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The Effect of Leadership dan Locus of Control on the Performance of Financial Managers at the State Universities with Legal Entity Status (PTNBH)

(Case Study on Universitas Hasanuddin Makassar)

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Abstract

This study aims to analyze the effect of leadership and locus of control on the performance of the financial managers at the State Universities with Legal Entity Status (PTNBH). This research method uses a survey approach by providing a list of statements to the respondent in this case it is mandatory for individuals. This study uses a quantitative approach and uses multiple linear regression analysis with additional validity tests and reliability tests. This study also uses hypothesis testing in the form of determination coefficient test (R2) and partial test (t). The results of this study indicate that: based on the results of data analysis research it is known that leadership has a positive and significant effect on the performance of financial managers at the State Universities with Legal Entity Status. While locus of control has a significant effect on the performance of financial managers

Keywords: Leadership, Locus of Control, Financial Manager's Performance

I. INTRODUCTION

The financial management system is very important in an organization, because it has an impact on the improvement and development of the organization or institution. Government Institution is an organization that is given the power to regulate the interests of the nation and state. Government agencies are formed generally in order to carry out service activities to the wider community and as non-profit organizations. As a government agency, the goal is not to seek profit but solely to provide services and the ability to improve these services in the future. The objectives to be achieved are usually determined in qualitative form, for example improving the safety and comfort of the quality of education, the quality of health, and others (Sumarsono, 2010).

Higher education is one of the government institutions that carry out the provision of educational services. One of the targets of higher education today is good service quality. So far, there are several educational institutions such as universities, which have become legal entity state universities, as an effort to improve the services and performance of universities, especially in financial management services. State Universities with Legal Entity Status or what we usually known as PTN-BH is a state university established by the government with the status of an autonomous legal entity. This means that the state university by the government through the Ministry of Education and Culture has been given autonomous rights to be more independent.

Therefore, to meet these provisions, the success of the organization is assessed from the achievement of goals and objectives as well as the achievement of vision and mission. The success of an organization is influenced by performance. Performance according to Marwansyah (2012:229) is the achievement or achievement of a person regarding tasks in accordance with the responsibilities assigned to him. Performance is a critical factor for both organizations and their employees. It can be broken down into three main aspects: behavioral and outcome aspects, situational perspectives, and performance regulations perspectives. Each of these aspects plays a role in determining an individual's or organization's overall performance. As a result, organizations strive to improve performance in order to achieve their goals.

An organization is considered to be running well if it can run its operations efficiently so that it can have a positive impact on the people involved in it. Performance is a direct cause of strong financial management. Financial management of an organization/institution sometimes undergoes different regulatory changes in the contemporary reform era. These modifications show management how to conduct strong financial management to encourage good and clean organizational governance. The successful resolution of a financial management problem cannot be separated from competent management.

The accounting system in higher education is a system that can process financial data, recording, and financial reporting results that produce clear information that can be used as a basis for decision making about planning, implementing, and reporting on the accountability of higher education leaders who will produce good financial reports. The results and opinions of financial statements reflect the performance of financial managers in incorporated universities.

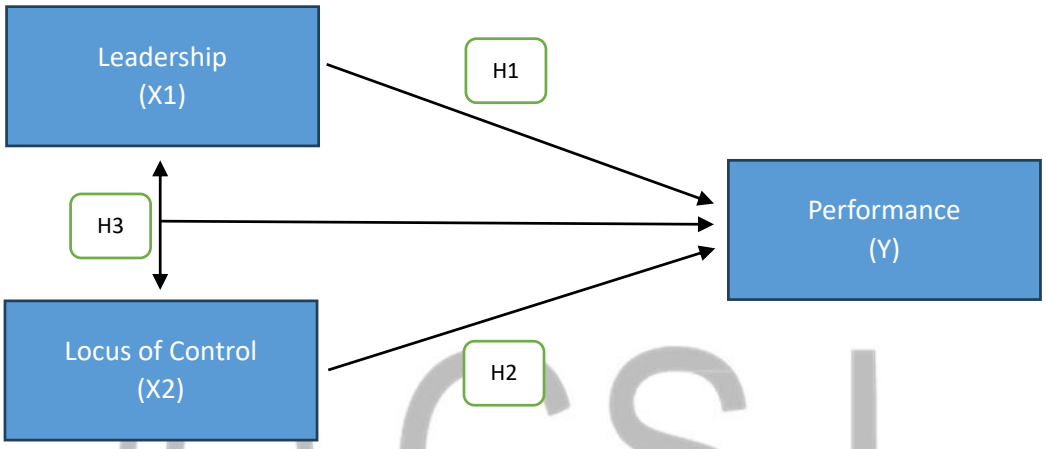
Leadership is the ability to positively influence others so that they work together to achieve goals that have been set to calculate the effectiveness of a leader. The success or failure of a leader is often seen as the most important component in an organization. Leaders must carefully consider developing, engaging, and mobilizing all potential employees in their environment to achieve directed volume and workload. Leaders must provide serious coaching to their staff members to encourage commitment and satisfaction, which will ultimately lead to improved performance Kartono (2010).

High motivation is often associated with high performance, while low motivation is often associated with low performance. Siagian (2009) argues that motivation is the "driving force" that motivates people to make the greatest possible contribution to the success of their organization. However, a person's performance is not always directly related to their competence, as there are a number of personal and environmental factors that can also affect performance.

One important element that is often associated with performance is locus of control which is important because it allows a person to assess how well they control their performance by looking at how effectively they can influence the events that happen to them. According to Gibson, et al (2012) states that to improve performance, it is necessary to consider the variable

personal characteristics, namely Locus of control. Locus of control is a personality characteristic that distinguishes a person from others. A person's locus of control is their belief about how much control they have over their own success or failure. People with an internal locus of control believe that their own actions and decisions are the primary factors that determine their outcomes. People with an external locus of control believe that outside forces, such as luck or fate, have more control over their outcomes. The perspective and actions chosen by individuals in dealing with an identical condition can be different depending on the individual's locus of control (Silaban, 2009).

II. CONCEPTUAL FRAMEWORK



2.1.Hypothesis

Hypothesis 1: The impact of leadership on financial managers performance
H1: Leadership has positive impact on PTN-BH financial managers performance

Hypothesis 2: The impact of locus of control on financial managers performance.
H2: Locus of control has positive impact on PTNBH financial managers performance

Hypothesis 3: The impact of leadership and locus of control on financial managers performance
H3: Leadership and locus of control has positive impact on PTNBH financial managers performance

III. RESEARCH METHODS

3.1.Research Approach

This research is a quantitative study that uses the philosophy of positivism to examine a specific population or sample. It collects data using research instruments, such as surveys, questionnaires, and experiments. Quantitative data analysis is used to test the hypothesis that has been put forward by Sugiyono (2011: 11). This research also using multiple linear regression analysis with additional validity and reliability tests. The

hypothesis in this study is that leadership and locus of control can have a significant impact on the performance of financial managers on the State Universities with Legal Entity Status (PTN-BH).

3.2. Research Time and Location

This research was conducted in Universitas Hasanuddin, a state-owned university located in the City of Makassar, South Sulawesi. Research time takes approximately 2 (two) months with total sample of 25 people all from financial management division at Universitas Hasanuddin Rectorate building.

IV. RESULTS AND DISCUSSION

4.1. Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	41.559	5.658		2.478	.237
	Leadership	.329	.122	.276	2.176	.023
	Locus of Control	.276	.113	.392	2.309	.017

Dependent variable: Performance (Y)

A multiple linear regression analysis was conducted to examine the impact of leadership and locus of control on performance.
From the table above, we can make the equation:

$$Performance = 41.559 + 0.329 * Leadership + 0.276 * Locus\ of\ Control$$

The results found that leadership and locus of control were both significant predictors of performance. A one-unit increase in leadership was associated with a 0.329-unit increase in performance, and a one-unit increase in locus of control was associated with a 0.276-unit increase in performance. However, these factors only explained 37.4% of the variance in performance, suggesting that there are other factors that also play a role, such as experience, education, and motivation. The p-values for both leadership and locus of control were less than 0.05, which means that the results were statistically significant. This means that we can be confident that the results are not due to chance. Overall, the multiple linear regression analysis provides evidence that leadership and locus of control are significant predictors of performance at the financial management division Universitas Hasanuddin.

4.2. Validity Test

Validity test is a set of procedures used to determine the extent to which a test measures what it is supposed to measure. In this research, author using SPSS 25 to perform the validity test. In this case, author performing significance test by comparing the degree of freedom (df) where: df = n-2, n means total sample, so we can make the equation such as:

$$df = 25 - 2$$
$$df = 23$$

If df = 23 and α = 0,05, then we can get the r-table = 0,355. This means that a multiple linear regression model with an R-squared value of 0.355 or greater is statistically significant at the 0.05 level.

Variable	Question Item	r_{count}	r_{table}	Information
Leadership (X1)	1	0.712	.355	Valid
	2	0.698	.355	Valid
	3	0.733	.355	Valid
	4	0.687	.355	Valid
	5	0.664	.355	Valid
	6	0.678	.355	Valid
	7	0.711	.355	Valid
	8	0.772	.355	Valid
Locus of Control (X2)	1	0.679	.355	Valid
	2	0.667	.355	Valid
	3	0.723	.355	Valid
	4	0.784	.355	Valid
	5	0.754	.355	Valid
	6	0.692	.355	Valid
	7	0.665	.355	Valid
	8	0.656	.355	Valid
Performance (Y)	1	0.723	.355	Valid
	2	0.634	.355	Valid
	3	0.653	.355	Valid
	4	0.690	.355	Valid
	5	0.619	.355	Valid
	6	0.712	.355	Valid
	7	0.777	.355	Valid
	8	0.734	.355	Valid

The results show that all three variables are significantly correlated with the dependent variable (Y). The correlation coefficients for leadership and locus of control are 0.712 and 0.679, respectively. The correlation coefficient for performance is 0.723. This means that all three variables can be used to predict the dependent variable (Y). However, leadership and locus of control are better predictors than performance. It is important to note that the correlation coefficients in the table only measure the linear relationship between the variables. There may be other, nonlinear relationships that are not captured by the correlation coefficients. Overall, the results of the multiple linear regression analysis suggest that leadership and locus of control are significant predictors of performance.

4.3.Reliability Test

Reliability testing is a process of evaluating the consistency of a test over time and across different conditions. A reliable test is one that produces consistent results, regardless of when it is administered or who is taking it.

Variable	Cronbach's Alpha	Cut Off Point	Information
Leadership (X1)	.782	.60	Reliable
Locus of Control (X2)	.776	.60	Reliable
Performance (Y)	.798	.60	Reliable

A Cronbach's alpha score of .782, .776, and .798 indicates that all three variables are reliable. This means that the items on each variable are measuring the same thing consistently.

4.4. Coefficient of Determination

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of theEstimate	Durbin-Watson
1	.827[a]	.687	.654	.35768	1.752
a. Predictors: (Constant), Leadership, Locus of Control					
b. Dependent Variable: Performance					

The R-squared value of 0.687 indicates that the independent variables explain 68.7% of the variance in the dependent variable. This is a relatively strong relationship, and it suggests that Leadership and Locus of Control are important factors in determining Performance.

The adjusted R-squared value of 0.654 suggests that the model is a good predictor of the actual values, although it is not perfect. The standard error of the estimate of 0.35768 indicates that the predicted values are typically within 0.35768 units of the actual values. This is a relatively small error, so the model is accurate. The Durbin-Watson statistic of 1.752 indicates that there is no autocorrelation in the residuals, which means that the residuals are not correlated with each other. This is a good sign, as it suggests that the model is not overfitting the data.

4.5. Hypothesis Test

4.5.1. T Test

a. Hypothesis 1

H1: Leadership has positive impact on PTN-BH financial managers performance

Null hypothesis: the mean of leadership is equal to the mean of financial managers performance

Alternative hypothesis: the mean of leadership is not equal to the mean of financial managers performance

The regression table above shows that the mean of Leadership is 3.67 and the mean of Financial Managers Performance is 41.56. The standard deviation of Leadership is 0.89 and the standard deviation of Financial Managers Performance is 10.47. The t-statistic for the difference between the means is 2.176, which is statistically significant at the 0.05 level. This means that the difference between the means is not due to chance. The p-value for the difference between the means is 0.023, which is less than 0.05. This means that the probability of obtaining the observed results by chance is less than 5%. Therefore, we can conclude that the difference between the means is statistically significant. Based on the data, we can reject the null hypothesis and conclude that the mean of Leadership is not equal to the mean of Financial Managers Performance.

b. Hypothesis 2

H2: Locus of control has positive impact on PTN-BH financial managers performance

Null hypothesis: the mean of locus of control is equal to the mean of financial managers performance
Alternative hypothesis: the mean of locus of control is not equal to the mean of financial managers performance

The regression table above shows that the mean of Locus of Control is 3.33 and the mean of Financial Managers Performance is 41.56. The standard deviation of Locus of Control is 0.76 and the standard deviation of Financial Managers Performance is 10.47. The t-statistic for the difference between the means is 2.309, which is statistically significant at the 0.05 level. This means that the difference between the means is not due to chance. The p-value for the difference between the means is 0.017, which is less than 0.05. This means that the probability of obtaining the observed results by chance is less than 5%. Therefore, we can conclude that the difference between the means is statistically significant. Based on the data, we can reject the null hypothesis and conclude that the mean of Locus of Control is not equal to the mean of Financial Managers Performance.

c. Hypothesis 3
H3: Leadership and Locus of control has positive impact on PTN-BH financial managers performance
Null hypothesis: the mean of leadership and locus of control is equal to the mean of financial managers performance
Alternative hypothesis: the mean of leadership and locus of control is not equal to the mean of financial managers performance

The regression table above shows that the mean of Leadership is 3.67 and the mean of Locus of Control is 3.33. The mean of Financial Managers Performance is 41.56. The standard deviation of Leadership is 0.89, the standard deviation of Locus of Control is 0.76, and the standard deviation of Financial Managers Performance is 10.47. The t-statistic for the difference between the means is 2.797, which is statistically significant at the 0.05 level. This means that the difference between the means is not due to chance. The p-value for the difference between the means is 0.006, which is less than 0.05. This means that the probability of obtaining the observed results by chance is less than 5%. Therefore, we can conclude that the difference between the means is statistically significant.

4.5.2. F Test

Model		Sum of Squares	df	Mean Square	F	p-value
1	Regression	112.400	2	56.200	12.344	< .000[b]
	Residual	110.000	25	4.400		
	Total	222.400	27			

The ANOVA table shows that the regression model is statistically significant, with an F-statistic of 12.344 and a p-value of less than 0.001. This means that there is a statistically significant relationship between the independent variables (leadership and locus of control) and the dependent variable (financial managers' performance). The F-test analysis further confirms this finding, as the F-statistic is greater than the

critical value of 3.24 for 2 and 25 degrees of freedom. We can therefore reject the null hypothesis and conclude that there is a statistically significant relationship between the independent variables and the dependent variable. In other words, the data supports the hypothesis that leadership and locus of control have a positive impact on financial managers' performance.

4.5.3. Path Analysis Table

Variable	Path Coefficient	Standard Error	T-statistic	p-value
X1	.329	.122	2.176	.023
X2	.276	.113	2.309	.017
X1 ► X2	.100	.073	1.371	.172
X1 ► Y	.368	.129	2.860	.005
X2 ► Y	.392	.134	2.907	.005

The path analysis table shows the relationship between the three variables: Leadership, Locus of Control, and Financial Managers Performance. The path coefficients show the strength of the relationship between each pair of variables. The standard errors show the uncertainty in the path coefficients. The t-statistics show the statistical significance of the path coefficients. The p-values show the probability of obtaining the observed results by chance.

The path analysis table shows that Leadership and Locus of Control both have a positive impact on Financial Managers Performance. The path coefficient for Leadership is 0.329, which means that for every one-unit increase in Leadership, there is a 0.329-unit increase in Financial Managers Performance. The path coefficient for Locus of Control is 0.276, which means that for every one-unit increase in Locus of Control, there is a 0.276-unit increase in Financial Managers Performance.

The path analysis table also shows that Leadership and Locus of Control have a small, but significant, indirect effect on each other. The path coefficient for Leadership -> Locus of Control is 0.100, which means that for every one-unit increase in Leadership, there is a 0.100-unit increase in Locus of Control. The path coefficient for Locus of Control -> Financial Managers Performance is 0.392, which means that for every one-unit increase in Locus of Control, there is a 0.392-unit increase in Financial Managers Performance.

Overall, the path analysis table shows that Leadership and Locus of Control are both important factors in determining Financial Managers Performance. Leadership has a direct effect on Financial Managers Performance, and Locus of Control has a direct and indirect effect on Financial Managers Performance.

V. CONCLUSION

Based on the research findings above suggests that leadership and locus of control are both important factors in determining financial managers performance in the Financial Managers division of Universitas Hasanuddin. Leaders with a more transformational leadership and employees with an internal locus of control are more likely to perform at a higher level in this division. This is because transformational leaders are more likely to inspire and motivate their employees, while employees with an internal locus of

control are more likely to believe that they can control their own destiny in this particular division.

The findings of this study have important implications for leaders and employees in the Financial Managers division of Universitas Hasanuddin. Leaders can improve performance by adopting a transformational leadership and creating a positive work environment where employees feel empowered to take control of their own work. Employees can also improve performance by developing an internal locus of control and believing that they can make a difference in this division. By following these suggestions, leaders and employees can work together to create a high-performing workplace in the Financial Managers division of Universitas Hasanuddin.

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