



THE EFFECT OF BUDGET PARTICIPATION AND LEADERSHIP STYLE ON THE REGIONAL GOVERNMENT PERFORMANCE WITH ORGANIZATIONAL CULTURE AS A VARIABLE OF MEDIATION IN INTAN JAYA DISTRICT

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KeyWords

budgetary participation, leadership style, organizational culture and local government performance

ABSTRACT

The success of a local government in carrying out its tasks can be seen from its performance, which is a picture of the level of achievement of the implementation of an activity or program or policy in realizing the goals, objectives, mission, vision of the organization contained in the formulation of organizational strategy. This study aims to determine and analyze the effect of participation in Otsus fund budgeting and leadership style on organizational culture and government performance, which is mediated by organizational culture. Data collection techniques through questionnaires, using descriptive analysis techniques, validity and reliability tests, classic assumption tests, and path analysis using the SPSS release 24 program. The results of the study found participation in budgeting and leadership style has a positive effect on organizational culture and local government performance. Organizational culture can mediate the effect of participation in budgeting and leadership styles on the performance of local government at the Regional Government Office in Intan Jaya Regency.

INTRODUCTION

Nowadays, the implementation of regional government is directed at accelerating the realization of people's welfare through service improvement, empowerment and community participation as well as increasing regional competitiveness by taking into account the principles of democracy, equity, justice and the uniqueness of an area in the unitary system of the Unitary Republic of Indonesia. Efforts in supporting the implementation of regional development are very much determined by the existence of regional government. According to the Law No. 23 of 2014 that the regional government is the head of the region as an element of regional government administrators who lead the implementation of government affairs that are the authority of regional autonomy.

The function and role of the government in the implementation of local government is largely determined by the performance of local government, according to Mongeri (2013) that the performance of local government is a picture of the level of achievement of goals and objectives as a translation of the vision, mission and strategy of local government agencies that indicate the level of success or failure of the implementation of activities in accordance with the duties and functions of local government. So that the success of a local government in carrying out its duties can be seen from its performance.

Government performance according to Bastian (2001: 329) is a picture of the level of achievement of the implementation of

an activity or program or policy in realizing the goals, objectives, mission, vision of the organization as outlined in the formulation of organizational strategy. Many factors affect the performance of local government, namely budgetary participation, leadership style and organizational culture as a mediating variable. The reason for choosing organizational culture as a mediation variation in this study, is because of differences in the results of research conducted by previous researchers. This is based on research conducted by Kusumastuti and Novandalina (2014) which the results of the study found that organizational culture is proven to be a variable relationship between mediation participation in budgeting and organizational performance. Whereas Handayani and Arianti (2010) cannot prove that organizational culture can mediate the influence of participatory budgeting on performance.

Then the influence of leadership style on local government performance through organizational culture, namely in research conducted by Sappe et al (2019) found that organizational culture can mediate the influence of leadership style on local government performance. Whereas Handayani and Arianti (2010) found that organizational culture cannot mediate the influence between leadership styles on local government performance.

Then the factors that influence organizational culture and local government performance are budget participation. According to Aulad et al (2018) that the influence of budgetary participation has a close contribution to the performance of local governments. This is because stakeholders influence the budgeting process and in addition the organizational culture has a significant influence on the relationship between budgeting participation and the performance of local government officials. Then Anthony and Govindarajan (1985) in Ariadi (2006) who suggested that participation in budgeting is an effective approach to increase manager motivation, high participation tends to encourage managers to be more active in understanding the budget.

Then participation in budgeting affects the performance of local governments, according to Arifuddin et al (2017) that budgetary participation is individual participation in the form of behavior, work, and activities by government officials during the budget preparation process. With direct involvement in the budgeting process, officials are given the opportunity to actualize themselves which in turn explores their ability to set goals and targets reflected in the budget. Research conducted by Usman and Paranoan (2013), and Mongeri (2013), which found that budgetary participation had a positive and significant effect on local government performance. In contrast to research conducted by Hariani and Veny (2018), it cannot be found that budgetary participation has a significant effect on the performance of local governments.

Another factor affecting organizational culture and local government performance is leadership style. Leadership style is a variety of behaviors that are applied by leaders in the process of analyzing and influencing performance. This is based on research conducted by Usman et al (2016) finding that leadership style positively influences managerial performance. In contrast to Doloksa-ribu's research (2010) which found that leadership style had a negative and significant effect on organizational culture.

Then the influence of organizational culture on local government performance namely Pandeni and Sinarwati (2017), which shows that organizational culture has a significant effect on local government performance. Whereas research conducted by Arifin and Rohman (2012), where the research cannot prove that organizational culture significantly influences the performance of local governments.

Based on observations made through activities in the preparation of special autonomy funds to finance a number of programs and activities in Intan Jaya District, with the low involvement of the community in the process of planning special autonomy funds which results in performance in the use of special autonomy funds to finance a number of programs and activities in Intan Jaya Regency is being worked on, so there are some that cannot be done in Intan Jaya Regency so that the implementation of the funds cannot be realized and is still low. The reason is because the amount of the special autonomy fund allocation is still not available in financing a number of regional development.

Based on the realization data of the use of special autonomy funds in Intan Jaya Regency based on programs and activities at the Regional Government Offices in Intan Jaya Regency in 2015-2017 which showed that the average percentage of the use of special autonomy funds grew by 86.15% and this meant that the government's performance in using special autonomy funds to finance a number of programs in Intan Jaya Regency is still low. According to information obtained that in the preparation of the special autonomy fund budget both in Musrebang to distributing special autonomy funds in each program is still lacking so that the use of the special autonomy funds that have been budgeted has not been effective.

LITERATURE REVIEW

A. Definition of Participation in Budgeting

Budget participation is one bottom-up approach in the budgeting process, where the flow of budget data in a participatory system starts from a lower level of responsibility to a higher level of responsibility. Every person who has the responsibility for controlling costs or revenue must prepare his budget estimates and submit them to the highest level of management. According to Bagus (2010: 19) concerning the definition of budgetary participation is the process of joint decision making by two or more parties where the decision will have a future impact on those who make it, in other words workers and lower level managers have a say in the process.

Mowen (2013: 225) one of the benefits of budget participation is communicating, encouraging creativity and increasing the responsibilities and challenges of lower and middle level managers that lead to higher levels of performance. Anthony and Govinda-

rajan (2016: 93) state that participatory budgeting has two advantages, namely: 1. The purpose of the budget will be more easily accepted if the budget is under the supervision of a manager, 2. Participatory budgeting results in an effective exchange of information between budgeting and budget execution who are close to products and markets.

Mowen (2013: 448) there are three potential problems that become weaknesses in budgetary participation, namely: 1. Setting standards that are too high or too low, 2. Making slack in the budget (often referred to as closing the budget), and 3. Pseudo participation (Pseudoparticipation).

B. Definition of Leadership Style

Leadership or leadership includes applied science groups or applied sciences from social sciences, because the principles and formulations are useful in improving human welfare. As a first step to learning and understanding everything related to aspects of leadership and its problems, it is necessary to first understand the meaning or understanding of leadership through various perspectives.

Mulyadi (2015: 150), said that leadership style is a way for leaders to influence their subordinates. There are relatively three different types of leadership styles, namely autocratic, democratic or participatory and laissez-faire.

The path-goal theory according to House quoted by Thoha (2017: 42) includes four main types or styles of leadership which are explained as follows:

1) Directive Leadership

This type of leadership style is the same as the autocratic leadership model. From Lippitt and White. The subordinate knows exactly what is expected of him and the specific direction given by the leader.

2) Supportive leadership

This leadership style leaders have a willingness to explain themselves, are friendly, approachable, and have pure human attention to their subordinates.

3) Participatory Leadership

This leadership style leaders try to ask for and use the suggestions from their subordinates. But the decision making still remains with the leadership.

4) Achievement-oriented leadership

This leadership style of leaders sets a set of goals that challenge their subordinates to participate. Leaders also give confidence to them that they are able to carry out work duties properly.

C. Organizational Culture

Organizational Culture (Organizational Culture) is an inseparable part of the internal environment of the organization, because the diversity of cultures that exist in the organization as much as the number of individuals in the organization. Organizational culture in general is also influenced by internal organization.

According to Arifin (2017: 26) defines the understanding of organizational culture (Organizational Cultur) can be interpreted as a general perception received by all employees in looking at something. It is valued as characteristics that give values to the organization. Through organizational culture, organizations have identities that distinguish them from other organizations. According to Robbins and Judge, the characteristics of the organization's culture, translation (2015: 721) consists of: 1. Innovation and risk taking, 2. Attention to details, 3. Orientation of results, 4. Orientation of people, 5. Orientation of teams, 6. Aggressiveness and 7. Stability

D. Definition of Local Government Performance

Government performance in the scope of organizational studies is in the macro, objectives, and ideals, and expectations of an organization whose endeavor is achieved and realized through the organization. That a group of people who have a loyalty of interests is also endeavored to achieve through the organization, while at the individual level, various goals, desires, ideals, hopes, and needs can only be channeled, fulfilled, and satisfied by using organizational channels. According to Kirom (2015: 3) says that performance is a general term used for some or all actions or activities of an organization in a period with reference to a number of standards such as past or projected costs, on the basis of efficiency, responsibility or management accountability and such. In developing performance indicators, various aspects must be considered so that the resulting performance indicators do not provide a distorted performance picture. An effective and undistorted performance measurement system is obtained through the design of good performance indicators. Some conditions for good performance indicators include: 1. Consistency, 2. Can be compared, 3. Clear, 4. Can be controlled, 5. Contingency, 6. Comprehensive, 7. Focus, 8. Relevant and 9. Realistic.

RESEARCH METHOD AND MATERIALS

Location and Research Design

This research was conducted at the Government Office precisely in Intan Jaya Regency, Papua Province. The approach used in this research is a quantitative approach by distributing questionnaires. This type of research is a survey research that is research that directly makes observations at the Government Office in Intan Jaya Regency to look for the relationship of influence and relationship of variables (Participation in the preparation of Otsus funds and leadership style) on the performance of Local Government with organizational culture as a mediating variable) to the dependent variable .

Population, Samples and Sampling Techniques

The population in this study were OPD employees of Intan Jaya Regency involved in the distribution of 792 Otsus funds. Samples according to Sujarweni (2016) are part of a number of characteristics possessed by the population used for research. If a large population, researchers may not take all for research, therefore the Slovin formula is used in order to obtain a sample size of 89, using a purposive sampling technique that is determining the sample based on certain criteria or considerations. Based on these objectives, the respondents are employees who meet the criteria as financial management employees who participate in the preparation of the special autonomy fund budget and have a service life of more than two years.

Data collection technique

Researchers used the method of collecting data through distributing questionnaires to respondents in the following ways:

- a) Observation
Observation is a form of research conducted by researchers by observing, both directly and indirectly, such as giving questionnaires to respondents.
- b) Interview
Interview is a data collection technique. The implementation can be done directly in front of the interviewee, it can also be indirect, such as giving a list of questions to be answered on another occasion.
- c) Documentation is a data collection technique by collecting documents, literature, scientific essays that are related to this research.
- d) Questionnaire
Questionnaire is a way of collecting data by giving data or distributing a list of questions to respondents, with the hope that they will provide responses to questions in the form of questionnaires that have been distributed to be filled in with respondents.

Data analysis method

Data analysis techniques used are as follows:

1. Descriptive analysis is an analysis used to describe or illustrate the effect of participation in the preparation of the special autonomy fund budget and the leadership style and organizational culture in relation to the performance of local governments in Intan Jaya Regency through the distribution of questionnaires distributed to employees.
2. Test instruments in this study are classified into 2 tests namely:
 - a. Validity test
Validity test is used to measure the validity or validity of a questionnaire. A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire on condition that the questionnaire is valid if it has a value of $r > 0.30$. (Sugiyono, 2016).
 - b. Reliability Test
The reliability test can be carried out using the help of the SPSS program, which will provide facilities to measure reliability with the Cronbach Alpha (α) statistical test. A construct is said to be reliable if it gives a Cronbach Alpha value > 0.60 .
3. The classic assumption test
 - a. Normality test
The normality test aims to test whether in the regression model, the dependent variable and the independent variable have a normal distribution or not. Normality can be tested using the Kolmogorov-Smirnov test.
 - b. Multicollinity
Multicollinarity test aims to test whether the regression model found a correlation to the independent variable (independent). A good regression model should be free of multicollinity or there is no correlation between independent variables. Multicollinity Test can be seen from (1) tolerance value and its opponents (2) Variance Inflation Factor (VIF).
 - c. Heterokedasticity test
Heterokedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of an observation to another observation, it is called homokedasticity, and if it is different it is called Heterokedasticity (Ghozali, 2016)

4. Path analysis is a part of the multiple regression model used to analyze the effect of exogenous variables on endogenous variables in the form of direct and indirect effects. Where is the path coefficient according to the formula:

$$Y = P_{yx1}X_1 + P_{yx2}X_2 + \epsilon_1$$

$$Z = P_{zx1}X_1 + P_{zx2}X_2 + P_{zy}Y + \epsilon_2$$

Then in testing intervening variables can mediate the influence of exogenous variables on endogenous variables, then a statistical test is used by using the formula quoted from Sujarweni (2014: 316), namely: $Sat = \sqrt{b_2 Sa_2 + a_2 Sb_2 + Sa_2 Sb_2}$. So that the calculation of t-counts can be determined by use the formula:

$$t = \frac{ab}{Sab}$$

5. Analysis of the sobel test That is a test to find out whether the relationship through a mediating variable is significantly capable as a mediator in that relationship. Where Sobel test uses the z test with the following formula:

$$z = \frac{ab}{\sqrt{(b^2 SE_a^2) + (a^2 SE_b^2)}}$$

RESEARCH RESULT

Results of Multiple Linear Regression Analysis on the Effect of Participation in the Budgeting of the Special Autonomy Fund and Leadership Style on Local Government Performance

From the results of processed regression equation data, namely the influence of participation in the preparation of the special autonomy fund budget and leadership style on organizational culture using the SPSS program, it can be presented through table 1:

Table1. Regression Test Results Influence Participation in Budgeting and Leadership Style towards Organizational Culture

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.834	.375		2.227	.029
Participation in the preparation of the special autonomy fund budget	.160	.063	.219	2.529	.013
Leadership Style	.588	.094	.541	6.263	.000

Source: Data processed, 2020

From the results of the regression equation the interpretation in this study will be presented: $b_0 = 0.834$, this shows that with the participation in budgeting and leadership style, organizational culture is 0.834, $b_1X_1 = 0.219$, this shows that budgetary participation has a positive influence on organizational culture, where the higher participation in budgeting, the organizational culture will increase by 0.219, and $b_2X_2 = 0.541$, this shows that the leadership style has a positive influence on organizational culture, where the higher the leadership style the organizational culture will increase by 0.541.

Furthermore, to find out whether there is a relationship or correlation between participation in the preparation of the special autonomy fund budget and leadership style on organizational culture, the value of $R = 0.604$, this can be interpreted that participation in the preparation of the special autonomy fund budget and leadership style has a strong relationship to the organizational culture. Then with a value of $R^2 = 0.365$, this can be interpreted that participation in the preparation of the special autonomy fund budget and leadership style can explain the organizational culture of 36.5%. While the remaining 63.5% ($100 - 36.5 \times 100$) is influenced by other factors not included in this research model.

Then in testing the hypothesis of this research it can be done by partial test and simultaneous test namely: Partial test (t test) is used in testing the influence of participation in the preparation of the special autonomy fund budget and leadership style on organizational culture. Where the results of processed regression data using the SPSS 24 program, the value of sig = 0.013 can be obtained, this can be said that the value of sig = 0.013 < 0.05 means that participation in the preparation of the special autonomy fund budget has a significant influence on organizational culture. Based on the results of the partial test that is the influence of leadership style on organizational culture in the Government office in Intan Jaya Regency, sig = 0,000 < 0.05, this can be interpreted that the leadership style has a significant effect on organizational culture at the Intan Jaya Regency Government office.

While the simultaneous test (F test) is an analysis to test whether participation in the preparation of the special autonomy fund budget and leadership style together influence the organizational culture in the Intan Jaya Regency Government office. F test can be done by comparing between sign values. with 0.05, if the sign value. smaller than 0.05 means that it simultaneously has an effect. From the results of the processed data obtained by the sign value. = 0,000. Because the value of sig = 0,000 < 0.05 means it can be said that participation in the preparation of the special autonomy fund budget and leadership style together influence the

organizational culture at the Regional Government Office in Intan Jaya Regency.

The influence of participation in the preparation of the special autonomy fund budget, leadership style and organizational culture on the performance of local governments in Intan Jaya Regency

To find out the influence of participation in the preparation of the special autonomy fund budget, leadership style and organizational culture on the performance of local governments in Intan Jaya Regency, the results of the regression data will be presented earlier in the following table:

Table 2. Regression Test Results Effect of Budgeting Participation, Leadership Style and Organizational Culture on Local Government Performance in Intan Jaya Regency

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.624	.348		1.791	.077
Participation in the preparation of the special autonomy fund budget	.184	.059	.245	3.093	.003
Leadership Style	.279	.102	.252	2.725	.008
Organizational culture	.444	.097	.435	4.560	.000

Source: Data processed, 2020

From the results of the analysis of the regression equation, it can be interpreted from the equation, namely: $b_0 = 0.624$ or a constant value which means that with participation in the preparation of the special autonomy fund budget, leadership style and organizational culture, the performance of local government in Intan Jaya Regency is 0.624. Then for $b_1X_1 = 0,245$, $b_2X_2 = 0,252$, and $b_3X_3 = 0,435$, this means that budgetary participation, leadership style and organizational culture have a positive effect on the performance of local government in Intan Jaya Regency, where if the respondent's response to organizational culture increases by 1 unit then the performance of the local government in Intan Jaya Regency will also increase by 0.245.

To find out the relationship between the participation in the preparation of the special autonomy budget, leadership style and organizational culture on the performance of local government performance, it can be seen from the summary test table obtained the value of $R = 0.713$, it can be said that the correlation between budgeting participation, leadership style and organizational culture there is a strong relationship to the performance of local government in Intan Jaya Regency. While the coefficient of determination seen from the adjusted $R^2 = 0.491$, this can be interpreted that the variability of local government performance in Intan Jaya Regency can be influenced by budgeting participation, leadership style and organizational culture by 49.1%, while the remaining 50.9% ($1 - 0.491 \times 100$) can be determined by other factors not included in this research model.

Then for the partial test, the results are obtained that the results of the partial test (t test) regarding the effect of budgetary participation on the performance of local governments in Intan Jaya District obtained a sig value of 0.003, where with a value of $\text{sig} = 0.003 < 0.05$, it can be said that there is a significant influence between budgetary participation in the performance of local governments in Intan Jaya Regency. Partial test results (t test) regarding the influence of leadership style on local government performance obtained sig value of 0.009, because with a value of $\text{sig} = 0.008 < 0.05$, it can be said that the leadership style has a significant effect on the performance of local government. Partial test results (t test) the influence of organizational culture on the performance of local governments in Intan Jaya District obtained a sig value of 0,000, because of the sign value. = 0,000 < 0.05 , it can be said that there is a significant influence between organizational culture on local government performance.

Then to determine the simultaneous influence between budgeting participation, leadership style and organizational culture on the performance of local government in Intan Jaya Regency, the sign value is obtained. 0,000, because of the sign value. 0,000 < 0.05 , it can be said that budgetary participation, leadership style and organizational culture have a joint or simultaneous influence on the performance of local governments in Intan Jaya Regency.

Path Test (Path Analysis)

Based on the results of the analysis of the regression data that has been described, a path analysis will be conducted which aims to find out whether there is a direct and indirect influence of the independent (exogenous) variables on the dependent variable (en-dogen) through intervening variables. In connection with the description above, it can be presented the results of path testing through table 3, namely:

Tabel 3 Path Test Results (*Path Analysis*)

No.	Path Test	Direct Influence	Indirect Influence	total Influence value	De- scription	<i>p</i> value	Information
1	The effect of participation in the preparation of the special autonomy fund budget on organizational culture	0,219	-	0,219		0,013	+/significant
2	Effects of lependance on organizational culture	0,541	-	0,541		0,000	+/significant
3	Effect of participation in the preparation of the special autonomy fund budget to the performance of local governments	0,245	-	0,245		0,003	+/significant
4	Effect of leadership style on regional government performance	0,252	-	0,252		0,008	+/significant
5	Effect of organizational culture on local government performance	0,435	-	0,435		0,000	+/significant
6	The influence of participation in the preparation of the special autonomy fund budget to the performance of regional governments through organizational culture	0,245	0,095	0,340		0,006	+/significant
7	The influence of participation in the preparation of the special autonomy fund budget to the performance of local governments in Intan Jaya Regency through organizational culture	0,252	0,236	0,488		0,000	+/significant

Source: Data processed, 2020

DISCUSSION

1. Effect of Participation in the preparation of the special autonomy fund budget on organizational culture in the Intan Jaya Regency local government

The results of the analysis of research data that have been conducted through the distribution of questionnaires to a number of respondents, it can be said that the level of participation in the preparation of the special autonomy fund budget at a government office in Intan Jaya Regency is still categorized as low, the reason being that each employee is less involved when drafting the special autonomy fund budget and in addition that during the preparation of the special autonomy fund budget in Intan Jaya Regency there was still not enough opportunity given when preparing the special autonomy fund budget.

Based on the results of data analysis that has been carried out, participation in the preparation of the special autonomy fund budget has a positive and significant impact on organizational culture. This can be interpreted that the more employees involved in the preparation of the special autonomy fund budget will be able to have a significant influence in enhancing organizational culture at the Government Office in Intan Jaya Regency.

The results of research conducted by Kusumastuti and Novandalina (2014), Handayani and Arianti (2010) found that budgetary participation had a positive and significant effect on organizational culture. Whereas in research conducted by researchers shows that the level of participation in the preparation of the special autonomy fund budget has a positive and significant effect on organizational culture. Thus the results of this study are in line with research conducted by Kusumastuti and Novandalina (2014), as

well as Handayani and Arianti (2010), so that the research hypothesis stated earlier is proven.

2. Effect of Leadership Style on organizational culture at Regional Government Offices in Intan Jaya Regency

The results of the analysis of the application of leadership style at the Regional Government Office in Intan Jaya Regency have been categorized as good, the reason being that in carrying out the work by the employee, the employee first gets an explanation of the tasks to be carried out, and in addition to that the work implementation has been established. clear between superiors and employees in the implementation of work.

Based on data analysis conducted, the influence of leadership style on organizational culture, where the findings obtained in this study are that there is a significant positive influence between leadership style on organizational culture, which means that leadership style has a significant influence on improving organizational culture in Regional Government Offices in Intan Jaya Regency. Then from the results of research conducted by previous researchers namely Nuwatin et al (2012), Handayani and Arianti (2010), Sappe et al (2019) who found that leadership style had a positive and significant effect on organizational culture. While the results of research conducted by researchers indicate that the leadership style has a positive and significant effect on organizational culture at the Regional Government Office in Intan Jaya Regency. So that in this study in line with research conducted by Nuwatin et al. (2012), Handayani and Arianti (2010), and Sappe et al. (2019), in addition, the research hypothesis stated earlier was proven.

3. Effect of Participation in the preparation of the special autonomy fund budget to the performance of regional governments

The results of the analysis of Participation in the preparation of the special autonomy fund budget and its effect on the performance of local governments in Intan Jaya Regency. Findings obtained after distributing questionnaires, especially to respondents who indicated that participation in the preparation of the special autonomy fund budget had a significant influence in improving the performance of local governments in Intan Jaya Regency. Then in research conducted by previous researchers namely: Mongeri (2013), Usman and Paranoan (2013), Pratama (2016), Hariany and Veny (2018), and besides Duamindra (2015), which found that the leadership style had a positive influence and significant to local government performance. Thus the hypothesis stated earlier is proven.

4. Effect of Leadership Style on local government performance

The results of the analysis of the influence of leadership style on local government performance shows that leadership style has a significant influence on the performance of local government. This can be interpreted that by applying a good leadership style, it can have a significant influence in improving the performance of local governments in Intan Jaya Regency. Based on previous research, Mongeri (2013), Usman and Paranoan (2013), Duvamindra (2015), the results of the study found that leadership style had a positive and significant effect on the performance of local governments. So that in this study received from the results of research conducted by previous researchers.

5. The influence of organizational culture on local government performance

The results of the analysis of the influence of organizational culture on local government performance, where the findings in this study found that there is a positive and significant effect on the performance of local governments in Intan Jaya Regency. It can be said that the implementation of organizational culture currently carried out has an impact on improving the performance of local governments. Different results of previous studies are Duavamindra (2015), Pandeni and Sinarwati (2017), and Enizawati (2013) whose results found that organizational culture influences positive and significant impact on the performance of local governments in Intan Jaya Regency. So that the results of this study are in line with previous studies.

6. Effect of Participation in the preparation of the special autonomy fund budget to the performance of regional governments

Based on the results of this research data analysis which shows that organizational culture can mediate the influence between the participation in the preparation of the special autonomy fund budget to the performance of local governments in Intan Jaya Regency, which means that the higher participation in the preparation of the special autonomy fund budget by each employee will be able to improve the organizational culture impact on the performance of local governments in Intan Jaya Regency. The results of a study conducted by Duvamindra (2015), Rohman (2012), Enizawati (2013), who found that organizational culture can mediate the influence of participation in the preparation of the special autonomy fund budget on the performance of local governments in Intan Jaya Regency. So that in research in line with the results of research conducted by previous researchers.

7. Effect of leadership style on local government performance

The results of the analysis of research data that have been carried out in this study indicate that organizational culture can mediate the influence of leadership style on the performance of local governments in Intan Jaya Regency. Research conducted by Handayani and Arianti (2010) found that leadership style does not directly influence performance through organizational culture. Then Sappe et al (2019) found that leadership has a significant effect on the performance of local governments, so that this study is in line with the results of research conducted by Sappe et al (2019) and does not support the results of research conducted by Handayani and Arianti (2010).

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the analysis and discussion described in the previous chapter, a number of conclusions can be drawn from the results of the analysis, namely: participation in budgeting has a positive and significant impact on organizational culture at

the Regional Government Office. Empirical findings that leadership style has a positive and significant effect on organizational culture at Regional Government Offices. From the results of the analysis, empirical findings are obtained that participation in budgeting has a positive and significant effect on the performance of local governments. The analysis results obtained empirical findings that the leadership style has a positive and significant effect on the performance of local government. Based on the research results, empirical findings are obtained that organizational culture influences the performance of local government. The mediation test results obtained empirical findings that organizational culture can mediate the effect of participation in budgeting on the performance of local governments. Based on the results of the mediation test, empirical findings are obtained that organizational culture can mediate the influence of leadership style on the performance of local government at the Regional Government Office in Intan Jaya Regency.

In this study, it was found that participation in the preparation of the special autonomy fund budget, leadership style significantly influenced the organizational culture and performance of local governments in Intan Jaya Regency. Whereas from the results of the path test it was found that empirically the organizational culture carried out so far could mediate the effect of participation in the preparation of the special autonomy fund budget and leadership style on the performance of local governments in Intan Jaya Regency.

The limitation of the results of this study is that the results of this study only have samples in Intan Jaya Regency and do not use all employees who work at the Regional Government Offices in Intan Jaya Regency. This is due to the problem of limited time and research costs.

From the results of the analysis carried out, as for the suggestions that can be given in connection with this research are: It is recommended that to improve the performance of the local government in Intan Jaya Regency, it is better to involve employees in the preparation of the special autonomy budget. Efforts to improve organizational culture at the Regional Government Offices in Intan Jaya Regency in order to encourage employees to increase employee creativity in completing their work. Efforts should be made to improve the performance of regional governments, especially in terms of the implementation of special autonomy funds in Intan Jaya Regency, which should further increase the effectiveness and efficiency in the use of Otsus spending. It is better if the special autonomy program can be increased by considering more aspects of the suitability of funds with the specified Otsus program. The need for the Budget Section always provides an opportunity for every other employee in determining the final results in the preparation of the special autonomy fund budget. It is recommended to further improve employees to always work together in completing work related to the implementation of the Special Autonomy program. The need to improve the application of organizational culture by encouraging employees to work actively and in discipline in completing work at the Regional Government Office in Intan Jaya Regency.

THANK-YOU NOTE

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