

# **Influence of Human Resources Characteristics and Application of Political Government Accounting Standards (Case Study on the Proliferation of Local Government Baubau City)**

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## **Abstract**

The purpose of this study was to find solutions for problems related to the human resources characteristics and application of political government accounting standards. This research was conducted through deductive analysis supported the phenomenon then sought evidence through empirical facts, especially about the influence of human resources characteristics and application of political government accounting standards. This research is descriptive (explanatory research) that explain the causal relationship between certain variables through hypothesis testing. By basing on the theory suggested by experts, it turns out the characteristics of human resources in this study represented the commitment and competence of each: Factors knowledge of the apparatus has been pretty good, less so the technological mastery of information systems has not been running perfectly. Adequate skills because often the workshops, seminars, and training for its officers. The leaders SKPD quite an example and role model for the attitude of his subordinates, the authorities running the full duties with responsibility.

**Keywords :** Human Resources, Political Government, Accounting Standards

## **Introduction**

The development of public sector accounting, including government accounting in Indonesia grew rapidly. Reform in Indonesia in 1998, which was marked by the implementation of regional autonomy and the emergence of new local governments as a division local government demanding increased competitiveness in each regional government. Competitiveness of the regional government is expected to be achieved through increased independence that can be achieved through regional autonomy.

In the central government hopes to encourage independence and transparency of government, we often hear about the abuse and misuse of the financial administration in various government agencies, both central and local government. This prompted the Indonesian government to make rules that will be used as a reference for proper financial administration. The Indonesian government is determined to create a climate of good governance through the implementation of financial, and this commitment is evidenced by the issuance LAW 17, 2003 About FINANCIAL STATE; as stated in the Preamble to the Constitution of 1945 paragraph 4, which states that in order to achieve the purpose of the state, the state government was formed which perform the functions of government in various fields, including in the financial management of the state. The law is a form of financial management reforms in the country, both at central government and local government. The legislation states that the Governor / Regent / Mayor submitted a draft local regulations on accountability of the budget to Parliament in the form of financial statements, audited by the Supreme Audit Board, not later lambanya 6 (six) months after the fiscal year ends.

As a consequence of the authority of autonomy, local governments have an obligation to improve the care and welfare in a democratic society, fair, equitable, and sustainable. Such obligations can be met if the government can afford to manage their potentials through the management of its natural resource potential, human resources, and potential financial resources optimally. However, with such broad authority, does not mean that local governments can use the financial resources it has at will, without a clear direction and purpose. Rights and broad authority granted to the region, is essentially a trust that must be accounted for accountable and transparent, both to the community in the area as well as to the Central Government for sharing equalization funds to all regions in Indonesia.

With the government's efforts, it turns out that the phenomenon occurred in the field shows that the results are not satisfactory. Based on the results of the Supreme Audit Agency report for five consecutive years (2004-2008) provide an opinion no opinion (TMP / Disclaimer) for examination Government Financial Statements (LKPP). This indicates it is to mention the number of the financial statements submitted by local governments which are spread throughout Indonesia, there are still many who do not meet the correct accounting standards. This can be seen by CPC statement stating Local Government Finance Report (LKPD) in the last three years in general is poor. (Press Release, BPK-RI, June 23, 2008). For the financial statements of fiscal year 2008, of 293 Local Government Finance Report (LKPD), 8 local governments given WTP opinion (2.73%), 217 governments WDP (74.06%), 21 local governments TW opinion (7.16%) , and 47 do not give opinion or a disclaimer of opinion (16.04%). (BPK-RI Press Release, dated October 15, 2008).

In the second semester of 2009, the CPC to submit a report on the results of audits of the management and financial responsibility in the range of 760 objects contained examination findings of non-compliance cases that cause loss to the state, the potential losses, and the findings of the shortfall. The examination of the object 760 includes object Examination of the Central Government, Object Examination of Local Government, state, enterprises, and BLU.

As in Explain the Chairman of the CPC R, Hadi Purnomo that during the first semester of 2010 to conduct examination on the object 528, which consists of 437 objects audit, seven performance audit objects and object 84 checks with a specific purpose (PDTT). Examination of the object 528, CPC discovered 10,113 cases Rp26,12 trillion worth. There are findings of non-compliance which results in an indication of loss, potential loss and the shortfall as much as 3,289 cases with a value Rp9,55 trillion. Of these, Rp93,01 billion has been followed up by the auditee by depositing cash into the country / region during the inspection process. Audit includes examining on Government Financial Statements (LKPP), Financial Statements Ministry Institute (LKKL), Local Government Finance Report (LKPD), SOE Financial Statements and Other Financial Statements Agency.

Likewise based Examination Results Summary Report Audit Board of the Republic of Indonesia (BPK-RI) Semester II in 2010. The details of the inspection object includes financial audit as much as 159 objects, namely LKPD, LK LK SOEs and other Agency with the audit scope includes the balance sheet and the report on realization budget (LRA). (Source: Summary of Results of BPK-RI Semester II of 2010).

To carry out and implement the Accounting Standards that have been determined, the local government must have a reliable Human Resources so as to prepare financial statements governed by the Government Accounting Standards. Based on previous research that average local governments have not been able to prepare financial statements with the correct rule for the low quality of human resources in the government have, and a low degree of their commitment to implement changes to the rules on government finances (Azhar Susanto; 2008).

Government Accounting Standards (SAP) is the accounting principles applied No.8 of 2006 on financial reporting and Government Performance. As for uniformity in preparing and presenting the financial statements of the Government for all local governments in the region of Indonesia, referring to the Government Accounting Standards. Thus, SAP is a necessity that has the force of law in an effort to improve the quality of financial reporting in the Indonesian government. Implementation of the Government Accounting Standards expected to guide the preparation of financial statements pemerintahan quality, also determined the existence of reliable human resources in the mastery of accounting. (Narumondang; 2008).

## **Review Literature**

### **2.1 Accounting for Government**

Accounting from period to period had been developed, both in the application, understanding, and utilization. Accounting initially defined as Art / Process / System Information notes, classifying, summarizing, reporting information. (Azhar Susanto, 2010). According to AAA, accounting is the process of identifying, measuring and reporting economic information (an organization), to allow for assessment and decision clearly and expressly for those who use the information.

Accounting according to the American Institute of Certified Public Accounting adapted Sofyan Syafri Harahap (200: 4) defines accounting as follows: Accounting is the art of recording, classifying, and summarizing in a certain way and in a monetary measure, transactions, and events are generally financial and includes interpreting results.

The government is implementing executive function (Sugijanto et al., 1995) which has the responsibility to use in its implementation to the public finances. To solve the various needs that arise in financial reporting, accounting, and auditing in government, both central and local government diperlukan sebuah Government Accountancy Standards (SAP) credible committee formed by SAP. (Deddi Nordiawan; 2012: 120).

## **2.2 Implementation of the Government Accounting Standards**

Financial Accounting Standards in the public sector is set in IAS 45, which regulates the accounting standards for non-profit entity, the financial statements produced, the elements of financial statements, and government accounting standards. In 2005, the Central Government has issued Government Regulation 24 of the Government Accounting Standards. According to Indra Bastian (2010; 138), the Government Accounting Standards (SAP) is "accounting principles applied in preparing and presenting the financial statements of government". Government Accounting Standards Committee provides the definition of "Government Accounting Standards: konsep2 accounting is applied in preparing and presenting the financial statements of the government.

## **2.3 Factors Affecting Implementation of Government Accounting:**

There are three factors that influence the government accounting, (<http://wikipedia.org> & Government Accounting Books, November 3, 2010) is a. Government System, b. Nature of Resources, c. Politics. Mardiasmo (2004; 42) as quoted Ikin Solikin say, when viewed from the glass eyes of government accounting, there are at least three major problems in its application., Namely a) The absence of local government accounting system that is good, b) Very limited personal local government accounting background, c) There is a full implementation of public sector financial accounting standards are raw.

## **2.4 Character of Human Resources**

Quality Human Resources means pertaining to the quality of the human resources, which involves the ability of both physical and non-physical (and mental intelligence). Therefore, for the sake of acceleration of an organization in the field whatsoever, improving the quality of human resources is a major prerequisite.

As said by Azhar Susanto (2008:) that local governments should have a reliable human resources so as to prepare financial statements governed by the Government Accounting Standards. Based on previous research that average local governments have not been able to prepare financial statements with the correct rule for the low quality of human resources in the government have, and a low degree of their commitment to implement changes to the rules on government finances.

Readiness area in terms of human resources, especially in the field of local government officers as subject and object of services and regional development, as well as in the field of education both formal and non-formal education as an important factor in the process of regional development towards the welfare of society. The quality of human resources also involves two aspects, namely physical aspects (physical qualities), and aspects non-physical (non-physical qualities) which involves the ability to work, commitment, education, training and other skills. So that efforts to improve the quality of human resources may be directed to that aspect. To increase physical quality can be in trying to do through programs related to physical health. This effort is intended to increase and development of human resources, particularly to develop intellectual abilities and personality.

Employee competence is a skill or ability of employees. Definition of competence as a skill or ability proposed by Roe (2001: 73)

"Competence is defined as the ability to adequately perform a task, duty or role. Competence integrates knowledge, skills, personal values and attitudes. Competence builds on knowledge and skills and is acquired through work experience and learning by doing ".

According Milkovich and Newman (2008) there are five characteristics that competence skills (ability), knowledge, Self concepts (attitude, values, self-image), traits and motives. According to Azhar Susanto (2009) definition of competence that is often used is the underlying characteristics of the individual to achieve superior performance. Competence is also the knowledge, skills, and abilities associated with the job, as well as the skills needed for the jobs of non-routine. Competence is a characteristic that made the difference between self-excellent performance with exceptional performance in a job or organization.

In general indicator of employee competence variables include: 1) the spirit of achievement, 2) the accuracy and clarity of work, 3) initiative, 4) a willingness to dig up information, 5) empathy. Meanwhile, according to the

State Administration Institute (2004: 14) argues that, scope of competence includes five capability, namely the ability of technical, managerial ability, communication skills, strategic capabilities and the ability ethics. Meanwhile, according to Spencer and Spencer (2007: 84) there are five (5) characteristics that form a competence that is 1) factors include the knowledge of technical problems, administrative, human processes, and systems. 2) Skills; refers to a person's ability to perform an activity. 3) The concept of self and values; refers to the attitudes, values and self-image, such as a person's belief that he could succeed in a situation. 4) personal characteristics; refers to the physical characteristics and consistency of responses to situations or information, such as self-control and ability to remain calm under pressure. 5) motif; the emotions, desires, needs psychological or other impulses that trigger actions

Robbins (2001) sees the commitment as one of the working attitude as it is a reflection of one's feelings (like it or not) to the place of the individual organizations working while Deni (2006) says that the commitment has two meanings, the first commitment as an indicator, the commitment is a factors relating to trust someone to value-nilain organizational goals, the desire to remain a member of the organization.

## 2.5 Political Practices

One of the primary purposes of government is to improve the welfare of all people. In connection with these objectives, the government seeks to achieve fiscal balance by maintaining the country's financial capabilities derived from income taxes and other sources in order to meet the wishes of the people. One feature that is important to realize that balance is the ongoing political process to harmonize the various interests that exist in society.

During this time, the process of budget politics in Indonesia were never considered important. Whereas politics in governmental organizations plays a very significant (Deddi Nodirwan, et al; 2012: 6). Political and bureaucratic institutions generally accept that the budget planning process has adopted a multi-storey development planning system (Musrenbang).

To bridge the impasse track people's aspirations related to the budget, this aspiration should be encouraged politically through parliamentary institutions both at the central and regional levels. Efforts to encourage political politically budget can be pursued by promoting the effectiveness of the Council and the Parliament recess to absorb the aspirations of the people. Aspirations are accommodated then be brought in the discussion of the legislative budget committee as proposed electoral districts (constituencies). This process of course can be done in parallel with the facilitation or assistance Musrenbang results generated from the community. The convergence of aspiration through a recess absorption process can be formulated into a flagship program of each electoral district in both the scale of the district / city, provincial or national level by the House of Representatives and the DPD. If the House / DPRD can streamline the process of recess to build a program priority proposals, in the budget document / Budget, the issue is done to answer the needs of constituents through better planning of technical agencies at the local level or the Office of the Department at the central level. Thus, funds budgeted own aspirations do not need to be spent by members of Parliament, but can be allocated directly through political mechanisms into programs of government agencies. This process would be ideal if the Political Parties and Politicians can build voter strength such that it can encourage accountability and independence of the Parties at every level.

## Theoretical Framework

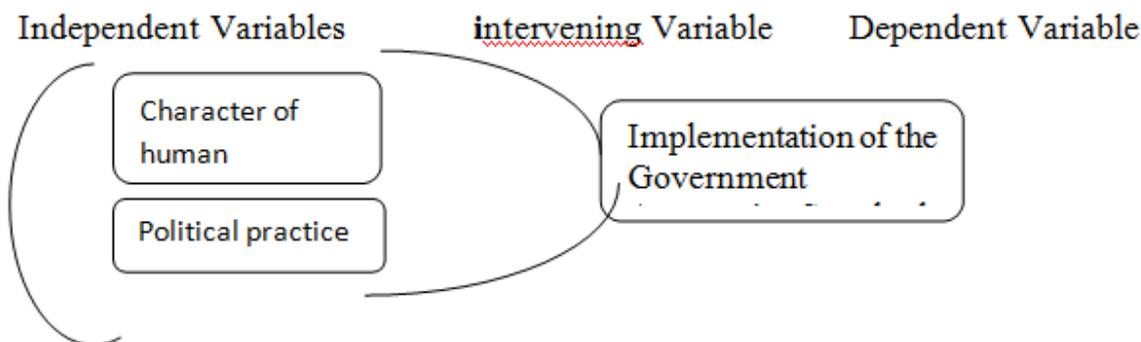
There are three factors that influence the government accounting, (<http://wikipedia.org> & Government Accounting Books, November 3, 2010) is a. Government System, b. Nature of Resources, c. Politics. Likewise with the application of the accounting system administration.

- Government System
- With a strong commitment to the local government supported the commitment of the apparatus of government, the application of accounting standards will be implemented.
- Education measured apparatus is based on formal education, the education that have been obtained in a formal school, ie Public High School, Diploma, Tahir, and his Master's degree. The higher education officials, the local government will be the better financial performance and the higher the ability of local governments in the implementation of government accounting standards.
- Training given to the local government officials are formal accounting training organized by an educational

institution outside of schools and institutions of higher education, or training hall particular ministry or department. With the formal accounting training local governments are expected to increasingly easy for the implementation of government accounting standards.

- Political Practice

## Model and Hypotesis



In this study the authors take the variable nature of human resources to take on the commitment and competence, the government's political process, and the implementation of government accounting standards. The hypothesis is a temporary answer to the formulation of a problem that has been stated previously, and as a premise estuary according to the explanation in the framework.

The hypothesis in this study are:

1. The Government of Baubau has implemented Governmental Accounting Standards
2. Characteristics of human resources affect the government's adoption of accounting standards
3. The practice of political influence on government's adoption of accounting standards

## Methodology & Discussion

### 4.1. Types Of Research

This research is descriptive (explanatory research) that explain the causal relationship between certain variables through hypothesis testing (Sugiyono: 2009).

### 4.2. Population and Sample

According Sugiono (2009: 215) Population is the generalization region consisting of objects or subjects that have certain qualities and characteristics defined by the researchers to learn and then drawn conclusions. While the sample is part of the population.

In this study, its population is the number of units of analysis and the target is clear, that is the whole regional work units in Bau-bau, amounting to 32. The unit of observation in this study were all SKPDs Chief Finance and Administration Officer local government sector departments of Baubau which amounts to 96 people. Unit of analysis: All SKPDs Bau-bau. Unit of observation: All Chief SKPD, and Financial Officer SKPDs. According Nasution (2005: 114) Data is a statement about something that already happened but is not yet known.

Based on the source data by Nasution divided into two categories: primary data and secondary data. (2005: 114):

- a. Primary data is data that is collected solely by an individual or an organization directly through the object.
- b. Secondary data is data that is obtained in the form of ready-made.

Techniques of data collection can be done through:

#### 1) Study Library

That is by using reading materials or literature; such as text books, articles, and other materials in the search for a theoretical basis those used in the study.

#### 2) Documentation

Is obtaining data by collecting documents, records associated with the object of research to obtain the information needed.

### 3) Interview

Is obtaining data by asking questions or gather information directly from the related parties with the data / information required in research.

### 4) Observation (Field Studies)

The method of collecting data through direct observation thoroughly (carefully and thoroughly) and sitimatis.

In this study, data were collected through a questionnaire previously distributed to the unit of observation. The use of questionnaires in data collection instrument here is the technique of data collection is done by giving a written question to the respondent (the unit of observation) to be answered.

## Measurement scale

This study uses a rating scale, which is a scale that shows a sequence of data with other data, to give weight to each sequence, so it can be made / operationalized through statistical calculations. Rating Scala is usually used to measure attitudes, opinions, perceptions of knowledge, ability and others of the unit of observation about social phenomena and will produce the kind of scale intervals. In this study, the variables used are unobserved variables or latent variables. Measurements are unobserved variables that can be done through the indicators that serves as a proxy. The rating scale can be used to measure commitment, attitude, experience, knowledge, and other variables that can not be measured in real terms.

## Research Instrument

In principle researching is measuring the social and natural phenomena; that is why there should be a good measuring tool. Gauges in the study referred to the research instrument. So the research instrument is a tool used to measure the natural and social phenomena are observed. (Sugiyono: 2010; 102).

Use of research instruments based on the variables used. Based on these variables, will specify the indicators, which will then be translated through instruments. If the variables used can be measured (observed), the measurement with the presentation of the figures as appropriate measurement tool, but if the variables used are unobserved variables (not measured) or latent variables, the use of other tools through the use of questionnaires. This research is the unobserved so using tools questionnaire with the appropriate instrument bike operationalization of variables.

## 4.5 .Technical Data Analysis

Techniques of data analysis is the process of systematically searching and compiling data obtained from interviews, field notes, and documentation, by way of organizing data into categories, describe into the units, synthesize, organize into a pattern, choose which is important and that will be studied, and make conclusions so easily understood by ourselves and others (Sugiyono: 244)

The paradigm of this research is a paradigm that track data analysis technique used is the path analysis. Analyses were performed with using correlation and regression, so it can be known to last until the dependent variable, it should be through a direct path or through an intervening variable.

## Glimpse of Baubau

City Baubau formed on October 17, 2001, the result of the expansion of the City of Buton. The legal basis set out in the Act No.13 of 2001. Baubau City headed by a mayor whose office on Jl. Palagimata Baubau City. Baubau city in the limit:

- West of Strait of Buton.
- East with Pasarwajo District of Buton
- North side by District Kapontori Buton
- South side by District Batauga Buton

Total area: 221.00 km<sup>2</sup> Mainland

Population: 136 991 inhabitants (Census 2010)

Administrative Region: District: 7, Village: 43, Village

Presentation of Data

Various attempts were made Baubau City government. Various programs were developed in all sectors of activity. These include revamping of its authorities and repair local authority financial statements. Implementation of the Government Accounting Standards

- 1) Purpose Financial Statements presented by the local government has been fulfilled, namely:

- The availability of information about the adequacy of revenues to finance expenditure
- The availability of information on how the acquisition of resources and the allocation of funds in accordance with the budget

- The availability of information on the number of sources of funds and the results achieved
- The availability of information on funding entities that provide for cash
- Availability of information about an entity's financial position and conditions

2) Components of Financial Statements disajika quite complete, which includes:

a) Report of the realization of the budget

Availability of information on the realization of revenues, expenditures, transfers, surplus / deficit, and financing, as compared with the budget

b) Balance Sheet

Availability disclosure of any assets and liabilities which include the expected number ditrima contract and paid within 12 months after the reporting date

c) Statement of cash flows

Availability of historical information about the changes in cash and cash equivalents by classifying cash flows based activities, non-financial assets investment, financing and non-budget during the accounting period

d) Notes to the financial statements

Availability explanation or a list or a detailed analysis of the value of an item that is presented in the realization of the budget, balance sheet and cash flow statement, to avoid errors in reading financial statements.

3) Principles of Accounting, has not been fully met.

a) Historical Cost Principle

b) Revenue Recognition Principle (Measurement Principle)

c) The matching principle (Principle Comparable)

d) Principle of Full Disclosure (Disclosure Principle)

Characteristics of Human Resources with emphasis Improving the quality of human resources, conducted by the research of commitment and competence of its staff.

Competence can be seen from the indicators:

1) factors include the knowledge of technical problems, administrative, human process, and systems.

Development of education in the City Baubau directed at competency mastery of information technology and systems that will facilitate access to information for presentation and proper financial reporting and compliance with the standards.

2) Skills; refers to a person's ability to perform a activities.

Government Baubau continually strive to increase the quality of its officers through training, seminars, workshops and continue to provide opportunities and encourage staff members to continue to pursue higher education. All the efforts of development and improvement in terms of both education and skills enhancement for the apparatus is in improving government services for citizens, as well as a form of local government responsibilities to the demands of good government management, akuntability, transparency.

3) The concept of self and values; refers to the attitudes, values and self-image someone, such as a person's belief that he could succeed in a situation.

- Leaders are always set an example by working in the discipline.

- The officers are always running full duties responsibilities

4) Personal characteristics; refers to the physical characteristics and consistency of responses to situations or information, such as self-control and ability to remain calm under pressure.

- Implementation of seminars, workshops, and training others also support education and skills in order to improve the capability and quality of the apparatus,

- Training, including training in computers, capable of supporting capabilities in the field of technology for the apparatus

5) Motif; an emotion, passion, psychological needs or impulses

Another trigger action. While commitment owned apparatus measured by assessment:

1) Directs, gave a briefing on the work plan details the efforts that must be made. It is associated with local government programs that should be implemented in a set budget.

2) Approve, to discuss efforts to prepare a work plan objectives, then agree on the achievement diskusi.sesuai the work program, and in order to achieve a thriving development.

3) Measure, determine the point of monitoring center, where each leader is responsible for measuring outcomes produced, and delivered to the head on it whenever it appears achievement that exceeds or is less than the range that has been agreed so that corrective action can be done. This is related to the absorption of the budget to finance various programs that have been formulated by the respective local government sectors in Baubau.

### Political Practice

One of the primary purposes of government is to improve the welfare of all people. In connection with these objectives, the government seeks to achieve fiscal balance by maintaining the country's financial capabilities derived from income taxes and other sources in order to meet the wishes of the people. One feature that is important to realize that balance is the ongoing political process to harmonize the various interests that exist in society.

The political process can take a look through several stages, namely:

- 1) Musrenbang: the aspiration of society where political institutions and bureaucracy generally accept that the budget planning process has adopted a multi-storey development planning system. This process memungkinkan budgeting process that is clean and transparent, because according to the program and needs directly.
- 2) top-down planning document as a policy alternative. Because of this the village level has been disconnected, the national development planning system that directly coordinated by Bappenas.
- 3) the Council and the Parliament recess to absorb the aspirations of the people. Aspirations are accommodated then be brought in the discussion of the legislative budget committee
- 4) the convergence of aspiration through a recess absorption process can be formulated into a flagship program of each electoral district in both the scale of the district / city, provincial or national level

### 5.3 Test Data

#### Test Validity and Testing Reliability

This test is performed to determine whether the measuring instruments used to measure what needs to be measured. A measuring instrument that high validity will have a small error rate, so that the data collected is adequate data. Validity indicates the extent to which a measuring device that measures what it claims to measure, with the use of 3 (three) approaches: validity, content validity, criterion-related validity, and construct validity (Indriantoro: 2002). Validity test is done by calculating the correlation of each statement with a total score, which is calculated by using SPSS.

### Case Processing Summary

		N	%
Cases	Valid	60	100.0
	Excluded <sup>a</sup>	0	.0
	Total	60	100.0

- a. Listwise deletion based on all variables in the procedure.

Based on SPSS calculations that of a sample of 60 were taken in this study as valid.

#### Reliability Statistics

Cronbach's Alpha	N of Items
.849	7

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Item.1	17.4853	15.060	.732	.809
Item.2	17.4853	15.310	.691	.816
Item.3	17.3207	14.916	.741	.808
Item.4	17.3208	14.863	.753	.806
Item.5	18.0999	16.878	.424	.856
Item.6	17.8671	16.442	.501	.844
Item.7	17.7085	17.836	.436	.850

Competence variable that has seven instruments, it gives a Cronbach's Alpha value of 84.9%. According to Nunnally criteria can be concluded that the variable Competence quite reliable since more than 60%.

### Case Processing Summary

		N	%
Cases	Valid	60	100.0
	Excluded <sup>a</sup>	0	.0
	Total	60	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.940	10

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Item.8	30.3177	43.427	.726	.935
Item.9	30.0574	43.275	.739	.934
Item.10	30.8637	43.169	.794	.932
Item.11	30.0576	42.786	.833	.930
Item.12	30.0572	44.236	.674	.937
Item.13	30.3176	43.343	.758	.933
Item.14	30.0573	42.937	.805	.931
Item.15	30.0571	44.369	.663	.938
Item.16	30.0577	42.958	.783	.932
Item.17	30.0574	42.944	.778	.932

Commitment to variable using the instrument turns 10 Cronbach's Alpha value of 94%. According to Nunnally criteria can be concluded that the variable Competence very reliable since more than 60%.

### Case Processing Summary

		N	%
Cases	Valid	60	100.0
	Excluded <sup>a</sup>	0	.0
	Total	60	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.816	7

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Item.18	18.0608	15.352	.500	.801
Item.19	17.8842	15.300	.520	.798
Item.20	17.4921	14.855	.544	.794
Item.21	16.8452	14.208	.667	.772
Item.22	16.8448	13.668	.761	.755
Item.23	16.8449	14.571	.618	.781
Item.24	18.0201	16.440	.306	.834

For Political Variables using the instrument turns 7 Cronbach's Alpha value of 81.6%. According to Nunnally criteria can be concluded that the variable Competence very reliable since more than 60% or a very reliable by Barker at al, because it is greater than 0.7 (70%).

### Case Processing Summary

		N	%
Cases	Valid	60	100.0
	Excluded <sup>a</sup>	0	.0
	Total	60	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.917	14

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Item.25	38.3601	60.756	.734	.908
Item.26	39.3721	62.073	.728	.908
Item.27	37.9781	61.437	.706	.909
Item.28	38.2010	61.470	.668	.910
Item.29	38.1012	63.168	.573	.914
Item.30	37.9778	61.682	.650	.911
Item.31	38.1013	61.501	.690	.909
Item.32	37.9779	61.686	.696	.909
Item.33	37.8136	62.644	.626	.912
Item.34	37.9783	61.207	.716	.908
Item.35	38.1011	64.319	.449	.918
Item.36	37.8139	62.750	.623	.912
Item.37	38.2011	62.573	.629	.912
Item.38	37.5537	65.775	.415	.919

The dependent variable in the form of adoption of the Government Accounting Standards 14 (fourteen) instrument measured Cronbach's Alpha value of 91.7%. According to Nunnally criteria can be concluded that the variable Competence very reliable since more than 60% or a very reliable by Barker at al, because it is greater than 0.7 (70%)

Analysis of Effect of Competence, Commitment, and the Politics of the Application Government Accounting Standards In this section will be performed statistical tests to determine the level of significance of the influence of the three factors which include: Competence, Commitment, and the Political Process for Implementation of the Government Accounting Standards. Statistical analysis was used to test the effect of the three independent variables to the Government Accounting Standards Application is path analysis.

Path analysis examines the causal relationship of the structural nature of independent variables on the dependent variable and an independent variable is no relation to each other (interconnected). To determine the level of the power relationships among the independent variables, the correlation coefficient values obtained consulted correlation coefficient table below.

Classification Guidelines Correlation Coefficient

Number	Interval Correlation Coefficient	level Relationships
1	0,000 – 0,199	Very low
2	0,200 – 0,399	Low
3	0,400 – 0,599	Medium
4	0,600 – 0,799	Strong
5	0,800 – 1,000	Very strong

Correlation Coefficient Between Variables.

The variables of this study consisted of Competence (X1), commitment (X2) and Politics (X3). In this study, the third dimension into the independent variable and the correlation coefficient between these three variables are presented in the following table.

### Correlation Between Independent Variables

Sub Variables	X <sub>1</sub>	X <sub>2</sub>	X <sub>3</sub>
X <sub>1</sub>	1,000		
X <sub>2</sub>	0,3654	1,000	
X <sub>3</sub>	0,1864	0,1984	1,000

Source: Appendix Output Line

Based on the value of the correlation coefficient above can be seen that:

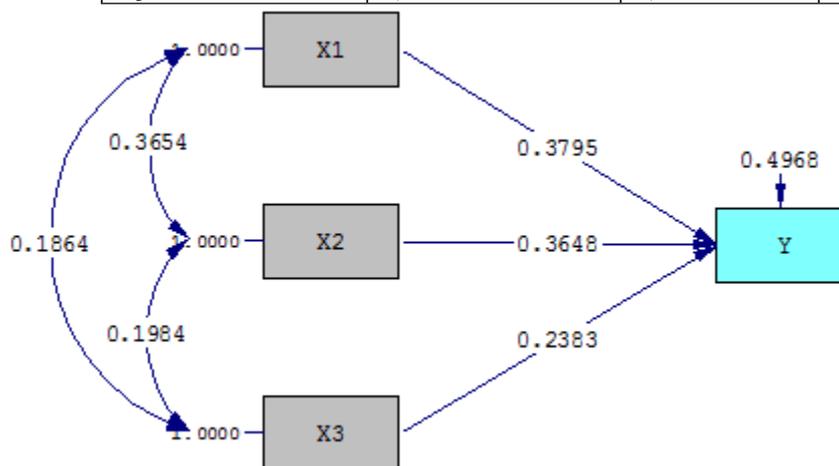
- The relationship between competence (X1) shall Commitments (X2) is 0,3654 and included in the low category. The direction of a positive relationship between commitment to competence indicates that the better Competence government officials will be followed by an increase in commitments.
- The relationship between competence (X1) shall political process (X3) of 0.1864 and is included in the category of very low. Direction of the positive relationship between competence with commitment shows that the better the competence of government officials will be followed by improvements in the political process in the government.
- The relationship between commitment (X2) political views (X3) of 0.1984 and is included in the category of very low. The direction of a positive relationship between the political commitment shows that the commitment will be followed by improvements in governance and political change.

### 5.5 Coefficient Line

Having described the relationship between the independent variables (Competence, Commitment, and political) will further test the effect of these three variables on the Implementation of the Government Accounting Standards in the Baubau city government, either jointly or partially. Based on the results of data processing using SPSS 20 software obtained path coefficient of each sub-variables Competence, Commitment, and politics, to the government's application of accounting standards as follows.

Path coefficient Each Sub Variable Independen Terhadap Government Accounting Standards Implementation

variables	path coefficient	tarithmetic	<b>R<sup>2</sup> = 0,5032</b>
X <sub>1</sub>	0,3795	3,7212	
X <sub>2</sub>	0,3648	3,5683	
X <sub>3</sub>	0,2383	2,4599	



Third Line Diagram Figure Variable Against Government Accounting Standards Implementation

Taken together the three variables: Competence, Commitment, and political influence of 50.32% (R<sup>2</sup>) of the Implementation of the Government Accounting Standards in the City Baubau. While the remaining 49.68% is the influence of other factors outside of these three variables. Through the path coefficients obtained, the next calculated value of t-test statistics are compared with the value t of the table at a significance level of 5% ( $\alpha = 0.05$ ). Visually path diagram of the three independent variables Competence, Commitment, and political Against Government Accounting Standards Implementation, described as follows.

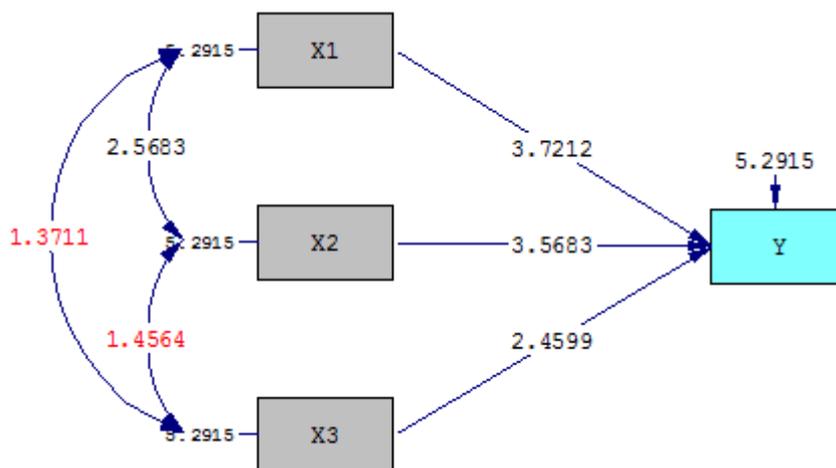


Image Line Diagram and t-test three variables Against Government Accounting Standards Implementation Through the values shown in the figure can be calculated the influence of each independent variable sub (competence, commitment, and political) of the Implementation of the Government Accounting Standards.

1) Implementation of the influence of competence against the Government Accounting Standards calculated as follows:

- Competence direct effect on the Implementation of the Government Accounting Standards Board =  $(0.3795) \times (0.3795) = 0.144$  (14.4%)
- The indirect effect of the adoption of Accounting Standard Competency Government because of its association with the commitment =  $xx = (0.3795) \times (0.3654) \times (0.3648) = 0.01920$  (1.9%).
- The indirect effect on the competence of the Government Accounting Standards Application because of its association with Politics =  $xx = (0.3795) \times (0.1864) \times (0.2383) = 0.01686$  (1.7%).

So the total effect of the competence of the Government Accounting Standards Application =  $14.4\% + 1.9\% + 1.7\% = 18\%$  with a positive direction, meaning that 18% of the success of the Government Accounting Standards Implementation caused by government officials related competencies.

2) Commitment to the Implementation of the influence of the Government Accounting Standards Board is calculated as follows:

- Commitment to a direct effect of the Government Accounting Standards Application =  $(0.3648) \times (0.3648) = 0.133$  (13.3%)
- The indirect effect of commitment to the Government Accounting Standards Application because of its association with competence =  $xx = (0.3648) \times (0.1984) \times (0.3654) = 0.026$  (2.6%).
- The indirect effect of commitment to the Government Accounting Standards Application for connection Politics =  $xx = (0.3648) \times (0.1984) \times (0.2383) = 0.017$  (1.7%).

So the total effect of Commitment to the Government Accounting Standards Application =  $13.3\% + 2.6\% + 1.7\% = 17.6\%$  with a positive direction, meaning that 17.6% Implementation of the Government Accounting Standards influenced by commitments or government officials.

3) Great Political influence Accounting Standards Application Against calculated as follows:

- Direct Effect Against Political Accounting Standards Application =  $(0.2383) \times (0.2383) = 0.057$  (5.7%)
- The indirect effect Against Political Implementation of Accounting Standards for its association with competence =  $xx = (0.2383) \times (0.3654) \times (0.3648) = 0.032$  (3.2%).
- The indirect effect Against Political Implementation of Accounting Standards do with commitment =  $xx = (0.2383) \times (0.01984) \times (0.3648) = 0.017$  (1.7%).

So the total effect of adoption of Accounting Standards Against Politics =  $5.7\% + 3.2\% + 1.7\% = 10.6\%$  with a positive direction, meaning that 10.6% Implementation of the Government Accounting Standards influenced by political factors. Among the three independent variables, it can be seen that the competence to give effect 18%; 17.6% commitment and influence Political influence 10.6% of the Implementation of the Government Accounting Standards. From the calculations above, we can see the effect of it is variable Competence peling against the Government Accounting Standards Application by 18%, while the smallest effect on the factors above is a factor of political process, which only affect the application of accounting standards rule 10.6 % only.

Having calculated the influence of each of the three variables Competence, Commitment and Politics Against Government Accounting Standards Application in the City of Baubau, hypothesis test to test the significance of

the effect of the three independent variables on consumer buying decision process. Started with a significance test together (simultaneously) and followed with a partial test (individual).

### 5.6 Testing In Together

To test whether the three systems of government, the characteristics of human resources, and political jointly influence the Government Accounting Standards Implementation is carried out by statistical hypothesis testing as follows.

$$YX_i = 0 \rho H_0:$$

i = 1,2,3 Competence, Commitment, and Politics, jointly not Affecting Implementation of Government Accounting Standards

$$0 \neq YX_i \rho H_a:$$

i = 1,2,3 Competence, Commitment, and Politics, and Politics, jointly Affecting Implementation of Government Accounting Standards

Testing of the hypothesis is done through the t test statistic with the provisions of "reject Ho" if Fhitung greater than F table, or otherwise accept Ho if t count less than or equal to t table. Through the coefficient of determination (R<sup>2</sup>) can be calculated value of F using the following formula.

$$T_{hit} = \frac{(60 - 3 - 1) \times 0.5032}{3 \times (1 - .5032)} = 18.907$$

n = number of samples

k = number of independent variables

From table t for the 0.05 significance level and degrees of freedom (3; 56) obtained ttable value of 2.679. Because tcount (18.907) is greater than the F table (2.679), then the error rate of 5% was decided to reject Ho so that Ha is accepted. So based on the test results it can be concluded that the factors or variables that include Competence, Commitment, and Politics together / simultaneous significantly affect the Government Accounting Standards Application in the City Baubau.

### 5.7 Testing Partial

Because the results of the test jointly concluded a significant influence on Competence, Commitment, and Politics Against Government Accounting Standards Implementation, partially further testing to further examine the effect of each variable Competence, against the Government Accounting Standards Application in the City Baubau . To test the path coefficients of each variable used Competence statistical t-test will be compared with the value t of the table on the error rate of 5% and 56 degrees of freedom in the two-way test is equal to 2.679.

- Effect of Competence, Against the Government Accounting Standards Application

Hypothesis:

Ho:  $\rho YX_1 = 0$ : Competence, partially no effect on the Application of Standards at the City Government Accountancy Baubau

Ha:  $\rho YX_1 \neq 0$ : Competence, partially influence the Government Accountancy Standards Application in the City Baubau

Competency Test Results Effect of adoption of accounting standards Against Government

path coefficients	t <sub>hitung</sub>	t <sub>tabel</sub>	Ho	Ha
0,3795	3,7212	2.679	Ditolak	diterima

Based on the test results in the table above can be seen tcount sub variable Competence, (3.7212) greater than t table (2.679). Because t count greater than ttable, then the 95% confidence level so it was decided to reject Ho Ha accepted. These test results showed a significant influence on Competence Against Government Accounting Standards Application in the City Baubau

- Marked positive path coefficients Competence means positively affect adoption of the Government Accounting Standards. The greater the faster Competence and Application of Accounting Standards government right in the City Baubau. Competence direct influence on the Government Accounting Standards Implementation of 14.4%. Then the indirect effect of Competence for the Government Accounting Standards Implementation 1.9% and 1.7%. The total effect on the Implementation of Government Systems Government Accounting Standards by

18%. Based on the above test, obtain results which show the influence of variables on the Implementation of the Government Accounting Competence by 18%.

• Commitment to Influence Government Accounting Standards Implementation Hypothesis:

Ho:  $\rho_{YX_1} = 0$ : Partial commitment does not affect the adoption of Accounting Standards in the City Baubau

Ha :  $\rho_{YX_2} \neq 0$ : Commitment partially affect the adoption of Accounting Standards in the City Baubau Test Results Effect of Commitment to the Government Accounting Standards Implementation

Path Koeficient	t <sub>arithmetic</sub>	T <sub>table</sub>	Ho	Ha
0,3648	3,5683	2,679	reject	received

Based on the test results in the table above can be seen tcount sub Commitment (3.5683) greater than t table (2.679). Because t count greater than ttable, then the 95% confidence level so it was decided to reject Ho Ha accepted. The results of this test showed a significant difference Commitment to the Government Accounting Standards Application in the City Baubau. Commitment directly affect the adoption of the Government Accounting Standards 13.3% Indirectly influence Commitment to Implementation of the Government Accounting Standards and 2.6%. 1.7% .

So the total effect of Commitment to the Government Accounting Standards Implementation of 17.6% with a positive direction, meaning that 17.6% Application of Accounting Standards influenced by the commitment of the Government or government officials.

• Political Influence Against Government Accounting Standards Implementation

Hypothesis:

Ho :  $\rho_{YX_3} = 0$ : Political partially no effect on the Implementation of the Government Accounting Standards Baubau City Government.

Ha :  $\rho_{YX_3} \neq 0$ : Partially political influence on the Government Accounting Standards Implementation City Government Baubau.

Test Results Political Influence on Government Accounting Standards Implementation of Baubau

path coefficients	t <sub>arithmetic</sub>	T <sub>table</sub>	Ho	Ha
0,2383	2,4599	2,679	Ditolak	diterima

Based on the test results in the table above can be seen tcount sub Political variables (2.4599) greater than t table (2.679). Because t count greater than ttable, then the 95% confidence level so it was decided to reject Ho Ha accepted. This indicates a significant difference between the Parties to the Implementation of the Government Accounting Standards in the city Baubau.

Path coefficient is positive indicates that the Parties have a positive influence on the Implementation of the Government Accounting Standards, meaning that goes well Political will encourage adoption of the Government Accounting Standards in the city Baubau

Political directly affect the adoption of Accounting Standards of 5.7%. Against Political indirect effect of Accounting Standard Implementation 3.2% and 1.7%. So the total effect of adoption of Accounting Standards Against the Politics of 10.6% with a positive direction, meaning that 10.6% Implementation of the Government Accounting Standards. Based on the results of these calculations, the model equations that express the relationship between the variables of competence, commitment, and the politics of the government's application of accounting standards can be formulated:

$$Y = X_1 + 0.3795 * 0.3648 * 0.2383 * X_2 + X_3,$$

Errorvar. = 0.4968, R<sup>2</sup> = 0.5032

**Conclusion**

Based on the analysis and discussion in the previous chapter, the authors can conclude that:

a. By basing on the theory suggested by experts, it turns out the characteristics of human resources in this study represented the commitment and competence of each:

- Factors knowledge of the apparatus has been pretty good, less so the technological mastery of information systems has not been running perfectly. Adequate skills because often the workshops, seminars, and

training for its officers. The leaders SKPD quite an example and role model for the attitude of his subordinates, the authorities running the full duties with responsibility.

- More consistent attitude held by the authorities in carrying out the obligations to be borne by each, apply the training, workshops and seminars that have been lived, was able to give each other motivation among officers.

- Leaders are always giving advice and explaining the details of the work to any executive officer, chief always discuss the annual government programs, discuss and approve the implementation of the work program pemdayang accordance with the central government.

- Fixed convening musrenbang in each sub-district

- The presence of aspiration performed each community representatives to determine the required program, discussed at the level of budget,

- Fulfillment purpose financial statements,

- The preparation of financial statements to meet the government has complete accounting principles.

- Suitability of financial statement presentation purposes, the completeness of the financial statements component,

- Not entirely financial statements prepared in accordance with the principles of presentation.

b. Effect of Competence by 18% against the adoption of the Government Accounting standards. This is evidenced by the calculation of the t test of 3.7212 is greater than t table (2.679). Betanda positive path coefficient means the Government system positively affects the adoption of the Government Accounting Standards. The higher the competence of authorities, the faster and easier in the Application of Standards and Government Accounting in the City Baubau. Competence direct influence on the Government Accounting Standards Implementation of 14.4%, then indirect effect on the Application of Standards of Competence Government Accounting 1.9% and 1.7%. The commitment of government officials providing direct influence on the Implementation of the Government Accounting Standards 17.6%, indirect effect Commitment to the Government Accounting Standards Application for connection of competence by 2.6%, indirect effect on the Application of Standards of Competence for relation Politics Government Accounting 1, 7%. Overall the effect of commitment to the Government Accounting Standards Implementation of 17.6%. Political influence on the Implementation of the Government Accounting Standards as a whole was 10.6%. ; 5.7% direct, indirect effect Against Political Implementation of Accounting Standards for its association with the competence of 3.2%, indirect effect Against Political Implementation of Accounting Standards to do with the commitment of 1.7%. Competence, commitment, and Politics together / simultaneous significantly affect the Government Accounting Standards Application in the City Baubau.

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