable.

Table 5. Multiple Linear Regression

Model	Coefficients ^a					Collinearity Statistics		
	Unstandardized Coefficients		Standardized Coefficients		T	Sig.	Tolerance	VIF
	B	Std. Error	Beta					
1 (Constant)	11,396	5,636			1,223	0,232		
ACCOUNTABILITY	0,300	0,245	0,265		2,077	0,048	0,349	2,863
TRANSPARENCY	0,556	0,234	0,515		2,377	0,025	0,349	2,863

a. Dependent Variable: Value For Money Conceptualized Budget Performance

Source: Results of Primary Data Processing with SPSS, 2021

Based on table 5 above, multiple linear regression equations can be formed, namely:

$$Y = 11.396 + 0.300X_1 + 0.556X_2 + e$$

Partial Test (t-test)

The t test is basically carried out to test whether the accountability (X1) and transparency (X2) variables partially or individually have a positive and significant effect on budget performance with the value for money concept (Y). To conduct research, you must first know the basis for decision making, first by looking at the significance value (Sig.) (the significant value of the T test is $\alpha = 0.05$ (5%)), and second by comparing the calculated t value with the t table.

Table 6. T-test Results

Model	Coefficients ^a					Collinearity Statistics		
	Unstandardized Coefficients		Standardized Coefficients		T	Sig.	Tolerance	VIF
	B	Std. Error	Beta					
1 (Constant)	11,396	5,636			1,223	0,232		
ACCOUNTABILITY	0,300	0,245	0,265		2,077	0,048	0,349	2,863
TRANSPARENCY	0,556	0,234	0,515		2,377	0,025	0,349	2,863

a. Dependent Variable: Value For Money Conceptualized Budget Performance

Source: Results of Primary Data Processing with SPSS, 2021

Based on table 6 above, it shows that accountability and transparency affect the performance of the value for money concept budget.

Simultaneous Significant Test (F-test)

Duwi Priyatno (2014) says that Analysis of Variance is testing the regression coefficient together (F-test) to test the significance of the influence of several independent variables on the dependent variable. The test is carried out using a significance level of 0.05 ($\alpha = 5\%$). The F-test was conducted to test whether the Accountability (X1) and Transparency (X2) variables simultaneously had a positive and significant effect on *Value For Money* Conceptualized Budget Performance (Y).

Table 7. Calculated F-Test Results

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	488,234	2	244,117	16,934	,000 ^b
	Residuals	389,233	27	14,416		
	Total	877,467	29			

a. Dependent Variable: Value For Money Conceptualized Budget Performance

b. Predictors: (Constant), TRANSPARENCY, ACCOUNTABILITY

Source: Results of Primary Data Processing with SPSS, 2021

Based on table 7 above, the test shows the F-count result of 16.934 with a significance level of 0.000 which is smaller than 0.05 where the F-count (16.934) is greater than the F-table. The F-table value (5% significance with df 1 = 3-1 = 2, and df 2 = 30-2-1 = 27) is 3.350 so that F-count (16.934) > F-table (3.350) then H3 is accepted.

Coefficient of Determination (R²)

Testing the coefficient of determination R² is used to measure the percentage of independent variables studied on the variation of ups and downs or being able to explain the dependent variable.

Table 8. Determinant Coefficient Test Results (R²)

Model Summary ^b						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	,746 ^a	0,556	0,524	3,797	1,582	

a. Predictors: (Constant), TRANSPARENCY, ACCOUNTABILITY

b. Dependent Variable: Value For Money Conceptualized Budget Performance

Source: Results of Primary Data Processing with SPSS, 2021

The results of the regression analysis as a whole show a correlation coefficient (R) of 0.746, which means that the correlation or relationship between the accountability and transparency variables on budget performance is 0.746. While the R-square value or the coefficient of determination is 0.556, which means that the percentage of the influence of the independent variable (accountability and transparency) on the dependent variable (budget performance with the concept of value for money) is 55.6% or the independent variable is only able to explain 55.6% of the dependent variable (budget performance with the concept of value for money) while the remaining 44.4% (100%-55.6%) is influenced by other factors outside this study.

Discussion

The Effect of Accountability on Value For Money Conceptualized Budget Performance

From the results of the multiple linear regression analysis equation that the accountability variable has a t-count value ($2.077 \geq t\text{-table } (2.052)$) then H1 is accepted. The effect of this accountability variable is said to be strong because the significance value of the accountability variable is 0.048 less than alpha 0.05 so that the accountability variable has a positive and significant effect on budget performance with the value for money concept. The stronger and higher the accountability of the state, the more favorable the results of government budget performance will be. Therefore, the Lumajang Regency Government must continue to improve and maintain the principle of accountability, namely the principle of accountability for the results of budget performance in order to make the government even better. The results of this study support previous research conducted by Loi (2015) that accountability has a significant effect on budget performance with the concept of value for money.

The Effect of Transparency on Value For Money Conceptualized Budget Performance

From the results of the multiple linear regression equation that the transparency variable has a t-count value ($2.377 \geq t\text{-table } (2.052)$), so H2 is accepted. The effect of this transparency variable is said to be strong because the significance value of the accountability variable is 0.025 less than alpha 0.05 so that the transparency variable has a positive and significant effect on budget performance with the value for money concept. These results are in accordance with the results of previous research by Anugriani (2014) and the results of Adliana's research (2016) which state that transparency has a positive and significant effect on budget performance with the concept of value for money. However, the results of this study contradict the results of Loi's research (2015) which states that transparency has no significant effect on budget performance with the concept of value for money.

The Effect of Accountability and Transparency on Value For Money Conceptualized Budget Performance

The test shows the F-count result of 16.934 with a significance level of 0.000 which is smaller than 0.05 where the F-count (16.934) is greater than the F-table. The F-table value (5% significance with $df 1 = 3-1 = 2$, and $df 2 = 30-2-1 = 27$) is 3.350 so that F-count (16.934) > F-table (3.350) then H3 is accepted. This means that Accountability and Transparency simultaneously have a positive and significant effect on Value For Money Conceptualized Budget Performance. The results of this study are in line and support previous research by Rezky Mulya Anugriani (2014) which states that accountability and transparency have an impact or effect together (simultaneously) on budget performance with the concept of value for money. This must be maintained to maintain public trust in the results of government performance management and make government accountable, transparent, efficient and effective.

CONCLUSIONS

Based on the discussion, it is concluded that both partially and simultaneously or simultaneously accountability and transparency have a positive and significant effect on budget performance with the concept of value for money. These results indicate that accountability and transparency play a very meaningful role in the implementation of budget performance at the Lumajang Regency Regional Financial Management Agency, which used to often fail due to problems and obstacles to support budget performance in implementing its strategy. After analyzing the achievement of performance based on the concept of value for money, it can finally be known and has successfully implemented its program.

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