

Performance Capability Analysis And Regional Budget Evaluation In Implementing Regional Autonomy In Dharmasraya District

Doni Septria

Master of Management, STIE “KBP”, JL Khatib Sulaiman No. 61 Lolong Belanti,
Padang Utara 25136, West Sumatra, Indonesia

Heryanto

Lecturer in Management Master Program, STIE “KBP”, JL Khatib Sulaiman No. 61 Lolong
Belanti, Padang Utara 25136, West Sumatra, Indonesia

ABSTRACT

This study tries to find out the Performance Capability Analysis and Evaluation of Regional Budget in Running Regional Autonomy in Dharmasraya Regency. The research population is the financial report of the Regional Government of Dharmasraya Regency since the establishment of this district in 2004 by taking samples of financial statements for the past 4 years. This study uses the method of financial ratio analysis. The results of the study show that the district financial independence ratio Dharmasraya is in the instructive criteria, meaning that regional financial independence is still very low because this role is more dominant than the independence of local governments. The degree of fiscal decentralization is in the very poor category, where the average is less than 10%, which is 7.92%, which means that Dharmasraya District's Original Revenue in financing its own development is only 7.29% of the total Regional Revenue during the 2014-2017 period. The effectiveness of the PAD ratio is in the effective criteria, meaning that the ability of the Dharmasraya Government to realize PAD revenues is an average of 86% of the targeted PAD. The activity ratio shows that the Dharmasraya District Government uses more funds for apparatus shopping activities than public spending. The shopping harmony ratio shows that the Dharmasraya District Government uses more funds for indirect shopping activities compared to direct shopping. The empirical findings indicate that for the performance of the Regional Secretariat staff in the Dharmasraya Regency, the Regional Secretariat of the Dharmasraya Regency needs to pay attention and focus more on improving the Competency and Workload factors.

Keywords: Capability Analysis, Performance, Evaluation

INTRODUCTION

Dharmasraya Regency as one of the regions in West Sumatra has a lot of potential that can be explored to be used as a source of income from various sectors. The economy of Dharmasraya Regency is driven by the mining, plantation, agriculture, trade, freshwater and industrial fisheries sectors which can increase Regional Original Income (PAD). But in reality the Regional Original Income (PAD) has still not been maximally realized from the planned budget. The following is the Local Revenue Report of the Regency. Dharmasraya sourced from the Regional Finance Agency (BKD) Kab. Dharmasraya.

TABEL 1.1
Laporan Pendapatan Asli Daerah 2014-2017

Tahun 2017					
Kode Rekeni	Uraian	Jumlah		Bertambah/Berkurang	
		Anggaran	Realisasi	Rp	%
4	PENDAPATAN				
4.1	Pendapatan Asli Daerah	108.034.661.327,00	98.937.393.387,00	(9.097.267.940,00)	92%
4.1.1	Pendapatan Pajak Daerah	19.259.577.916,00	14.933.091.578,00	(4.326.486.338,00)	78%
4.1.2	Pendapatan Restribusi Daerah	5.775.520.000,00	4.186.557.034,00	(1.588.962.966,00)	72%
4.1.3	Pendapatan Hasil Pengelolaan Kekayaan Daerah Yang Dipisahkan	5.144.283.411,00	3.834.414.130,00	(1.309.869.281,00)	75%
4.1.4	Lain-lain PAD Yang Sah	77.855.280.000,00	75.983.330.644,85	(1.871.949.355,15)	98%
Tahun 2016					
Kode Rekeni	Uraian	Jumlah		Bertambah/Berkurang	
		Anggaran	Realisasi	Rp	%
4	PENDAPATAN				
4.1	Pendapatan Asli Daerah	68.772.765.327,00	56.543.463.177,18	(12.229.302.149,82)	82%
4.1.1	Pendapatan Pajak Daerah	19.259.577.916,00	11.542.782.773,67	(7.716.795.142,33)	60%
4.1.2	Pendapatan Restribusi Daerah	6.027.230.000,00	4.798.622.681,00	(1.228.607.319,00)	80%
4.1.3	Pendapatan Hasil Pengelolaan Kekayaan Daerah Yang Dipisahkan	5.144.283.411,00	4.216.462.837,00	(927.820.574,00)	82%
4.1.4	Lain-lain PAD Yang Sah	38.341.674.000,00	35.985.594.885,51	(2.356.079.114,49)	94%
Tahun 2015					
Kode Rekeni	Uraian	Jumlah		Bertambah/Berkurang	
		Anggaran	Realisasi	Rp	%
4	PENDAPATAN				
4.1	Pendapatan Asli Daerah	67.755.812.750,00	56.694.339.206,00	(11.061.473.544,00)	83,67%
4.1.1	Pendapatan Pajak Daerah	16.419.577.916,00	10.643.026.951,00	(5.776.550.965,00)	64,82%
4.1.2	Pendapatan Restribusi Daerah	8.028.399.951,00	7.148.667.913,00	(879.732.038,00)	89,04%
4.1.3	Pendapatan Hasil Pengelolaan Kekayaan Daerah Yang Dipisahkan	5.719.705.495,00	4.793.094.913,00	(926.610.582,00)	83,80%
4.1.4	Lain-lain PAD Yang Sah	37.588.129.388,00	34.109.549.429,00	(3.478.579.959,00)	90,75%
Tahun 2014					
Kode Rekeni	Uraian	Jumlah		Bertambah/Berkurang	
		Anggaran	Realisasi	Rp	%
4	PENDAPATAN				
4.1	Pendapatan Asli Daerah	60.945.939.948,00	52.811.257.415,12	(8.134.682.532,88)	86,65%
4.1.1	Pendapatan Pajak Daerah	14.093.600.000,00	10.419.529.313,00	(3.674.070.687,00)	73,93%
4.1.2	Pendapatan Restribusi Daerah	22.812.592.000,00	24.150.243.783,00	1.337.651.783,00	105,86%
4.1.3	Pendapatan Hasil Pengelolaan Kekayaan Daerah Yang Dipisahkan	7.477.943.948,00	5.144.409.428,00	(2.333.534.520,00)	68,79%
4.1.4	Lain-lain PAD Yang Sah	16.561.804.000,00	13.097.074.891,12	(3.464.729.108,88)	79,08%

Sumber : BKD Kab. Dharmasraya

RESEARCH PURPOSES

Based on the formulation of the problem that the researcher revealed above, the objectives of this study are:

1. To determine the ability of APBD performance in terms of independence ratio, ratio of fiscal decentralization, PAD effectiveness ratio, activity ratio and expenditure compatibility ratio?
2. Knowing the financial capabilities of the Dharmasraya District Government in implementing regional autonomy in the 2014-2017 period in terms of the Financial Ability Index (IKK) and Permendagri No. 62 of 2017?
3. Evaluation of the Dharmasraya District Government budget in the implementation of regional autonomy in the period 2014 - 2017 in terms of analysis of income variance and analysis of expenditure variance?

LITERATURE REVIEW

Regional Finance

In a narrow sense, regional finance is limited to matters relating to the Regional Budget. Therefore regional finance is identical to the Regional Budget. Based on PP No. 58 of 2005, regional finance is "All regional rights and obligations in the context of the implementation of Regional Government which can be valued with money including all forms of wealth related to those rights and obligations". The rights and obligations of the area need to be managed in a system of regional financial management. Regional financial management is a subsystem of the state financial management system and a key element in the implementation of the Regional Government.

According to Halim (2004: 20), "The scope of regional finance consists of regional finances managed directly and separated regional assets. Included in the finances that are managed directly are the Regional Budget and inventory items belonging to the region. Whereas regional finance which is separated includes Regional Owned Enterprises (BUMD).

Regional Budget

At Permendagri Number 13 of 2006, "APBD is the basis of regional financial management in the period of 1 (One) fiscal year from January 1 to December 31". Whereas, according to Bastian (2006: 189), "APBD is the responsibility of the Regional Government work plan in the form of a unit of money for a period of one year and oriented towards the goal of public welfare".

According to Freeman in Nordiawan (2006: 48), "Budget is a process carried out by public sector organizations to allocate their resources into unlimited needs". This definition reveals the strategic role of the budget in managing the wealth of a public organization. The important role of the budget in the public sector according to Nordiawan (2006: 47), "The important role of the budget in the public sector comes from its usefulness in determining the estimated income or amount of bills for services rendered".

Performance of Regional Budget (APBD)

According to Bastian (2006: 274), "Performance is a description of the achievement of an activity / program / policy in realizing the goals, objectives, mission and vision of the organization". Performance indicators are quantitative and qualitative measures that describe the level of achievement of a predetermined goal or goal by taking into account input indicators (inputs), outputs (outputs), results, benefits and impacts. Analysis of budget performance can be done in three parts, namely (Mahmudi, 2007):

Jenis dan Sumber Data

The type of data used in this study is quantitative data. Quantitative data is data in the form of numbers, values can vary and vary. While the data sources used in this study are secondary data. Secondary data is data that is obtained indirectly and through an intermediary which can be in the form of evidence, historical records or reports arranged in published and unpublished archives. The data in this study were obtained directly from the accounting field of the Regional Finance Agency (BKD) of the Dharmasraya Regency Government.

Population and Samples

The research population is the financial report of the Regional Government of Dharmasraya Regency since the establishment of this district in 2004 by taking samples of the financial statements of the last 4 years (2014-2017).

DATA ANALYSIS TECHNIQUE

To analyze financial performance

Independence Ratio

The regional financial independence ratio shows the level of ability of a region in self-financing of government activities, development and services to the people who have paid taxes and levies as a source of regional income.

$$\text{Regional Independence Ratio (\%)} = \frac{\text{Locally-generated revenue}}{\text{Balancing Fund}} \times 100\%$$

Degree of Fiscal Decentralization Ratio

The degree of fiscal decentralization ratio shows the degree of PAD contribution to total regional income.

$$\text{Degree of Fiscal Decentralization Ratio (\%)} = \frac{\text{Locally-generated revenue}}{\text{Total Regional Revenue}} \times 100\%$$

PAD Effectiveness Ratio

The effectiveness ratio of PAD shows the ability of regional governments to realize planned PAD compared to predetermined targets based on the real potential of the region.

$$\text{PAD Effectiveness Ratio (\%)} = \frac{\text{Realization of PAD Revenue}}{\text{Target of PAD Revenue}} \times 100\%$$

Activity Ratio

The activity ratio illustrates how local governments prioritize their allocation of funds in operating expenditure and capital expenditure optimally.

$$\text{Apparatus Shopping Ratio (\%)} = \frac{\text{Total Operating Expenditures}}{\text{Total Shopping}} \times 100\%$$

$$\text{Public Expenditure Ratio (\%)} = \frac{\text{Total Capital Expenditures}}{\text{Total Shopping}} \times 100\%$$

Shopping Harmony Ratio

The expenditure harmony ratio illustrates how local governments prioritize their allocation of funds in direct expenditure and indirect expenditure optimally.

$$\text{No Shopping Ratio Direct (\%)} = \frac{\text{Indirect Shopping Total}}{\text{Total Regional Expenditures}} \times 100\%$$

$$\text{Direct Expenditure Ratio (\%)} = \frac{\text{Direct Shopping Total}}{\text{Total Regional Expenditures}} \times 100\%$$

Analyzing fiscal capacity

Financial Capability Index (IKK)

The Financial Capability Index describes the level of regional financial capacity by compiling three components, namely the calculated average of *growth* index, elasticity index and role index (*share*).

$$X \text{ Index} = \frac{(\text{Value x Measurement Results}) - (\text{Minimum Condition Value})}{(\text{Maximum x value}) - (\text{Minimum Condition Value})}$$

$$IKK = \frac{X_G + X_E + X_S}{3}$$

Permendagri No. 62 of 2017

Determination of regional financial capability groups is calculated based on the amount of regional general income (PAD, DBH and DAU) minus the expenditure of civil servants (expenditure of salaries and benefits and additional income for employees).

To evaluate regional government budgets

Analysis of income variance

The revenue budget is the minimum limit on the amount of targeted income that must be obtained by the regional government.

$$\text{Varians Pendapatan (\%)} = \frac{\text{Realisasi Pendapatan}}{\text{Anggaran Pendapatan}} \times 100$$

Variance shopping analysis

Shopping variance analysis is an analysis of differences or differences between the realization of expenditure and the budget.

$$\text{Varians Belanja (\%)} = \frac{\text{Realisasi Belanja}}{\text{Anggaran Belanja}} \times 100$$

RESULTS AND DISCUSSION

District financial capability Dharmasraya seen from the index of low financial ability and so also seen from Permendagri No.62 of 2017 also obtained a low score. While for budget evaluation it was seen from the aspect of income variance of Kab. Dharmasraya for 2014-2017 is in an unfavorable position and is seen and the aspect of APBD expenditure Variance in Kab. Dharmasraya in 2014-2017 was in the preferred position. For more details, can be seen in the following table 4.24.

Tabel 4.24
Rangkuman Hasil Pengukuran Kinerja dan Kemampuan Keuangan serta Evaluasi

Variabel	Indikator	Standar Parsial	Hasil
Kinerja Keuangan	Rasio Kemandirian	1. Instruktif 2. Konsultatif 3. Partisipatif 4. Delegatif	Instruktif
	Rasio Derajat Desentralisasi Fiskal	1. Sangat Kurang 2. Kurang 3. Sedang 4. Cukup 5. Baik 6. Sangat Baik	Sangat Kurang
	Rasio Efektivitas	1. Sangat Efektif 2. Efektif 3. Cukup Efektif 4. Kurang Efektif 5. Tidak Efektif	Sangat Efektif
	Rasio Aktivitas a. Rasio Belanja Aparatur b. Rasio Belanja Publik	Belanja publik > belanja aparatur	Belanja aparatur > belanja publik
	Rasio Keserasian Belanja a. Rasio Belanja Langsung b. Rasio Belanja Tidak Langsung	Belanja langsung > belanja tidak langsung	Belanja tidak langsung > belanja langsung
	Kemampuan Keuangan	Indeks Kemampuan Keuangan	1. Rendah 2. Sedang 3. Tinggi
Permendagri No. 62 tahun 2017		1. Rendah 2. Sedang 3. Tinggi	Rendah
Evaluasi Anggaran	Varians Pendapatan	1. Menguntungkan (<i>favorable</i>) 2. Tidak Menguntungkan (<i>unfavorable</i>)	Tidak Menguntungkan (<i>unfavorable</i>)
	Varians Belanja	1. Disukai 2. Tidak Disukai	Disukai

Based on the instructive relationship pattern, the central government's intervention is more dominant than the independence or the low ability of the local government to carry out autonomy.

From the results of these percentages, the criteria for the degree of fiscal decentralization in the Dharmasraya District Government are said to be lacking. This shows that the level of authority and responsibility given by the central government to local governments tends to be small

The average expenditure of the Dharmasraya Regency Government apparatus for 4 years is a budget period of 63.3%. This shows that the Dharmasraya District Government uses more funds for apparatus shopping activities than for public expenditure, meaning that the benefits of funds spent on the community are still lacking

The average public expenditure ratio of the Dharmasraya Regency for 4 years is a budget period of 29.2%. This shows that the Dharmasraya District Government uses less funds for public expenditure activities, whereas funds from public expenditure are used for the benefit of the community which includes three areas, namely health, education and social welfare.

The average direct expenditure ratio of Dharmasraya Regency for 4 years is a budget period of 45.5%. This means that the Dharmasraya District Government uses little funds for direct shopping activities such as office operational expenditure and capital expenditure.

The average Growth Index of the Regional Budget of the Regency of 2014 for the period 2014-2017 is 0.2908. This is obtained from the number of growth indices divided by the number of years in that period

So the average APBD Elasticity Index District. Dharmasraya in the 2014-2017 Budget year for four years which is equal to 0.3266

CONCLUSIONS AND RECOMMENDATIONS

The measurement of the Dharmasraya District Government's financial performance in the implementation of regional autonomy in the period of 2014-2017 can be concluded from:

- a. Regency financial independence ratio. Dharmasraya is in the instructive criteria, meaning that regional financial independence is still very low because this role is more dominant than the independence of local governments.
- b. The degree of fiscal decentralization is in the very poor category, where the average is less than 10%, which is 7.92%, which means that Dharmasraya District's Original Revenue in financing its own development is only 7.29% of the total Regional Revenue during the 2014-2017 period
- c. The effectiveness of the PAD ratio is in the effective criteria, meaning that the ability of the Dharmasraya Government to realize PAD revenues is an average of 86% of the targeted PAD.
- d. The activity ratio shows that the Dharmasraya District Government uses more funds for apparatus shopping activities than public spending.
- e. The shopping harmony ratio shows that the Dharmasraya District Government uses more funds for indirect shopping activities compared to direct shopping.

Based on (Permendagri No.62 of 2017) regarding the grouping of regional financial capabilities as well as the implementation and accountability of operational funds, the Regional Financial capacity of the regency / city is grouped as follows:

- a. Above Rp.550,000,000,000.00 (five hundred and fifty billion rupiahs) are grouped in High-Regional Financial Capabilities;
- b. Rp. 300,000,000,000.00 (three hundred billion rupiahs) up to Rp. 550,000,000,000.00 (five hundred fifty billion rupiahs) grouped in medium Regional Financial Capabilities; and
- c. under Rp. 300,000,000,000.00 (three hundred billion rupiahs) are classified into low Regional Financial Capabilities
 1. District financial capability Dharmasraya shows a value of Rp 237,780,059,994.40 based on Permendagri 62 of 2017, Kab. Dharmasraya belongs to the low group
 2. Judging from the Financial Capability Index (IKK), the index shows the number 0.3297 which includes the low category ability scale.

Evaluation of the Dharmasraya District Government budget in the implementation of regional autonomy in terms of income variance, in 2014 the realization of revenue of PAD below the target set, for 2015 to 2017 is also the same where the realization of PAD is below the predetermined PAD target or criteria not expected (*unfavorable*) For the variance of regional

expenditure in 2014-2017 it is in the preferred criteria, namely where the realization of regional expenditure is below the stipulated budget

SUGGESTION

Based on the conclusions outlined above, some suggestions can be given as follows:

For the Dharmasraya Regency Government

- a. The Dharmasraya District Government must be able to optimize the receipt of existing sources of income (changes to regional regulations on taxes and levies). The Dharmasraya Regency Government must also be more creative in finding and exploring new sources of income, considering that Dharmasraya Regency still has resource potentials that have not been managed optimally such as mining, agriculture, forestry, plantation and tourism. The regional government must also be able to attract investors to invest their capital in Dharmasraya Regency so that regional income sources can vary.
- b. The Dharmasraya District Government should be more selective in the use of regional spending on personnel expenditure and goods expenditure which dominates a large part of total regional expenditure. The government should place employees both ASN and THL who have skills in taxation and accounting pawns or other economics.
- c. Increasing the dissemination of local regulations regarding PAD to the community so as to increase public awareness to pay taxes and levies because in the era of regional autonomy the achievement of targets for receiving PAD greatly determines the success of the region in spurring all aspects of regional development.
- d. The Dharmasraya District Government must be more careful in determining the imposition of PAD tax objects and real potential so that the realization can be achieved according to the set targets.

For Further Researchers

For further researchers who use the same research, it is recommended to carry out exploratory studies in each component of the APBD so that the results of the study can be more specific.

BIBLIOGRAPHY

- Bastian, Indra. 2010. *Akuntansi Sektor Publik Suatu Pengantar*. Edisi Ketiga. Jakarta: Erlangga.
- Bisma, I Dewa Gde dan Hery Susanto. 2010. *Evaluasi Kinerja Keuangan Daerah Pemerintah Provinsi Nusa Tenggara Barat Tahun Anggaran 2003-2007*. Edisi Khusus. Ganec Swara.
- Faqihudin, M. 2011. *Analisis Kinerja Anggaran Pendapatan dan Belanja Daerah Kota Tegal sebagai Indikator Layanan Publik*. Universitas Pancasakti Tegal.
- Halim, Abdul. 2004. *Akuntansi Keuangan Daerah – Akuntansi Sektor Publik*. Jakarta: Salemba Empat. *pada PD. Pasar Kota Kendari*). Universitas Halu Oleo.
- Paturusi, dkk. 2009. *Esensi dan Urgensitas Peraturan Daerah dalam Pelaksanaan Otonomi Daerah*. Universitas Sumatera Utara.
- Peraturan Menteri Dalam Negeri Nomor 13 Tahun 2006 tentang *Pedoman Pengelolaan Keuangan Daerah*.
- Savitry, Emitha M. 2013. *Analisis Kemampuan Keuangan Daerah dalam Pelaksanaan Otonomi Daerah Tahun 2007-2011 di Kota Makassar*. Universitas Hasanuddin.