FACTORS AFFECTING THE DEVELOPMENT OF REGIONAL BUDGET AND PERFORMANCE BASED ON NORTH TORAJA DISTRICT

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Abstract:-
This study aims to examine and analyze the factors that influence the performance-based budgeting of regional revenues and expenditures in North Toraja Regency. This research is located in North Toraja Regency and will be conducted for 1 month. The population in this study were all regional work units in the North Toraja Regency Government. The technique used in this study was a survey. The survey is used if the population elements are relatively few and heterogeneous in nature, so that all 74 (seventy four) members of the supervisory apparatus of the North Toraja Regency Government will become respondents. The type of data in this research is quantitative data. Quantitative data is data that is measured in a numerical scale (numbers). Data analysis in this study was carried out using multiple linear regression analysis with the help of the Stata 14 program. To measure the variables in this study, researchers used a Likert scale. This study uses 5 (five) independent variables, namely the commitment factor of all organizational components (X1), administrative improvement (X2), sufficient resources (X3), reward (X4), sanctions (X5) and 1 (one) dependent variable, namely the preparation of performance-based Local government budget (Y).

Keywords: Performance-based Local government budget formulation, commitment from all organizational components, administrative improvement, sufficient resources, reward, punishment.

Introduction:--
Law Number 32 of 2004 concerning Regional Government and Law Number 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments open wide opportunities for regions to develop and develop regions according to their respective needs and priorities. The enactment of these two laws has consequences for regions in the form of accountability for the allocation of funds owned in an economical, efficient and effective manner, especially in efforts to improve welfare and public services to the community.

Performance-based budgeting, among other things, is the answer to be used as a measure and accountability for government performance. The implementation of performance-based budgeting is an integral part of the implementation of financial management improvement, which aims to increase transparency and accountability of public services and the effectiveness of implementing policies and programs. The performance-based budgeting system is a budget formulation system that emphasizes results and controls expenditure. This system mainly seeks to link directly between outputs and outcomes accompanied by an emphasis on the effectiveness and efficiency of the allocated budget.

It should be noted that the performance-based Local government budget refers to the indicator “inputs-process-outputs-outcomes-impacts-benefits”. Success in this context does not mean "success in spending the budget" (inputs justification) but success in how to achieve it (according to the rules) and efficient in achieving it with measurable optimum results in accordance with the objectives to be achieved from the initial planning. In line with the research conducted by Imam T Raharto (2008) states that there is a relationship between expected outputs and outcomes, including efficiency in achieving results from outputs with performance-based budget planning.

In preparing a performance-based budget, an organization or an organizational unit is not only obliged to arrange the functions, programs, activities and types of expenditures but also the results of the programs or activities carried out. This performance-based budget program is defined as a policy instrument that contains one or more activities carried out by government agencies or institutions to achieve goals and objectives and obtain budget allocations or community activities coordinated by government agencies. These activities are structured as a way to achieve annual performance. In other words, the integration of the annual work plan (Renja Local government work unit) which is the operational plan of the strategic plan.
Commitment From All Components of the Organization

The study is "Factors Affecting the Formulation of Performance-Based Regional Income and Expenditure Budgets in North Toraja Regency government. The title proposed by the author in this Regency".

The formulation of the Local government budget based on performance-based budgeting in the North Toraja Regency Government functions or activities during a certain period of time. According to Irawan (2000), performance is the result of work that is influenced by the commitment of all organizational components, administrative improvement, sufficient resources, rewards and sanctions. Therefore, the authors are encouraged to look at the factors that influence the formulation of the performance-based budgeting process. According to Ilyas (2001), performance is the appearance of the work of Local government work unit with the performance-based budgeting process. Several important components as a basis for evaluating the success of performance-based budgeting have been implemented.

Based on the results of preliminary observations that have been made, it is assumed that the ineffective and inefficient formulation of the Local government budget based on performance-based budgeting in the North Toraja Regency Government is influenced by the commitment of all organizational components, administrative improvement, sufficient resources, rewards and sanctions. Therefore, the authors are encouraged to look at the factors that influence the formulation of the performance-based Local government budget (Study at the North Toraja Regency Government). The title proposed by the author in this study is "Factors Affecting the Formulation of Performance-Based Regional Income and Expenditure Budgets in North Toraja Regency".

Literature Review:-

Performance-based budgeting

Bernardin and Russel (1998) provide a definition of performance which is a record of the results obtained from certain job functions or activities during a certain period of time. According to Irawan (2000), performance is the result of work that is concrete, observable and measurable. Meanwhile, according to Ilyas (2001), performance is the appearance of the work of personnel and within an organization.

Another definition of performance was put forward by Wibowo (2007), that performance is the result of work that has a strong relationship with organizational strategic goals, customer satisfaction and makes an economic contribution. If we recognize three types of performance, namely organizational performance, unit performance and employee performance. Thus that performance and work performance are a reflection of the results achieved by a person or group of people. In Government Regulation Number 8 of 2006 Article 1 paragraph 2, performance is the result of activities or programs that will be or have been achieved in connection with the use of a budget with measurable quality and quantity.

Commitment From All Components of the Organization

Winner (1982) in Sumarno (2005) states that organizational commitment is an encouragement from within the individual to do something in order to support the success of the organization in accordance with the goals set and prioritizes organizational interests. According to Mowday (1979) in Suhartono (2007) organizational commitment is a strong belief and support for the values and goals the organization wants to achieve. Steers, et al (1982) in Sopiah (2008) argue that organizational commitment is a condition in which employees are very interested in the goals, values and goals of their organization. High commitment makes individuals more concerned with the organization than personal interests and tries to make the organization better. Low organizational commitment will make individuals act for their own interests.

Steers (1980) in Kunwaviyah (2010) defines organizational commitment as a sense of identification (trust in organizational values), involvement (willingness to do the best possible for the sake of the organization) and loyalty (the desire to remain a member of the organization concerned) expressed by an employee against his company. He argues that organizational commitment is a condition in which employees are very interested in the goals, values and goals of the organization. Commitment to the organization means including an attitude of liking the organization and a willingness to exert a high level of effort for the benefit of the organization for the achievement of goals.

and the annual budget is a component of the performance-based budget.

Administrative refinement is a conscious effort to make changes and adjustments to government administration in order to improve government administration. Administrative improvements in the form of preparation of performance-based budget measurement instruments continuously measured based on improvements to existing performance-based budget measurement instruments, namely Minimum standards of service, Expenditure Analysis Standards, Performance Targets and Cost Standards.

Provision of resources that support the implementation of a performance-based budgeting system in the form of quantitative data on performance indicators to obtain performance information on planning program activities to achieve goals and objectives and allocating resources into programs, performance evaluation which is accountability for the use of resources and performance accountability reports of government agencies (LAKIP Local government work unit), which is feedback for further strategic planning. This is in line with research conducted by Fitri et al. (2013) which states that supporting resources have a positive and significant influence on performance-based budgeting in the West Lombok Regency government.

In simple terms, regional budgeting (often known as public sector budgeting in the regions) can be understood as a process or method for preparing and preparing a budget in an area, which is a description of the estimated performance to be achieved over a certain period of time and expressed in financial terms. This is an instrument of accountability for the management of public funds and the implementation of programs financed by public funds. Experience so far shows that regional budgets still have to be refined. In addition, there are many complaints from the public relating to budget allocations that are not in accordance with the needs and priority scale and do not reflect aspects of the economy, efficiency and effectiveness. Therefore, regional financial management must be based on a performance emphasis system and oriented towards the public interest.

The North Toraja Regency Government in preparing the APBD is not entirely based on performance-based budgeting. In the initial research carried out in 4 (four) Regional Work Units, namely the Public Works Office, Regional Development Planning Agency, Health Service and Food Security Office, the researcher compared the planning and budgeting documents of each Local government work unit with the performance-based budgeting process. Several important components as a basis for evaluating the success of performance-based budgeting have not been properly implemented.

Based on the results of preliminary observations that have been made, it is assumed that the ineffective and inefficient formulation of the Local government budget based on performance-based budgeting in the North Toraja Regency Government is influenced by the commitment of all organizational components, administrative improvement, sufficient resources, rewards and sanctions. Therefore, the authors are encouraged to look at the factors that influence the formulation of the performance-based Local government budget (Study at the North Toraja Regency Government). The title proposed by the author in this study is "Factors Affecting the Formulation of Performance-Based Regional Income and Expenditure Budgets in North Toraja Regency".
Administrative improvements

According to Been Lee (1970) in Alfatih (2004), the aim of improving administration is to increase order, improve methods, and improve working performance. Wallis (1989) in Rakmat (2005) on administrative improvement says that administrative reform includes three aspects that a change must be an improvement from the previous situation, improvements are obtained by deliberate efforts and do not happen accidentally or without effort, and improvements that occur are long term. long and not temporary.

According to Bastian (2006), performance-based budgeting requires a well-organized, consistent and structured public administration system so that budget performance can be achieved based on predetermined measures. According to Tjokroamidjojo (1985) in Sinaga (2008), in general there tends to be a planning and improvement of state administration seen as a whole in a fairly long time dimension. This is due partly to the fact that the maturity level of an improvement in state administration does indeed require a long period of time. But the implementation is done partially according to the priorities. Administrative reform needs to be aimed at improving administration to support regional development.

Sufficient Resources

Conditions for running an organization are ownership of resources. An expert in the field of resources, Schermerehorn, Jr. (1994) classifies resources into: "information, material, equipment, facilities, money, people." While Hodge (1996) groups resources into: "human resources, material resources, financial resources and data resources ". (Winarno Budi, 2005).

According to Edward III in Akiib (2010), resources are important in implementing good policies. The indicators used to see the extent to which resources influence policy implementation consist of human resources, budget resources, information in the form of data and other supporting facilities. The main resources in policy implementation are staff or employees. Failure that often occurs in policy implementation, one of which is caused by insufficient or incompetent staff or employees in their respective fields. A sufficient number of staff with the necessary skills and abilities is required. Information is an important resource for policy implementation.

Reward

Awards are rewards in the form of money given to those who can work beyond predetermined standards (Mahmudi, 2005). According to Nugroho (2006), reward is a form of method in motivating someone to do good and increase their achievement. The system of rewards and sanctions is intended to encourage employees to work better and to generate motivation so that they can encourage employee performance to be better.

The existence of clear rewards also affects the success of the performance-based Local government budget preparation. Giving awards to an organization or Local government work unit or personnel directly involved in budgeting can be a motivation for implementing performance-based budgets. Fair and consistent application of rewards for success in implementing performance-based budgets can be given in the form of career advancement and promotion. Implementing performance-based budgeting is not an easy task, it requires sufficient skills and knowledge about the performance-based budgeting process. By giving rewards to organizations that are able to implement ABK, namely by compiling Renstra, Renja and RKA Local government work unit documents that are guided by the performance-based budgeting process, it is hoped that this can become the basis for the preparation of performance-based Local government budget.

The application of rewards (rewards) fairly and consistently for success in implementing performance-based budgets is measured based on the existence of rewards in the form of career advancement or additional income, this is in accordance with the Regulation of the Minister of Home Affairs Number 59 of 2007 Article 39 paragraph 7 that additional income based on work performance is given to civil servants with high performance and / or innovation.

Punishment

The concept of punishment received attention in psychology after B.F.Skinner put forward the instrumental learning theory in 1983. In his theory, B.F.Skinner (1985) in Wahyuningsih (2009) revealed that human behavior is formed by a series of reinforcement and punishment (punishment) that it receives from the environment. If a person is punished for a behavior, that action is not reproduced. Sanctions are negative reinforcement, but are needed in the company. Sanctions are also a regressive educational tool, meaning that punishment is used as a tool to make employees aware of the right things.

Fair and consistent application of sanctions for failure to implement performance-based budgets is measured based on the existence of sanctions in the form of administrative sanctions and other disciplinary sanctions. This is in accordance with Government Regulation Number 8 of 2006 Article 34 in the event that delays in submitting financial reports are caused by intentional or negligent impacts on the implementation of performance evaluation, SKPD will be given sanctions in the form of suspension of budget execution or delay in disbursement of funds.

Performance Based Budget Preparation

Chalit (1976) in Adisasmita (2011) states that the regional revenue and expenditure budget is a concrete form of a comprehensive regional financial work plan that links local government revenues and expenditures which are expressed in the
form of money to achieve planned goals or targets within a certain period of time, one fiscal year. Syarifuddin (1993) in Adisasmita (2011) provides an understanding that APBD is a work plan or work program of the local government for a certain work year, in which it contains an income plan and expenditure plan for the working year. In Law Number 33 Year 2004 Article 1 paragraph 17 states that the regional revenue and expenditure budget, hereinafter referred to as the APBD, is the annual financial plan of the Regional Government which is discussed and mutually agreed upon by the Regional Government and the Regional People's Representative Council, and stipulated by a Regional Regulation.

Mustopadidjaya, AR (1997) in Adisasmita (2011) argues that the regional government budget preparation activities (APBD) include planning, income and expenditure. Performance-based APBD preparation is the preparation of performance-based regional revenue and expenditure budgets as an annual regional financial plan of a budget system that prioritizes efforts to achieve work results or outputs from cost allocation planning. This is in accordance with the Minister of Home Affairs Regulation Number 59 of 2007 concerning Regional Financial Management.

Research Methods:-
This study aims to examine and analyze the factors that influence the performance-based budgeting of regional revenues and expenditures in North Toraja Regency. The population in this study were all regional work units in the North Toraja Regency Government. The type of data in this study is quantitative data. Quantitative data is data that is measured in a numerical scale (numbers). Data analysis in this study was carried out using multiple linear regression analysis with the help of the Stata 14 program. To measure the variables in this study, researchers used a Likert scale. This study uses 5 (five) independent variables, namely the commitment factor of all organizational components (X1), administrative improvement (X2), sufficient resources (X3), reward (X4), sanctions (X5) and 1 (one) dependent variable. namely the preparation of performance-based Local government budget (Y).

Results:-
Description of Research Results

Validity and Reliability Test Results

Validity Test Results

Testing the validity of the instrument with the help of Stata 14 software. This analysis is used to measure the validity of the item questions with the Corrected Item-Total Correlation technique, which is to correlate the item score with the total item, then make corrections to the correlation coefficient value. If the correlation number is greater than the critical number (r count > r table), then the instrument is said to be valid. The critical number in this study is N = 68 with a significant level of 5%, then the critical number for the validity test in the study is 0.2387. Based on the instrument validity test, the corrected item-total correlation value is positive and is above the r-table value of 0.2387, which means that all questions can be said to be valid. The results of the validity test for the dependent and independent variables in this study are as follows:

Table 1 Results of the Research Variable Validity Test

<table>
<thead>
<tr>
<th>Variable</th>
<th>Instrument</th>
<th>Item</th>
<th>r count</th>
<th>r table</th>
<th>description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Based Budget Preparation</td>
<td>Y1_1</td>
<td>0.4704</td>
<td>0.2387</td>
<td>Valid</td>
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</tr>
<tr>
<td></td>
<td>Y1_2</td>
<td>0.3140</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Y1_3</td>
<td>0.6353</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Y1_4</td>
<td>0.5122</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Y1_5</td>
<td>0.3075</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
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<tr>
<td>Commitments from All Components of the Organization</td>
<td>X1_1</td>
<td>0.6353</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
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<tr>
<td></td>
<td>X1_2</td>
<td>0.3451</td>
<td>0.2387</td>
<td>Valid</td>
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<tr>
<td></td>
<td>X1_3</td>
<td>0.3372</td>
<td>0.2387</td>
<td>Valid</td>
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<tr>
<td></td>
<td>X1_4</td>
<td>0.4863</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1_5</td>
<td>0.3589</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
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<tr>
<td>Administration Completion</td>
<td>X2_1</td>
<td>0.2805</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2_2</td>
<td>0.4863</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2_3</td>
<td>0.4911</td>
<td>0.2387</td>
<td>Valid</td>
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</tr>
<tr>
<td></td>
<td>X2_4</td>
<td>0.3048</td>
<td>0.2387</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>X2_5</td>
<td>0.4422</td>
<td>0.2387</td>
<td>Valid</td>
<td></td>
</tr>
</tbody>
</table>
Reliability Test Results

Reliability analysis is used to determine the consistency of a measuring instrument in the form of a questionnaire, whether the tool will get a consistent measurement if the measurement is repeated. To find out whether the questionnaire was reliable, the questionnaire reliability was tested with the help of the Stata 14 computer program. The reliability test was used to show the extent to which a measurement tool can be trusted. To determine whether an instrument is reliable or not, it can use an alpha value limit of 0.6. According to Sekaran in Duwi Priyatno (2012), reliability less than 0.6 is not good, while 0.7 is acceptable and above 0.8 is good.

Table 2 Research Variable Reliability Test

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Limit Reliability</th>
<th>explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Based Budget Preparation</td>
<td>0.84814</td>
<td>0.6</td>
<td>Reliabel</td>
</tr>
<tr>
<td>Commitments from All Components of the Organization</td>
<td>0.84858</td>
<td>0.6</td>
<td>Reliabel</td>
</tr>
<tr>
<td>Administration Completion</td>
<td>0.84920</td>
<td>0.6</td>
<td>Reliabel</td>
</tr>
<tr>
<td>Sufficient Resources (Reward)</td>
<td>0.84660</td>
<td>0.6</td>
<td>Reliabel</td>
</tr>
<tr>
<td>Penalty</td>
<td>0.84815</td>
<td>0.6</td>
<td>Reliabel</td>
</tr>
</tbody>
</table>

Based on the data in Table 5.7, it can be seen that the Cronbach's Alpha value for the variable Performance-Based Local government budget Compilation (Y), Commitment from All Organizational Components (X1), Administrative Completion (X2), Sufficient Resources (X3), Reward (X4) and Sanctions (X5) greater than 0.6 (Cronbach's Alpha > 0.6), it can be concluded that the research instrument is realistic.

Results of Multiple Linear Regression Analysis

To answer the hypothesis, multiple linear regression analysis was carried out with Organizational Component Commitment (X1), Administration System Improvement (X2), Sufficient Resources (X3), Reward (X4) and Sanctions (Punishment) (X5) as independent variables, and Compilation of Performance Based Regional Budget (Y) as the dependent variable. The following are the results of multiple linear regression analysis between the Commitment of
Organizational Components (X1), Improvement of the Administration System (X2), Sufficient Resources (X3), Reward (X4) and Sanctions (Punishment) (X5) on the Preparation of the Regional Budget Performance (Y).

### Table 3 OLS Regression Analysis Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Koefisien Regresi</th>
<th>T-Statistic</th>
<th>Prob. t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Component Commitment</td>
<td>0,3315</td>
<td>4,21</td>
<td>0,000</td>
</tr>
<tr>
<td>Administration System Improvement</td>
<td>0,0198</td>
<td>0,17</td>
<td>0,869</td>
</tr>
<tr>
<td>Sufficient Resources</td>
<td>0,3874</td>
<td>4,95</td>
<td>0,000</td>
</tr>
<tr>
<td>Reward</td>
<td>0,2573</td>
<td>2,08</td>
<td>0,042</td>
</tr>
<tr>
<td>Sanctions (Punishment)</td>
<td>0,0377</td>
<td>0,09</td>
<td>0,932</td>
</tr>
<tr>
<td>Prob. F</td>
<td></td>
<td></td>
<td>0,000</td>
</tr>
<tr>
<td>R-Square</td>
<td></td>
<td></td>
<td>0,7245</td>
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<tr>
<td>Adj. R-Square</td>
<td></td>
<td></td>
<td>0,7023</td>
</tr>
<tr>
<td>Konstanta</td>
<td></td>
<td></td>
<td>-0,9324</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td></td>
<td>68</td>
</tr>
</tbody>
</table>

Source: 2020 research results (processed data)

To make it easier to read the results and interpret the regression analysis, the equation form is used. The equation or model contains constants and regression coefficients obtained from the results of previously processed data. The regression equation that has been formulated then with the help of the Stata 14 program is processed data so that the final equation is obtained as follows: \( Y = -0.932 + 0.3315X1 + 0.0198X2 + 0.3873X3 + 0.2573X4 + 0.3777X5 \).

In this regression model, the constant value \( (\beta_0) \) is obtained -0.932, meaning that if the independent variables in the model are assumed to be fixed, on average the variables outside the model will reduce the dependent variable by -0.932 units.

The regression coefficient value \( \beta_1 \) of 0.3315 in this study means that the Organizational Component Commitment variable (X1) has a positive effect on Performance-Based Budgeting (Y). Thus, with the Organizational Component Commitment which is an impetus from within the individual to do something in order to support the success of the organization in accordance with the goals set and prioritizes the interests of the organization. This shows that if the organizational components have a commitment to work in accordance with the goals and interests of the organization, an increase of one unit, then the quality of the results of the inspection will also increase by 0.3315 units.

The value of the regression coefficient \( \beta_2 \) is 0.0198 in this study which means that the Administrative Improvement variable (X2) has a positive effect on the Performance-Based Regional Budget (Y). Thus, Administrative Refinement to improve order, improve methods, and improve working performance also has an impact on Performance-Based Budgeting. This shows that when Administrative Refinement has increased by one unit, the Performance-Based Budgeting will also increase by 0.0198 units.

The regression coefficient value \( \beta_3 \) of 0.387 in this study means that the Sufficient Resources variable (X3) has a positive effect on Performance-Based Budgeting (Y). Sufficient Resources are important in implementing good policies and determining proportional Performance-Based Budgeting. This indicates that when Sufficient Resources have increased by one unit, the Performance-Based Budgeting will also increase by 0.387 units.

The regression coefficient value \( \beta_4 \) is 0.257 in this study which means that the Reward (X4) variable has a positive effect on Performance-Based Budgeting (Y). Thus the existence of rewards and recognition of employee performance is a means of directing employee behavior to behaviors that are appreciated and recognized by the organization which determines and can produce quality Performance Based Budgeting. This int shows that when the award has increased by one unit, the quality of the examination results will also increase by 0.257 units.

The regression coefficient value \( \beta_5 \) of 0.037 in this study means that the Sanction (Punishment) variable (X5) has a positive effect on Performance-Based Budgeting (Y). With the existence of punishments carried out with the intention or so that violations do not occur, it is hoped that it can realize Performance-Based Budgeting. This indicates that when the sanction is increased by one unit, the quality of the examination results will also increase by 0.037 units.

### Analysis of the Coefficient of Determination (R²)

The amount of influence (contribution) of the independent variables together on the dependent variable can be seen from the magnitude of the coefficient of determination (R2). This figure will be converted into a percent form, which was the percentage contribution of the influence of the independent variable to the dependent variable. The results of the coefficient of determination analysis can be seen in Table 3.

Based on the regression results, the coefficient of determination (R2) was 0.724, which means that the percentage of the
contribution of the influence of the organizational component commitment variable, administrative improvement, sufficient resources, rewards and sanctions was 72.4%. This explains that the commitment factor of the organizational component, administrative improvement, sufficient resources, rewards and sanctions determines the preparation of the performance-based APBD. While the remaining 27.6% is influenced by other variables outside this model which are not examined.

Discussion:--
In testing the hypothesis based on the calculation results, it can be said that the factor of organizational component commitment, sufficient resources, and rewards has a significant effect on the preparation of the performance-based APBD simultaneously or partially in other words, the hypothesis is accepted as true. While the administrative improvement and sanctions factors do not significantly affect the performance-based APBD preparation, in other words the hypothesis is rejected. So that we can present the conclusions from the results of this study as follows:

a. Discussion on the Influence of Organizational Commitment on Performance-Based Budget Formulation
The first hypothesis states that organizational component commitment has a positive effect on performance-based Local government budget. This shows that organizational commitment has a significant effect on performance-based Local government budget preparation. The positive effect shows that the influence of commitment from all organizational components is in line with the performance-based Local government budget or in other words the commitment of all good / high organizational components will affect the good / high performance-based Local government budget, and vice versa if the commitment of all organizational components is low / high. bad then the performance-based Local government budget will be low / bad. This is according to research conducted by Sembiring (2009) on performance-based budgeting factors, one of which is an influencing factor, namely organizational commitment, and Wulandari (2011) which states that organizational commitment (as a moderating variable) is one of the factors influencing the preparation of Local government budget -based performance.

b. Discussion on the Effect of Administrative Refinement on Performance-Based Regional Budget Formulation
The second hypothesis states that the improvement of organizational administration has a positive effect on performance-based Local government budget, but it is not in line with the research results which show that administrative improvement has no significant effect on the preparation of performance-based Local government budget.

c. Discussion on the Influence of Sufficient Resources on Performance-Based Regional Budget Formulation
The third hypothesis states that sufficient resources have a positive effect on performance-based Local government budget preparation. This shows that resources have a significant effect on performance-based Local government budget preparation. The positive effect shows that the influence of sufficient resources is in line with the formulation of the performance-based Local government budget or in other words, sufficient / high enough resources will affect the preparation of a good / high performance-based Local government budget, and vice versa if the commitment of all organizational components is low / high. bad then the performance-based Local government budget will be low / bad. This is consistent with research conducted by Izzaty (2011) who found that resource variables had a positive effect in the preparation of performance-based Local government budget.

d. Discussion of the Effects of Rewards on Performance-Based Regional Budget Formulation
The fourth hypothesis states that rewards have a positive effect on performance-based Local government budget preparation. This shows that appreciation has a significant effect on the preparation of performance-based Local government budget. The positive effect shows that the effect of reward is in line with the formulation of the performance-based Local government budget or in other words, sufficient / high enough resources will affect the preparation of a good / high performance-based Local government budget, and vice versa if the appreciation is low / bad then the performance-based Local government budget will be low / bad. The results of this study are consistent with the results of research conducted by Sembiring (2009) which states that the reward variable has a positive and significant effect on performance-based Local government budget preparation.

e. Discussion on the Effect of Sanctions (Punishment) on Performance-Based Regional Budget Formulation
The fifth hypothesis states that sanctions have a positive effect on performance-based Local government budget, but it is not in line with the research results which show sanctions do not have a significant effect on performance-based Local government budget preparation.

Conclusion:--
This study aims to determine the factors that influence performance-based budgeting, namely: organizational component commitment, administrative improvement, sufficient resources, rewards and sanctions as factors that influence the preparation of performance-based APBD in the Regional Government of North Toraja Regency. Based on the analysis and discussion, the following conclusions can be drawn:

1. Simultaneously, the variable organizational component commitment, administrative improvement, adequate resources, rewards and sanctions affect the performance-based Local government budget in the Regional Government of North Toraja Regency.
And all the independent variables are mostly able to explain the dependent variable.

2. Commitment of organizational components has a positive effect on performance-based Local government budget in the Regional Government of North Toraja Regency. The positive effect shows that the influence of commitment from all organizational components is in line with the performance-based Local government budget or in other words the commitment of all good / high organizational components will affect the good / high performance-based Local government budget, and vice versa if the commitment of all organizational components is low / high. bad then the performance-based Local government budget will be low / bad.

3. Administrative improvements have no significant effect on the formulation of the performance-based Local government budget in the Regional Government of North Toraja Regency.

4. Sufficient resources have a positive effect on the preparation of performance-based Local government budget in the Regional Government of North Toraja Regency. The positive effect shows that the influence of sufficient resources is in line with the formulation of the performance-based Local government budget or in other words, sufficient / high enough resources will affect the preparation of a good / high performance-based Local government budget, and vice versa if the commitment of all organizational components is low / high. bad then the performance-based Local government budget will be low / bad.

5. Appreciation has a positive effect on the preparation of performance-based Local government budget in the Regional Government of North Toraja Regency. The positive effect shows that the effect of reward is in line with the formulation of the performance-based Local government budget or in other words, sufficient / high enough resources will affect the preparation of a good / high performance-based Local government budget, and vice versa if the appreciation is low / bad then the performance-based Local government budget will be low. /bad.

6. Sanctions do not have a significant effect on the preparation of the performance-based Local government budget in the Regional Government of North Toraja Regency.

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