ANALYSIS OF THE INFLUENCE OF GOOD GOVERNANCE FACTORS TO REGIONAL GOVERNMENT PERFORMANCE
LANGKAT DISTRICT

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ABSTRACT
The objective of the research was to analyze the influence of accountability, transparency, responsiveness, rule of law, efficiency and effectiveness on the performance of Langkat District Administration. The population was all Regional Government Work Units i.e. 104 people. The samples were taken by employing census method in which the whole population was taken as the samples. The hypothesis testing is done by using multiple linear regression testing assisted by SPSS (Statistical Package for Social Science) version 22. The results of this research are simultaneously accountability, transparency, responsiveness, rule of law, efficiency and effectiveness significantly influenced the performance of Langkat District Administration. Partially accountability, transparency, responsiveness, rule of law, efficiency and effectiveness have significant positive influence on the performance of Langkat District Administration.

Key Words: Performance of Regional Administration, Accountability, Transparency, Responsiveness, Rule of Law, Efficiency and Effectiveness

1. PRELIMINARY
District Government of Langkat Regency is a subsystem of the administration of the Republic of Indonesia government which refers to administrative authorities and services of regional governments that receive the authority to manage and manage the interests of their own communities. Local governments have broad authority to manage regional finances, ranging from planning, implementing, controlling, controlling and evaluating in order to improve efficiency, effectiveness of the administration of government functions. The paradigm shift of government administration from "rule government" to "good governance". The rule government paradigm relies more on the prevailing laws and regulations, while the good governance paradigm must involve all elements, both the bureaucracy and the public or the public in the administration, development and public services.

Law Number 09 of 2015 concerning the Second Amendment to Law Number 23 of 2014 whose main principle is a new step to improve governance. Local governments are directed to accelerate the realization of public welfare by increasing empowerment, roles and public services to create good governance or good governance.

From the direct observation of the field researchers about the performance of the local government in relation to Public Services, researchers suspect that they have been influenced by not yet optimal in terms of:

1. Accountability; public facilities to assess the degree of achievement of the implementation of programs and activities of local governments.
2. Transparency, standardization of holistic public service processes and information-giving systems to the public.
3. Responsiveness; develop programs that are in accordance with the aspirations and needs of the community.
4. Rule of law; public policies and services based on the law.
5. Efficiency and effectiveness; explore the potential of regional resources to maximize public service oriented budgets.

Based on preliminary observations, researchers in the Langkat Regency Local Government still have problems in managing the Regional Government Budget in particular still low allocation of capital expenditure budget ceiling on income in 2014 (19.1%), 2015 (10.5 %), 2016 (9.7%) and 2017 (18.0%) , this is not in line with the central government’s appeal to regional governments to continue to increase the percentage of capital expenditure by 30% and Accountability Report Performance of Government Agencies which are the basis for determining the amount of Special Allocation Funds (DAK) for districts / cities get results 2013 s / d 2015 (category C = less) and 2016 (CC Category = enough) but the value is still low category when we see
from seven (7) categories category ratings to AA (satisfactory). In addition, there is also no integrated program of activities which is directly related to the functions of public services that are used directly by the public according to the mandate in Law Number 25 of 2009.

Research purposes

1. To analyze the effect of accountability, transparency, responsiveness, rule of law and the efficiency and effectiveness partially on the performance of the District Government Langkat.
2. To analyze the influence of accountability, transparency, responsiveness, rule of law and simultaneous efficiency and effectiveness on the performance of the Regional Government of Langkat Regency.

Originality Research

This research is a development of research conducted by Auditya & Husaini (2013) Analysis of the Effect of Regional Financial Management Accountability and Transparency on Local Government Performance (Study on the Bengkulu Province Regional Government Work Units).

2. LITERATURE REVIEW

Theory Agency (Agency Theory)

Grand Theory underlying this research is Agency Theory. According to Jensen & Meckling (1976) agency relations are a contract between agent with the principal. As an agent, the government is morally responsible for the welfare of society by providing the best service in accordance with the contract. Society as principal will accept output and outcome for the funds that have been given. Management is given the power of power to make delegates for interests principal. Therefore, management must account for all its efforts to principal. According to Zimmerman (1977) said that agency problems occur in all organizations, in the private sector between shareholders and management, in the public sector between the local government and the people. The focus of the agency theory, the determination of the contract most efficiently regulate the relationship between principal and agent (Eisenhardt, 1989) The relationship of agency theory in this study shows that local governments receive authority (agent) and have an understanding of all aspects of administration and the duty to account for all the authorities of the to the community (principals) who expect the facilities and infrastructure of public services and welfare in a fair, equitable and sustainable manner.

Theoretical basis

Local Government Performance

According to Robbin & Judge (1994) performance is a measure of work done by using mutually agreed criteria. Performance (performance) is a schematic illustration in the formulation of strategic (strategic planning) regarding the level of achievement of the implementation of an activity / program / policy in achieving the goals, objectives, mission and vision of the organization within a specified period (Mahsun, 2011). Minister of State Apparatus Empowerment (2007) the performance of government
agencies is a description of the level of achievement of goals or objectives of government agencies as a description of the vision, mission and strategy of government agencies that indicate the level of success and failure of the implementation of activities in accordance with the programs and policies set. According to the opinion of researchers understanding of the performance of the regional government is a description of the level of achievement of targets in accordance with the guidelines, carried out by all apparatus according to the program / activity from the elaboration of the previously determined vision, mission and strategy of local government agencies so that facilities and infrastructure are available which ultimately have an impact on supporting the growth of regional economic independence, improving public services and equitable public welfare, evenly and continuous.

**Accountability**

According to Caiden (1988) accountability as fulfilling responsibilities, carrying out obligations, calculating and submitting what is done and requested as accountability or what is wanted to be known by parties outside the organization, especially by the public served. According to the Institute of State Administration of the Republic of Indonesia (2003) accountability is the obligation to convey accountability or to answer and explain the performance and actions of a person / legal entity / collective leadership of an organization to those who have the right or authority to request information or accountability. According to the opinion of researchers notion of accountability is a concept of obligations related to the presentation of information organization and disclosure any activity on the one hand with accountability mechanisms to the other party in a consistent and proportionate in order to achieve good governance and suppress irregularities in financial management and non-finance.

**Transparency**

According to Mardiasmo (2009) transparency means the openness of the government in providing information related to the activities of managing public resources to parties who need information. According to Werimon, et al. (2007) transparency is a principle that guarantees access or freedom for everyone to obtain information about the administration of government, namely information about policies, the process of making and implementing them and the results achieved. According to the opinion of researchers notion of transparency is transparency (openness) information related to policies, regulations, procedures, work procedures and limits of confidentiality a strategy of one party has the right to require information to be honest, correct and non-discriminatory.

**Responsiveness**

According to Suprapto (2006) Government agencies should, responsive, responsive to the interests of society as a stakeholder - it. According to Rosyada (2016), Responsiveness is the ability of the government to recognize community needs, develop priority agendas and develop them into programs that are in line with the aspirations and needs of the community. According to the opinion of researchers understanding responsiveness is the ability of the local government to respond to changes in policies, suggestions and community corrections according to the limits of authority to minimize the impact of the problem.
**Rule of Law**

According to Hartono (1976) the core of understanding *rule of law* is a guarantee of what is called social justice. According to Sumantri (1992) the Government in carrying out its duties and obligations must be based on law or legislation, the guarantee of human rights (citizens), the distribution of power and the supervision of judicial bodies. According to the opinion of researchers understanding of *the rule of law* is the rule of law that is guided jointly continues in the administration of the government with the aim of justice, benefit or outcome and legal certainty.

**Efficiency and Effectiveness**

According to Adisasmita (2011) efficiency is an internal process or resource needed by the organization to produce one unit of output. According to Kartikahadi in Sukirno (2000) effectiveness is the end product of an operating activity that has achieved its objectives both in terms of the quality of work, the quantity of work and the targeted time limit. According to the opinion of researchers understanding *efficiency and effectiveness* is the relationship between the results of the process of utilizing the potential carried out internally by the organization towards achieving the highest impact of the goals set by the organization.

**Research Hypothesis**

H 1 : Accountability has a positive effect on the performance of local governments.
H 2 : Transparency has a positive effect on the performance of local governments.
H 3 : *Responsiveness* have a positive effect on the performance of the local government.
H 4 : *Rule of law* have a positive effect on the performance of the local government.
H 5 : *Efficiency and effectiveness* have a positive effect on the performance of the local government.
H 6 : Accountability, transparency, *responsiveness*, *rule of law* and *efficiency and effectiveness* simultaneous positive effect on the performance of the Langkat Regency Government?

**3. RESEARCH METHODS**

**Types of research**

The design of this research is analytic survey, which is research that tries to explore how the phenomenon occurs and analyzes the causality dynamics of the phenomenon. The data used is primary data in the form of perception of the respondent (subject). Data retrieval using direct surveys and instruments used are questionnaires with the aim to obtain data that occurred in the past or present about beliefs, opinions, characteristics, behavior, relationship variables and test several hypotheses about the sociological and psychological variables of the study population. The questionnaire used was compiled from previous researchers' reflications after being modified by researchers based on the related theory.

**Location, Research Time and Scope**
This research was conducted in the Langkat Regency Government. Research time July 2017 until December 2017. The scope of this study is limited to 5 (five) independent variables (X), namely accountability (X1), transparency (X2), responsiveness (X3), rule of law (X4) and efficiency and effectiveness (X5) which allegedly influences the performance of local governments.

Population and Sample
The population in this study were Regional Government Work Units officials and employees in charge of public services both involved in regional financial and non-financial management in the Langkat Regency Government. The population in this study amounted to 104 (one hundred four) people from 52 Regional Government Work Units in Langkat District. The questionnaire that will be given to each Regional Government Work Units by census method of all populations is sampled, while to select respondents from each Regional Government Work Units researchers use the method judgment sampling based on predetermined consideration criteria.

Method of collecting data
Data sources used in this study are qualitative data in the form of questionnaire data as primary data as many as 104 questionnaire.

Operational Definition and Variable Measurement Methods
The operational definition of variables is a definition that is used as the basis for determining the value of each of these variables. Measurement in this study uses interval scale with model attitude scale technique Likert's Summated Rating (LSR) contains 5 answer preferences and is made in the form of a check (√) with details of score 1 (STS = Strongly Disagree), score 2 (TS = Disagree), score 3 (N = Neutral), Score 4 (S = Agree) and Score 5 (SS = Strongly Agree). According to Erlina (2011) defining a Likert scale is arranged to assess the extent to which the subject agrees and disagrees with the statement submitted.

<table>
<thead>
<tr>
<th>Variable Operational Definition</th>
<th>Variable Measurement</th>
<th>Scale</th>
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<tbody>
<tr>
<td>Performance Government Area (Y)</td>
<td>Achievement of targets in accordance with the guidelines of the vision, mission and strategy of local government agencies related to public service facilities and infrastructure</td>
<td>1 The implementation of the principles of economical, efficient and effective towards the achievement of goals 2 strategies based on performance gaps 3 Orientation of allocation of funds to the interests of public services 4 Application of holistic public service standards 5 Concentration of service coverage on objects and regions</td>
</tr>
<tr>
<td>Accountability (X1)</td>
<td>Obligation to present information on accountability to other parties consistently and proportionally in financial and non-financial management.</td>
<td>1 the basis for presenting information on the strategic plan and general policy of the government administration budget 2 the main orientation of managing public services 3 internal and external involvement in the budget management stage 4 proportionality of explanation and accountability of public policy</td>
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<tr>
<td>Transparency (X2)</td>
<td>Information disclosure to those who have the right to be honest, correct and not discriminatory.</td>
<td>1 availability of budget policy announcements, 2 availability of accessible budget documents, 3 availability of timely accountability reports, 4 accommodation / public proposals are accommodated, 5 availability information delivery system to the public.</td>
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<td>Responsiveness (X3)</td>
<td>The ability of the local government to respond to changes in policies, suggestions and community corrections according to the limits of authority to minimize the impact of problems.</td>
<td>1 availability of complaints service procedures, 2 follow-up to the complaint report, 3 level of confidence in policy intentions, 4 consistency attitude provides corrections and suggestions, 5 the level of quantity of participants in supervision</td>
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<tr>
<td>Rule of law (X4)</td>
<td>The rule of law that is guided jointly takes place continuously in the administration of government with the aim of justice, expediency or outcome and legal certainty.</td>
<td>1 integrity of law enforcement aspects, 2 clarity of the rule of law, 3 firmness of the subject of the rule of law, 4 availability of credible institutions, 5 implementation public policies and services based on the law, 6 implementation of regulatory practice principles of design and legal products, 7 implementation of a holistic and systemic policy analysis of legal design and products, 8 an attitude of respect for human rights and social values.</td>
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<tr>
<td>Efficiency and Effectiveness (X5)</td>
<td>the results of the process of utilizing the internal potential of the organization towards achieving the highest impact of the goals set by the organization.</td>
<td>1 technology utilization at work, 2 continuous improvement measures, 3 implementation of strengthening the organizational structure, 4 availability of studies on human resources, physical resources and financial funds, 5 the act of optimizing the use of resources towards goals, 6 clarity of attitude of support for effective goals and sustainable use, 7 determination clarity suppresses resource deviations</td>
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**Research Regression Model**

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Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_2 X_2 + b_3 X_3 + e
\]

**Information:**

<table>
<thead>
<tr>
<th>Y</th>
<th>Local Government Performance</th>
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<tbody>
<tr>
<td>a</td>
<td>Constant coefficient</td>
</tr>
<tr>
<td>b_1 - 5</td>
<td>Regression Coefficient</td>
</tr>
<tr>
<td>X_1</td>
<td>Accountability</td>
</tr>
<tr>
<td>X_2</td>
<td>Transparency</td>
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<tr>
<td>X_3</td>
<td>Responsiveness</td>
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<td>X_4</td>
<td>Rule of Law</td>
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<td>X_5</td>
<td>Efficiency &amp; Effectiveness</td>
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<tr>
<td>e</td>
<td>Error</td>
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**DATA ANALYSIS TECHNIQUE**
Data Quality Testing

Validity test

The statement item will prove valid if the value of $r_{counts} > r_{table}$. The calculated $r$ value can be seen in the Corrected Item-Total Correlation column, while the $r_{table}$ value of degree of freedom (df) $= n-2$, the degree of freedom (df) is 28 and the confidence level ($\alpha$) is 0.05, amounting to 0.361.

Validity Test Results Value data Correlation coefficients of all statement items are in the range $0.397 - 0.715$ and are greater than the $r_{table}$ values required (0.361) so that it is concluded all statement items valid.

Reliability test

Cronbach’s Alpha value from all research variables are in the range $0.745 - 0.828$ and greater than the minimum value required (0.70) so that it is concluded all research instruments are reliable.

Classic Assumption Testing

Normality test

the histogram chart describes a balanced and normal distribution pattern. Analysis of the histogram graph is said to be normal or near normal bell-shaped graph (bell shaped) the normal graph pp plot describes normal distribution and the points spread around the diagonal line and form a diagonal straight line.

Multicollinearity test

The table shows the correlation coefficients between independent variables and dependent variables. All values are less than 0.10, indicating no multicollinearity issue.
Heterocytastity test

Hypothesis testing

The coefficient of determination

Statistical test F

Statistical test t
4. CONCLUSION

From data analysis, hypothesis testing and research discussion, conclusions are drawn:
1. Accountability has a positive and significant effect on the performance of local governments.
2. Transparency has a positive and significant effect on the performance of local governments.
3. Responsiveness has a positive and significant effect on the performance of local governments.
4. The rule of law has a positive and significant effect on the performance of local governments.
5. Efficiency and effectiveness have a positive and significant effect on the performance of local governments.
6. Accountability, transparency, responsiveness, rule of law and the efficiency and effectiveness simultaneous positive influence on the performance of local governments.

Research Limitations
Limitations that might affect the results of the study:
1. Data obtained only through written instruments did not directly interview all respondents and referred to self-rating to assess Regional Government Work Units where respondents worked.
2. Adjusted $R^2$ value of 70.8% allows no other independent variables that can explain the influence of local government performance.
3. Government performance is measured qualitatively, which is only based on the perception of employees who are based as officials and implementing staff.
4. The number of respondents in this study is limited to officials and Regional Government Work Units employees who are in charge of public services both involved in regional financial and non-financial management totaling 2 (two) people each Regional Government Work Units.
5. This research approach only looks at the concept of performance of public organizations through an approach from the perspective of the bureaucracy itself.

Suggestion
From the limitations of research that has been disclosed, suggestions can be given as follows:
1. Adding to using observation or observation directly to objects or using experimental methods. In addition to referring to self-rating as well as from
2. Adding other independent variables to the model such as participation, consensus orientation, equity and strategic vision.

3. Adding in addition to the performance appraisal measured qualitatively should be supported also by quantitative data, among others, calculating performance accomplishments contained in the scores of each Regional Government Work Units and other performance reports.

4. Adding the number of respondents externally such as community perceptions and expanding research data so that accurate results are obtained to improve the performance of local governments.

5. Combining the concept of performance of public organizations through an approach from the perspective of the bureaucracy itself with from the perspectives of the target group or users of services of public organizations.

BIBLIOGRAPHY


