



# THE EFFECT OF APPLICATION OF ELECTRONIC PROCUREMENT AND GOOD GOVERNANCE ON ORGANIZATIONAL PERFORMANCE IN PROCUREMENT WORK UNIT MINISTRY OF RELIGION BOMBANA DISTRICT

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## ABSTRACT

This study aims to test and analyze; 1) The effect of electronic procurement and good governance on the performance of goods/services procurement in the Procurement Work Unit of the Ministry of Religion, Bombana Regency; 2) The effect of electronic procurement on the performance of goods/services procurement in the Procurement Work Unit of the Ministry of Religion, Bombana Regency; 3) The effect of Good Governance on the performance of the procurement of goods/services in the Procurement Work Unit of the Ministry of Religion, Bombana Regency. The sample used in this study was 43 employees of the Procurement Work Unit of the Ministry of Religion, Bombana Regency. The research data was obtained through a questionnaire that was filled out by the respondents. Data were analyzed quantitatively using multivariate regression analysis. The research results show that: 1) Electronic Procurement and Good Governance affect the performance of the procurement of goods/services in the Procurement Work Unit of the Ministry of Religion, Bombana Regency. 2) Electronic procurement affects the performance of the procurement of goods/services in the Procurement Work Unit of the Ministry of Religion Bombana Regency. 3) Good Governance affects the performance of the procurement of goods/services in the Procurement Work Unit of the Ministry of Religion Bombana Regency.

**Keywords:** *Electronic procurement, Good Governance, and organizational performance*

## INTRODUCTION

Many organizations spend at least one-third of the total budget on the procurement of goods/services, including procurement in the public sector, which generally includes the largest share of government spending apart from government salaries and social benefits. Even so, there are studies that find inefficiencies in the process of procuring goods/services will also have an impact on procurement performance. Therefore, the process of procuring goods/services needs to be carried out online to be able to assist the government in controlling expenditures made by government agencies and ultimately have an impact on the performance of procurement of goods/services.

According to Willem (2012: 80), electronic procurement is the implementation of the procurement of goods and services using electronic networks (internet or intranet networks) or electronic data interchange (EDI)". Electronic procurement is one of the online goods/services procurement tools that can be used by government agencies to control government agencies' expenditures. In the end, it is hoped that many parties can create good governance in the government sector, such as increasing transparency, efficiency, effectiveness, and accountability (LKPP, 2021).

The results of previous studies have proven that electronic procurement has a positive and significant effect on organizational performance by Titik Aryati & Leviadi Pangaribuan (2019) and Viany Utami Tjhin (2016). The forming factors of electronic procurement variables are proposed by Willem (2012: 11) which consist of seven dimensions, namely: 1. Efficient, 2. Effective, 3. Competitive, 4. Transparent, and 5. Responsible.

According to the World Bank, governance is defined as "the way state power is used in managing economic and social resources for the development of society". Thus governance is a method, namely how state power is used to manage economic and social resources for community development. UNDP defines governance as "the exercise of political, economic, and administrative authority to manage a nation's affairs at all levels". The word governance is defined as the use/implementation, namely the use of political, economic, and administrative authority to manage national affairs at all levels. (Position and Institutions in the Context of Good Governance, KPK, 2008). Government Regulation Number 101 of 2000 defines the meaning of Good Governance as follows: governance that carries out and implements the principles of professionalism, accountability, transparency, excellent service, democracy, efficiency, effectiveness, and rule of law, and is acceptable to the whole community.

The results of previous studies have proven that Good Governance has a positive and significant effect on organizational performance by Henli Y. Honi, Ivonne S. Saerang, & Joy E. Tulung (2020), Hening Sari Dhazan Dharu & Wahidahwati Wahidahwati (2021), and Syntia Ayu Kurnia Hasan (2020). The forming factors of the Good Governance variable are proposed by Sedarmayanti (2009:289) which consist of seven dimensions namely: accountability, clarity and availability, and participation.

Based on theoretical studies and the results of previous research, it turns out that the effect of electronic procurement and good governance on organizational performance is very interesting to retest both partially and simultaneously. Because of that, researchers are interested in doing research again and obtaining clarity from the influence of research variables. Thus it is deemed necessary to carry out further research, especially in the work unit for the procurement of goods/services for the Ministry of Religion Bombana Regency.

## LITERATURE REVIEW

### Concept of Implementation of Electronic Procurement

According to Willem (2012: 80) e-procurement, namely: "Electronic procurement (e-Procurement) is the implementation of the procurement of goods and services using electronic networks (internet or intranet networks) or electronic data interchange (EDI)".

According to Sutedi (2012: 254), namely: "E-procurement is a website which is an auction system in the procurement of goods by the government using internet-based technology, information, and

communication facilities."

### Good Governance

To produce good and clean governance, it is necessary to apply the concept of good governance in a real way. Good governance is good governance that has been introduced by the Indonesian government. The National Governance Policy Committee believes that the government in Indonesia has a responsibility in implementing standards of Good Governance (good governance) that have been applied to international standards (Sutedi, 2011: 3).

The definition of the Cadbury Committee of the United Kingdom in Sukrisno Agoes & I Cenik Ardana (2011: 102) defines Good Governance as follows: "A set of rules that define the relationship between stakeholders, managers, creditors, the government, employees, and other internal and external shareholders in respect to their rights and responsibilities, or the system by which companies are directed and controlled." The quote above can be interpreted that Good Governance is a set of rules governing the relationship between shareholders, administrators (managers), creditors, government, employees, and other internal and external stakeholders relating to their rights and obligations or in other words a system that directs and controls.

### Organizational Performance

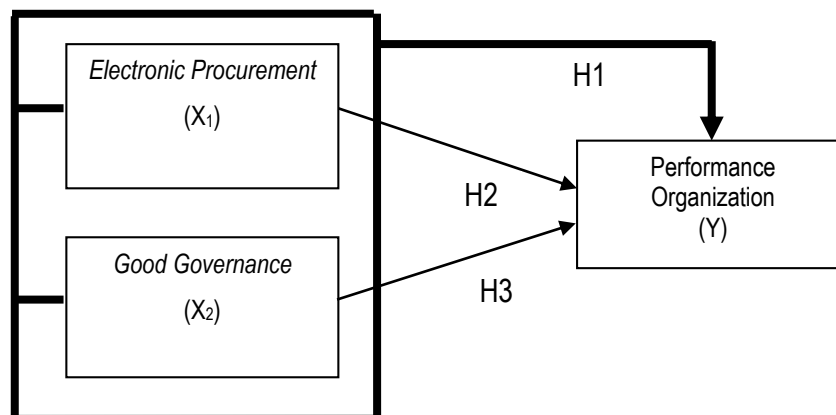
A person's performance can be seen by comparing the standards that have been set versus the realization that has been achieved. This is evident in Sayle & Strauss's statistics in Wibowo (2007:58) which states: "In effect, the standard established a target, and at the end of the target period (week, month, year) both manager and boss can compare the expected standard of performance with the actual level of achievement."

According to Hasibuan (2006:78), performance is a result of work achieved by a person in carrying out the tasks assigned to him based on skill, experience, and sincerity as well as time. According to Simamora (2007:144), employee performance is the level against which employees meet job requirements. To improve performance, management usually uses appraisal techniques. In modern organizations, appraisals provide an important mechanism for management to use in explaining goals and performance standards and to motivate individual performance next time.

### Conceptual Framework

Based on the theoretical studies that have been described, this study will examine 3 (four) variables, namely electronic procurement ( $X_1$ ), good governance ( $X_2$ ), and organizational performance variables ( $Y$ ).

Figure 1. Research Conceptual Framework



## Hypothesis

1. Electronic procurement and good governance simultaneously have a positive and significant effect on organizational performance.
2. Electronic procurement positive and significant effect on organizational performance.
3. Good governance positive and significant effect on organizational performance.

## RESEARCH METHODS

### Research Design

Study of the influence of the implementation of electronic procurement and good governance on the performance of goods/services procurement organizations in the procurement work unit of the Ministry of Religion Bombana Regency. Based on its nature, this study explains the problems of the objectives to be achieved so that this research is explanatory and generally aims to determine the factors/influences of the preparation of a dimension of life (Solimun, 2004). According to Sugiyono (2010:6), explanatory research generally aims to explain the position of the variables to be examined in terms of the relationship and influence between one variable and another.

### Location and Research Object

This research was carried out at the goods/services procurement office in the procurement work unit of the Bombana Regency Ministry of Religion, this research was planned for  $\pm$  2 months, with the details of the first month the researcher selected, contacted, provided questionnaires and collected questionnaires that had been filled in by respondents and in the second month the researcher performs by data and data interpretation.

### Population and Research Sample

According to M.Naszir (2003:271), states that "the population is a collection of individuals with predetermined qualities and characteristics. The population in this study were State Civil Apparatus (ASN) consisting of all Office and Madrasah Satker and PPK leaders as well as KUA leaders within the scope of the Ministry of Religion of Bombana Regency, totaling 43 people (Head of Personnel Subdivision, 2021). This study uses saturated sampling, according to Sugiyono (2017: 124), saturated sampling is a sample collection technique in which all members of the population are used as samples. Based on this explanation, what will be used as a sample in this study is the entire population was taken, namely as many as 43 respondents.

### Data Types and Sources

#### Data Type

1. Quantitative Data Is data in the form of numbers. In this case, it is in the form of consumer report data and other quantitative data related to this research.
2. Qualitative Data Is theoretical data. In this case, in the form of information and explanations from the authorities obtained from the results of interviews.

#### Data Source

1. Primary data, namely data obtained directly from respondents or who became the sample of this study. Primary data includes data on respondents' statements regarding the implementation of electronic procurement, good governance, and performance. This primary data was obtained from the respondents by distributing questionnaires directly.
2. Secondary data, namely data in the form of supporting documents such as an overview of the organization, number of employees, and other document data that is relevant to this research. Secondary data sources were obtained from goods/services procurement employees in the procurement work unit of the Ministry of Religion Bombana Regency.

### **Method of Collecting Data**

1. Questionnaires/Questionnaires were carried out by distributing questionnaires to employees in the procurement work unit of the Ministry of Religion, Bombana Regency. The closed questionnaire is a question made in such a way that the respondent is limited in giving answers to only a few alternatives or only one answer. Questionnaire distribution was carried out by visiting employees and explaining the questionnaire and waiting for the questionnaire to be taken.
2. Interviews were conducted by contacting the respondents directly to obtain more complete information for data analysis in this study. The researcher prioritized data collection based on the interview method with respondents so that it is known to what extent they understand the application of electronic procurement, good governance, and performance. Field facts that the researcher wanted to know that would support this research and were not included in the questionnaire were also asked by the researcher in the interview.
3. Documentation, namely collecting documents related to the implementation of electronic procurement, good governance, and performance. This documentation was collected from the procurement work unit of the Ministry of Religion Bombana Regency.

### **Data Measurement Scale**

Data measurement in this study uses a Likert scale. The use of the Likert scale is due to the following considerations: (1) it has many conveniences; (2) has high reliability in ordering subjects based on perception; (3) flexible compared to other techniques; and (4) it is applicable in various situations. In data processing, the Likert scale is included in the interval scale, the determination of the Likert scale in this study is made on a scale of 1 to 5. The guideline for measuring all variables is to use a 5-point Likert scale, where if there is an answer with a low weight then a score of 1 (one) is given. and so on so that answers with high weight are given a score of 5 (five). Categories of each answer with the criteria: Very Good / Strongly agree (score 5); Good/Agree (score 4); Neutral (score 3); Not Good/Disagree (score 2); Very Unfavorable/Strongly Disagree (score 1) by Malhotra (2010) and Cooper & Seindler (2003).

### **Validity & Reliability Test**

Instrument testing was carried out to test whether the instruments used in this study met the requirements of a good measuring instrument or were under research method standards. Considering that data collection in this study used a questionnaire, the seriousness or seriousness of the respondents in answering the questions was an important element in the research. The validity or validity of the data from social research is largely determined by the instruments used. An instrument is said to be good if it meets three main requirements, namely: (1) valid or valid, (2) reliable or reliable, and (3) practical by Cooper and Seindler (2003). Therefore, to test the questionnaire as a research instrument, a test of validity and a test of reliability were used.

### **Data Analysis Method**

The data analysis method used in this study is descriptive analysis and inferential statistics, namely multivariate regression analysis using SPSS software.

### **Descriptive Analysis**

Descriptive analysis aims to interpret the respondents' arguments against the choice of statements and the frequency distribution of respondents' statements from the data that has been collected. In this study, respondents' answers were categorized into five categories using a Likert scale. Each scale has a gradation of ratings from very low to very high which is outlined in the answer choices to the questionnaire. Then describe each research variable, the characteristics of the respondents, and the general description of the research object in the form of reasons for the respondents' statements, the number, average, and percentage.

### Multivariate Regression Analysis

The inferential statistical analysis used in this study is multivariate regression analysis. Multivariate regression analysis is an analytical method for examining the influence or relationship between variables, where one metric dependent variable is thought to effect two or more metric independent variables (Hair et al., 2010: 5). The purpose of multivariate regression analysis is to predict changes in the dependent variable in explaining changes in the independent variables. The reasons for using multivariate regression analysis are because: (1) The input data in processing is the result of calculating the average or multiplication of the weight of the respondent's answer score for each statement item or variable indicator; (2) This research is measured using an attitude scale or respondent's responses, therefore the estimation results need to be standardized, (weight determined) in multivariate technique. (3) Multivariate regression is a multivariate analysis technique that allows analysis of a series of several variables partially or simultaneously to provide statistical efficiency; (4) This research was conducted to see the causal influence between work motivation, work experience, and work culture on employee work productivity. Thus multivariate regression analysis is suitable for testing the hypothesis of this study. Work experience, work culture on employee work productivity. Thus multivariate regression analysis is suitable for testing the hypothesis of this study. Work experience, work culture on employee work productivity. Thus multivariate regression analysis is suitable for testing the hypothesis of this study.

Although many assumptions or requirements must be met in multivariate analysis techniques, in general (Hair et al., 2010:69-85) explain that four basic assumptions have the potential to influence multivariate regression analysis techniques, namely: normality, heteroscedasticity, multicollinearity (absence of correlated errors/correlation errors) and Linearity. Of the four basic assumptions that must be met in a multivariate regression analysis so that the estimation of the regression coefficients is not biased.

An equation model that can be expressed mathematically (Hair et al., 2010: 4) is as follows:

$$\text{Variable value (Y)} = w_1X_1 + w_2X_2 + w_nX_n$$

where: Variate value = the value of the variation in the change in the independent variable (dependent);  $X_1$ - $X_n$  = Variation of weighted variables (weight);  $X_n$  is the observed variable and  $W_n$  is the weight determined by the multivariate technique.

Furthermore, the equation model that can be expressed mathematically is transformed or operationalized in this study as follows:

$$KO = W_1EP + W_2GG \quad (\text{Hair et al., 2010: 4})$$

where:

KO = Organizational Performance

EP = Electronic procurement

GG = Good governance

$W_1$ , &  $W_2$  = Weight determined or regression weight (standardized beta)

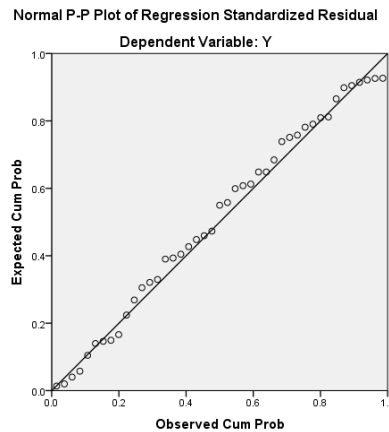
## RESULT AND DISCUSSION

### Multivariate Regression Classical Assumptions Test Results

#### Normality test

A good regression model is having a normal or close-to-normal data distribution. Normality detection can be done by graphical methods. The results of the graphical method test by looking at the spread of points on the diagonal axis of the graph. The basis for decision-making is if the data spread around the diagonal line and follows the direction of the diagonal line, then the regression model meets the assumption of normality. More details can be seen in Figure 2.

**Figure 2. Graph of Normality Test Results**



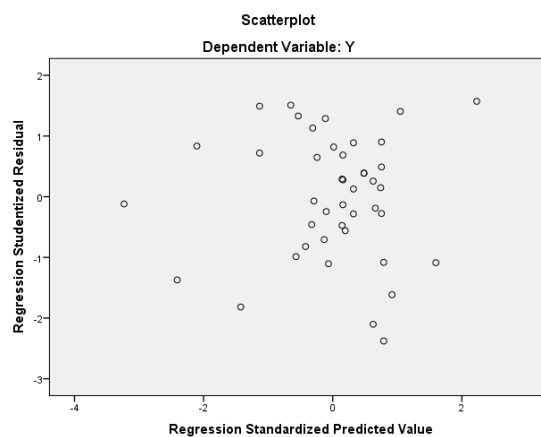
Source: Results of Data Processing

Based on the results of the research on the normality test, it can be concluded that the data used shows normal indications because the dots spread around the diagonal line and the spread follows the direction of the diagonal line. This means that the results of the normality test can be said that the data used is appropriate and normal.

### Heteroscedasticity Test

The heteroscedasticity test aims to test whether, in the regression model, there is an inequality of variance from the residuals of one observation to another. If the residual variance of one observation with other observations remains, then it is called homoscedasticity and if it is different it is called heteroscedasticity. To determine heteroscedasticity, the scatterplot graph method is used, by plotting the ZPRED value (predicted value) with SRESID (residual value). The following is a scatterplot graphical display of the regression model in this study which is presented in the following figure:

**Figure 3. Graph of Heteroscedasticity Test Results**



Source: attachment

Based on the results of the research on the heteroscedasticity test, it can be concluded that the data used showed normal indications because the points spread at one place of distribution and did not scatter, and had the same variance. This means that the results of the heteroscedasticity test can be said that the data used has no confounding variables in the regression equation and has the same variance.

**Multicollinearity Test**

The classic assumption of the regression model is that there should not be multicollinearity between the independent variables in the model. According to Imam Ghozali (2011: 105-106), the multicollinearity test aims to test whether the regression model found a correlation between independent (independent) variables. To test multicollinearity by looking at the VIF value of each independent variable, if the VIF value <10, it can be concluded that the data is free from multicollinearity symptoms. The results of the multicollinearity test in this study can be seen in Table 1

**Table 1. Multicollinearity Test Results**

Free Variables	Collinearity Statistics VIF	Cut of Points
<i>Electronic procurement</i> (X1)	1,391	< 10 (Imam Ghozali. 2011)
<i>Good governance</i> (X2)	1,391	

Source: Primary Data Processed, 2021

Table 1 shows the results of the Variance Inflation Factor (VIF) of all independent variables with a cut of point <10. It can be concluded that there are no symptoms of multicollinearity in the multivariate regression analysis model used in this study.

**Linearity Test**

The linearity test is used to determine the pattern of the relationship between the independent variables and the dependent variable, having a linear relationship or not significantly. The results of the linearity test can be seen in table 2. as follows:

**Table 2. Linearity Test Results**

Variable	Deviation From Linearity	Information
<i>Electronic procurement</i> (X <sub>1</sub> )	0.223 > 0.05	linear
<i>Good governance</i> (X <sub>2</sub> )	0.724 > 0.05	linear

The calculation results of Sig. with the ANOVA table obtained by electronic procurement show the value of Sig. Deviation from Linearity of 0.223 > 0.05. Good Governance shows the value of Sig. Deviation from Linearity of 0.724 > 0.05. Thus, proving that the data used meets the requirements of linearity, so that further analysis can be carried out.

**Multivariate Regression Test Results**

In the previous discussion, it was stated that to be able to answer the problems and hypotheses put forward in this study, namely the effect of electronic procurement and good governance on organizational performance both simultaneously and partially, a multivariate regression analysis was carried out. The results of the multivariate regression analysis are presented in Table 3.



**Table 3. Multiple Regression Analysis Results**

Independent Variable (X)	Regression Coefficient (β)	t-Count	t-Significant	Ket
<i>Electronic Procurement (X<sub>1</sub>)</i>	0.204	2,537	0.015	Significant
<i>Good governance(X<sub>2</sub>)</i>	0.321	3.178	0.003	
R	0.783a			N=43 α = 0.05
R Square	0.566			
A	1877			
F-Count	17,454			
F-Significant	0.000			
Standard Error	0.17313			

Source: Primary Data Processed

Based on the test results as in table 3, the following explanation can be put forward:

$$Y = 1.877 + 0.204X_1 + 0.321X_2$$

1. Regression Coefficient

Unstandardized coefficients of electronic procurement regression of 0.204. This coefficient is positive if electronic procurement is good or increases, it will get better or improve organizational performance. Unstandardized coefficients of Good Governance regression of 0.321. This coefficient is positive if Good Governance is good or increases, it will get better or improve organizational performance.

2. Correlation Coefficient

Based on the calculation results, the R-value (correlation coefficient number) of 0.783 indicates that the closeness of the direct relationship between X1 and X2 to Y is 78.3%. This relationship is statistically quite strong, as stated by Sugiyono, (2013: 250) that a relatively strong relationship is 0.600 – .799. Therefore, the resulting regression model can be said to be a "fit" model or a good estimator model in explaining the effect of electronic procurement (X1) and good governance (X2) on organizational performance in the Procurement Work Unit of the Ministry of Religion Bombana Regency.

3. Coefficient of Determination

Based on the calculation of the coefficient of determination, the value of R<sup>2</sup> (R-Square) is 0.566 indicating that the contribution of X1 and X2 to Y is 56.6%, which means that the electronic procurement (X1) and Good Governance (X2) variables contribute to organizational performance. at the Procurement Work Unit of the Ministry of Religion, Bombana Regency. The remaining 43.4% is contributed by other variables outside of this research model.

4. Simultaneous Regression Model Test Results (F)

The F value = 17,454 with a significance value of Fsig = 0.000 which means that (Fsig < 0.005), statistically the electronic procurement (X1) and Good Governance (X2) variables simultaneously (together) have a significant influence on organizational performance ( Y) at the 95% confidence level.

5. Partial Regression Model Testing Results (t test)

The results of the regression analysis summarized in table 5.10 can be interpreted as follows:

- a. The significance of the effect of the electronic procurement variable (X1) on organizational performance (Y) is obtained by the t value (t<sub>0.05</sub> = 2.537) with a significance value of t<sub>sig</sub> = 0.015 < 0.05. Thus it can be stated that electronic procurement partially affects organizational

performance. This means that electronic procurement can be a strong predictor or predictor variable for organizational performance. Therefore, electronic procurement can be included in the organizational performance estimation model.

- b. The significance of the influence of the communication variable (X2) on job satisfaction (Y) is obtained by the value of t count ( $t_{0.05} = 3.178$ ) with a significance value of  $t_{sig} = 0.003 < 0.05$ . Thus it can be stated that partially the Good Governance variable influences organizational performance. This means that the variable Good Governance can be one of the predictor variables or a strong predictor variable for organizational performance. Therefore, the Good Governance variable can be included in the organizational performance estimation model.

## DISCUSSION

The discussion in this study was carried out by analyzing and studying the causal relationships that occur as proof of the hypotheses that have been put forward in this study. Theories or results of previous research will be used in discussing the results of this study. Verifying whether the theory or research results support or contradict the results of hypothesis testing will be discussed in this study.

### The Effect of Electronic Procurement and Good Governance on Organizational Performance

The value of  $F = 17,454$  with a significance value of  $F_{sig} = 0.000$  which means that ( $F_{sig} < 0.005$ ), statistically the variables electronic procurement (X1) and Good Governance (X2) simultaneously (together) have a significant influence on organizational performance (Y) at the 95% confidence level.

Based on the research results and the results of data analysis in this study indicate that the electronic procurement (X1) and Good Governance (X2) variables simultaneously (together) influence on organizational performance (Y) in the Procurement Work Unit of the Ministry of Religion of Bombana Regency, this evidenced by the coefficient of determination of 0.566 and the effect is positive and significant. This means that it has a contribution of 56.6 percent, positively and significantly influencing organizational performance variables.

Thus, if electronic procurement (X1) and Good Governance (X2) are improved, they will have a positive effect on organizational performance. This proves that organizational performance (Y) in the Procurement Work Unit of the Ministry of Religion of Bombana Regency is influenced by the variables of electronic procurement and Good Governance.

The role of these two variables is quite strong in improving performance, this can be proven from the respondents' answers where the majority of respondents chose to agree and strongly agree. If the variables that have a significant influence on the performance of the Procurement Work Unit of the Ministry of Religion of Bombana Regency are sorted, the Good Governance variable is the variable that has more influence this is evidenced by the results of statistical tests showing a higher t-test value than the electronic procurement variable.

### The Effect of Electronic Procurement on Organizational Performance

The results of the analysis of the effect of the electronic procurement variable (X1) on organizational performance (Y) obtained the value of t count ( $t_{0.05} = 2.537$ ) with a significance value of  $t_{sig} = 0.015 < 0.05$ . Thus it can be stated that electronic procurement partially affects performance organization. This means that electronic procurement can be a strong predictor or predictor variable for organizational performance. Therefore, electronic procurement can be included in the organizational performance estimation model.

The results of this study indicate that the electronic procurement variable has a positive and significant effect on organizational performance in the Procurement Work Unit of the Ministry of Religion, Bombana Regency. According to Willem (2012: 80), E-Procurement is the implementation of procurement of goods and services using electronic networks (internet or intranet networks) or electronic data interchange (EDI). According to Sutedi (2012-254), the benefits of implementing electronic procurement are that with electronic procurement the auction process can take place in an effective, efficient, open, competitive, transparent, fair/non-discriminatory, and accountable manner so that it is expected to reflect

openness/transparency and also minimize fraudulent practices / KKN in procurement auctions that result in losses to state finances.

Based on the average value of the electronic procurement variable, the effective indicator has the highest average value. This shows that the process of procuring goods/services are carried out under the needs and the process of procuring goods/services provide great benefits under the targets set by the Procurement Work Unit of the Ministry of Religion of Bombana Regency. Therefore, the Procurement Work Unit of the Ministry of Religion of Bombana Regency makes electronic procurement with effective indicators as a basic guideline for organizations in implementing electronic procurement.

The results of this study support the findings of Lia Heriawati (2018), Eddy Budiono (2017), Viany Utami Tjhin (2016), and Irman Gapur (2015) which state that electronic procurement has a significant and positive effect on organizational performance.

### **The Effect of Good Governance on Organizational Performance**

The significance of the effect of the Good Governance variable (X2) on organizational performance (Y) is obtained by the value of t count ( $t_{0.05} = 3.178$ ) with a significance value of  $t_{sig} = 0.003 < 0.05$ , Thus it can be stated that partially the Good Governance variable influences performance organization. This means that the variable Good Governance can be one of the predictor variables or a strong predictor variable for organizational performance. Therefore, the Good Governance variable can be included in the organizational performance estimation model.

The results of the analysis of the effect of good governance on organizational performance found a positive and significant effect, so the research hypothesis stating that good governance has a positive and significant effect on organizational performance is sufficient evidence to be accepted. These findings indicate that the Good Governance variable can explain the increase in organizational performance in the Procurement Work Unit of the Ministry of Religion, Bombana Regency.

The results of the study show that employees are within the scope of the Procurement Work Unit of the Ministry of Religion of Bombana Regency. In carrying out their duties and functions, each employee is free from any domination from any party, free from conflicts of interest, and from any influence or pressure that is internal, and decision-making is done independently objective. The results of this study support the (Wasiono, 2003) suggestion that the demand for good governance arises because of deviations in the implementation of democratization that it encourages citizen awareness to create a new system or paradigm to control the wheels of government so that the goals of the government are not wrong so as not to deviate from the goals. beginning. Furthermore, (Purnomowati & Ismini,

The results of this study support the research of Henli Y. Honi, Ivonne S. Saerang, & Joy E. Tulung (2020), Hening Sari Dhaezan Dharu & Wahidahwati (2021), and Syntia Ayu Kurnia Hasan (2020) their research found that good governance has a significant effect on improving organizational performance.

### **Research Limitations**

The researcher realizes that the implementation of this research is inseparable from the limitations experienced, in addition to time and cost limitations, namely:

1. The factors that affect organizational performance in this study consist of only two variables, namely electronic procurement, and good governance, while many other factors affect organizational performance.
2. This research is limited by time, so it is cross-sectional (instant data), namely data collection is only at the time of research so data collection is needed from time to time (time series) to reveal the results as a whole.
3. In collecting data, respondents still feel doubts or psychological pressure in answering statements because they are still within the scope of being subordinates in an organization at the regional level.

## CONCLUSIONS AND SUGGESTIONS

### Conclusion

Based on the results of the analysis and discussion obtained, the following conclusions can be put forward:

1. Electronic procurement (X1) and Good Governance (X2) have a positive and significant effect on organizational performance (Y). This means that the better the Electronic Procurement and Good Governance of the Goods/Services Procurement Work Unit of the Ministry of Religion of Bombana Regency, the organizational performance will increase.
2. Electronic procurement (X1) has a positive and significant effect on organizational performance (Y). This means that the better the electronic procurement of the Goods/Services Procurement Work Unit of the Ministry of Religion of Bombana Regency, the organizational performance will increase.
3. Good Governance (X2) has a positive and significant effect on organizational performance (Y). This means that the better the Good Governance of the Goods/Services Procurement Work Unit of the Ministry of Religion of Bombana Regency, the organizational performance will increase.

### Suggestion

Based on the conclusions obtained, suggestions or recommendations can be submitted as follows the following:

1. For Heads of the Office of the Ministry of Religion of Bombana Regency.
  - a. To improve organizational performance in the work unit for the procurement of goods/services, the Ministry of Religion, Bombana Regency electronic procurement special attention should be paid to transparency. All provisions and information regarding the procurement of goods/services in the Work Unit for Procurement of goods/services of the Ministry of Religion of Bombana Regency, including the technical requirements for procurement administration, evaluation procedures, evaluation results, determination of prospective goods/services providers, still need to be more open to participants in the goods/services provider interested services as well as for the wider community in general.
  - b. Good governance also needs to be improved so that organizational performance is getting better, especially related to independence. For this reason, the Work Unit for Procurement of goods/services at the Ministry of Religion of Bombana Regency must be managed professionally without any interest from certain officials.
2. For further researches
  - a. To obtain a more comprehensive explanation of the significant and positive influence of Electronic Procurement and good governance on organizational performance in the Procurement Work Unit of the Ministry of Religion of Bombana Regency, in subsequent research it is suggested to add other variables. Other variables include competency, human resource development, etc.
  - b. As reference material for future researchers to be able to develop different research objects so that they can further expand on previous research will lead to new research that will develop that knowledge.

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