

ORGANIZATIONAL CAPACITY AND FINANCIAL MANAGEMENT PERFORMANCE OF LOCAL GOVERNMENT

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Abstract

This study investigates the relationship between organizational capacities and financial implementation performance on Local Government. This study addresses the question of whether organizational capacities as measured by financial literacy, dynamic capability, strategic planning, goal orientation, budget allocation, and control and monitor impact directly on financial implementation performance. Using the data from North of Aceh and Lhokseumawe City, therefore, the results shown four variables are significant impact while two variables are not significant. Based on results suggested both Local Governments i.e., North of Aceh and Lhokseumawe city have generated similar focus on four factors and significantly impact to financial performance. However, two others variables such as DinCap and StratPlan are not significant. In the environment uncertainty, DinCap and StatPlan are appropriate tools to recombine functional competence of the organization particularly in financial implementation stage. The result implies empirically shown both Local Governments failed to obtain WTP opinion and it may because weak of associate of Dincap and StratPlan operation with rapid change of the environment.

Keywords: *organizational capacities, financial management performance.*

1. Background

The new paradigm of government financial management today are faced to account for any activity undertaken in a transparent manner, both internal and external scope. Local Governments require accounting financial stakeholders as stipulated in Law No. 17 of 2003 on State of Finance and Law No. 1 of 2004 on State of Treasury. Finance areas shall be managed in an orderly, obedient to the laws and regulations, efficient, economical, effective, transparent, and accountable to the propriety take fairness and benefits to society.

There is no exception to all areas of government activities that use the local finance of annually budget.

Local Government as a financial reporting entity must report the overall responsibility in the form of Local Government of Financial Report (LKPD). LKPD consists of Budget Realization Report, Balance Sheet, Cash Flow Statement and Notes to Financial Statements which prepared by the Head of SKPKD LKPD as PPKD's yearly.

Indonesian Supreme Audit Board as well known as *Badan Pemeriksa Keuangan Republik Indonesia*

published Local Government Financial Reports for all province in Indonesia for the period 2011 and 2012 and they reported that the numbers of local government financial reported audited which have no reasonable examination opinion or Wajar Tanpa Pengecualian (WTP) were increased significantly. Financial audited on LKPD during the first semester in 2012 or similarly with 524 of LKPD with WTP opinion increased significantly from 34 to 67 of LKPD. However, the amount of WTP opinion is still relatively small which only reached 16% of the total LKPD. This is smaller than the number of LKPD with non WTP opinion which around 77% of the total LKPD. The other fact shown that among local government, provincial governments are more relatively higher WTP opinion achieved than City and District governments (BPKP RI 2013).

Most of local government in Indonesia constantly attempted to achieve Unqualified Opinion (WTP), in fact, some local government in the Indonesia have only predicated WTP opinion from BPK RI and this is far from BPK RI's expectation. An area received predicate title of WTP means that the area is considered reflection of having good governance. Many benefits obtains for Local governments if they hold WTP predicate, for example the region will receive trusted and community support from people and investors, received funding and incentive (reward) from the Central Government, and have trusted from the central government in providing a number of development budget.

The Indonesian Supreme Audit Board stated that many LKPD failed to meet WTP opinion particularly for City government and District government which generally relate to financial literacy factors of civil servant such as, cash management, inventory, permanent and non-permanent investment, and fixed assets (BPK 2013). Financial literacy was concern about individuals' financial education and this variable related to financial decision making. Hung et al. (2009) argue that financial literacy is a secondary concern when it comes to decision making. There are differences between financial literacy and financial education. The Presidents Advisory Council on Financial Literacy (PACFL, 2008) defines financial literacy as the ability to use knowledge and skills to manage financial resources effectively, while financial education is the process by which people improve their understanding of financial products, services and concepts, so they are empowered to make informed choices, avoid pitfalls, know where to go for help and take other actions to improve their present and long-term financial well-being.

In term of financial implementation on Local government, BPK viewed that the ability of civil servant to use their knowledge and skills to manage financial resource still weak and need to improved. To overcome these problems, BPK RI recommends a few things to local governments, for example improve the financial literacy, administration control and inventory control. They must establishing accounting policies to present a non permanent revolving fund investment based on net realizable value (net realizable value), and compiles a fixed asset capitalization policy and asset security through proof of ownership. Therefore, in the process to minimize the limitations, the government organization must have ability in order to adjust the availability of resources, especially in the financial department. Human resource or personnel employee would have trained as planned in performance indicators and targets. Through their skill, dynamic capabilities and good information system will help the organization to set performance indicators. Overall, those factors seen as an organizational capacity that must strongly develop when relatively level of environment uncertainty with the task environment is high. Organizational capacity is an important attribute to associate with local government performance. Logically, organizational capacity not only the ambition but the government must be achieved realistically. However there is no study revealed that the relationship between organizational capacity and financial implementation performance in Local Government in Indonesia.

Most of prior studies focused on accountability and political factors in measuring financial implementation in the local government. Suprasto (2003) mentioned that the government's effort in realizing accountability of public financial management is an obligation. It refers to the State of Budget as the public sector budget approach with the performance of the set (PP No.105, 2000, Pasal 8). In addition, performance measurement in the government sector becomes important due to improve accountability, transparency and organization management improvement services to the community. City Government and District Government must prepare financial stages and, they require prepare the budget process and financial management, furthermore, they must ensure to monitor the project has implemented. On the other side, the role of BPK is a constitutional institution examiner only. They concern to provide suggestions and recommendations to improve bookkeeping system and financial management. (Nasution, BPK RI, 2013).

Dittenhoter (2001) stated that financial management in the government sector is unique cases, this is because financial management in the government sector was conducted in order to meet public services requirement and people will respond differently once the finance policy made. There is the difference between the basic operation in the government organization and private organization i.e., financial management. Financial management is identified the impact of manager and accountant motivation who are presented the change of management which is given the emphasis of the factors that tend to improve the productivity in the government, in financial operation particularly.

Furthermore, Garamfalvi in Abdullah and Asmara (2006) found that political factors arised in the budget preparation phase and they have political interest in many strategic decisions. It's refers to administrative corruption as government agent. Similarly, in the case of employee placement, Whitley (1999) concluded that the weaknesses of performance in the government bureaucracy has caused by the political involvement and limited control system.

However some researcher revealed the size of performance is not the factor for supporting decision making barely, the others factor such as employee placement and budget allocation and the monitoring program are considered as determine factor to measure financial performance (Julnes and Holzer, 2001). Swindell and Kelly (2002) revealed that almost 75% of organizations decision making was influence by many factors. Another result, Halim and Ferry (2005) found that the implementation stage and improving performance information in the organization does consider rational factors such as, external and internal conditions, the availability of resources and the goal orientation. The information is also considered because it may improve the skills of civil servant even they including changing of politics environmental as important approach. Both groups of organizations (internal and external) are likely influenced by culture of the organization. By recognizing the influence of political factor and cultural organizations, the performance measurement is designed and will be adopted to improve the decision-making.

North of Aceh and Lhokseumawe city is two appropriate sample to observe how the implementation of financial management on local government in Indonesia. Untill 2012 the distric government of North Aceh and Lhokseumawe city has not been obtained yet of WTP opinion from Indonesian Supreme Audit Board. Both districts are

viewed not ready yet to reform the financial management package. In order to reform the financial package need many require factors that the Lhokseumawe city government have not determined clearly yet. Financial literacy whose manage the implementation of budget seen as determining factor to achieve good compliance of governance government. At the same time, to get the feasibility opinion needs efforts that truly hold up for the evaluation and recommendation of the Audit board for financial reports in previous years.

Based on the reasons above, this study attempt to examine organizational financial implementation performance on Local Government through consider different environmental condition such as organizational capacity of government in implementation of financial management in Indonesian local government. Performance indicators are the ambition of organization that must be achieved realistically (Halim 2005).

One of new construct known as organizational capacity derived from skills or financial literacy, human resource and dynamic capabilities. The data skill can be resulted from the organization's records (objective measure) or conducted through a survey (subjective measure). Finally, performance data produce a valid and reliable of program staff and information system security.

Originally, the conceptual framework builds from the behavioral approach as employed by Julnes and Holzer (2001). The study contributes to add our understanding of organizational capacity and financial performance in local government. Hence, the results attempt to have right policy in order to achieve optimal of financial implementation performance, particularly in Local Government.

2. Literature Review

Study of Performance Factors

Topics about the factors affecting performance in the public sector have attracted attention from many researchers, especially researchers from developed countries. Researchers have started to discuss the benefits of performance measurement (Fung, 2002; Wang, 2002; Propper and Wilson in Halim 2005; Judge, Noumova and Douglas, 2009). Design an effective performance measurement (Schak and Kravchuk, 1996 in Halim 2005), the risk measurement performance (Bruijn, 2002), to the obstacles of psychological measurement and performance management (Behn, 2002). One of the big issues is the measurement of performance caused by the opinion that performance measu-

rement can improve the efficiency, effectiveness, economy and productivity of organizations in the public sector.

Although, the literature about the performance has studied, but the change pattern of financial regulations in the government organization has still something problematic. There are some difficulties in determining of congenital factor that affecting the performance of government organizations due to the influences of the characteristics and the diversity of stakeholders (Wholey, 1999; de Bruijn, 2002; Hatry, 1999; Kravchuk and Schack, 1996; Rainey, in Halim 2005).

According to Kane and Johnson (Suprpto, 2003) stated that the performance is a description of the achievement level of an activity/program/policy organization in achieving organizational goals. The outcome of the organization in realizing the strategic goals set organization, customer satisfaction, and contribution to community economic development performance can be also named as work behavior, appearance, or the works. Therefore, the performance is a form of building a multidimension way so that varies depending on many factors (Bates and Holton in suprasto, 2003) The performance can be assessed with the size of the assessment is based on the following indicators.

1. *Input*, the performance measurements based on the level or amount of financial resources, human resources, materials, time, technology, and so forth that are used to implement the program and / or activities.
2. *Output*, which is based on measurements of performance products (goods or services) generated from the program or activity in accordance with the input. Results (outcome), the performance measurements based on the level of success that can be achieved based on the output program or activity that has been implemented.
3. *Benefit*, the performance measurements based on the level of power that can be perceived as added value for communities and local governments of the results.
4. *Impact*, the measurements based on the performance impact on the macro conditions that you want to achieve the benefits.

Behavioral Aspects of Financial Government

The manager of financial government must responsible to the series differences of the operations in the government sectors. Dittenhoter (2001) argue that the public official must serve a government

that is a creature of law and that can only do what the law provides, unlike the private sector, in which unorganization generally can do anything the law does not prohibit. This Restriction can cause inflexibility and resistance to change. There is a general fear of visibility. The government official is more comfortable in obscurity; visibility is pounced on by political opponents, peer adversaries, and the media, and can be uncomfortable for the official and can adversely affect tenure. There is resistance to change. The public official is generally comfortable with present methods, even when inefficient, since change tends to be disruptive. Changes made to enhance an already adequate operation can be misconstrued to indicate that previous methods were faulty. Fears of encroachment into one's area of authority can result in conflicts"peat."Since government salaries are related to financial and physical measures of responsibility, rather than to managerial ability, losses of personnel, facilities, or resources can adversely affect the individuals. The top echelons of government are composed of fixed-term appointed or elected officials. These officials frequently owe allegiance to non governmental groups and are interested only in short-term results, resulting in resistance to change from the professional career bureaucrat.

These are significant operational differences between the public and private sectors in Dittenhoter by Eddy (2001) about operational difference between Private Sector and Public Sector (See; Table-1)

The consideration of these factors is important, because they describe the series of unique, personal problems that affect the attitudes of government officials. The government manager is not only responsive to the usual personal and group behavioral pressures, but also influenced by reactions to many of these factors

Implementation of Performance

The implementation of performance is not easy to task, especially in the government organizations which have level of bureaucracy. Generally, each organization has standard to measure the performance of effectiveness and efficiency. However, performance measurement does not work if generate information does not distribute well for use strategic planning, annual performance planning, budget allocation, monitoring, evaluation and monitoring and reporting information to the parties both vertically (to superiors) and horizontally (parliament). Protogerou et al (2008) attempt explain dynamic capabilities to address question

whether dynamic capabilities impact directly or indirectly on performance in manufacturing industries.

They measures dynamic capabilities as multidimensional construct with three underlying factors: coordination, learning and strategic competitive response. In an effort to better understand the nature of dynamic capabilities, several scholars suggest to differentiate between dynamic and functional competences or operational capabilities. Collis (1994) distinguishes between lower-order operational capabilities, which are described as the purposive combinations of resources that enable an organization to perform functional activities, such as logistics, marketing and sales or manufacturing, and higher-order dynamic capabilities which deal with change. Zollo and Winter (2002) and Winter (2003) also distinguish dynamic capabilities from operational or ordinary capabilities. They mention also that dynamic capabilities are a set of complicated routines, while Eisenhardt and Martin (2000) comment that dynamic capabilities process “specific and identifiable routines” which have extensively researched.

At the same time, the implementation of performance is also influenced by political factors and cultural organization (Julnes and Holzer, 2001; Wang, 2002; Behn, 2002; Rainey, 1999 in Halim 2005). Political factors in the organization, whether originating from within or from outside the organization, affect the implementation of the performance. This study attempts to develop new factor that is viewed affect to financial implementation performance. As mention above, the importance of choosing organizational capacity is due to the weaknesses of the problem in the government financial report in terms of transparency, efficiency, accountability, fairness and in accordance with the principles of good governance (Natabaya, 2000). Organizational capacity consists of human resource, dynamic capability, goal orientation, strategic planning, budget allocation, control and monitoring are unity aspects that may have controlled and monitored significantly. Thus, the strong development of organizational capacity is associated with good implementation of financial performance.

3. Research Design

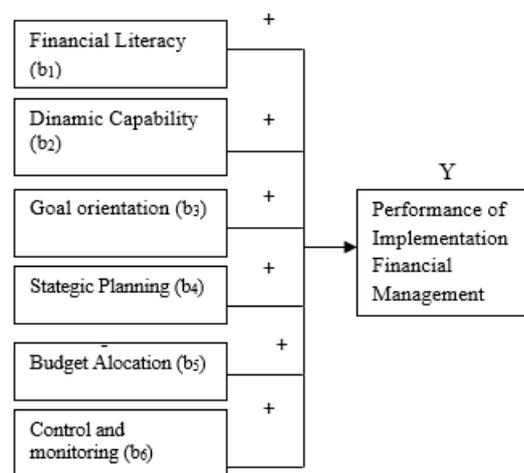
In the implementation stage, Julnes and Holzer (2001) found that political factors (the internal, external groups, attitudes), culture organization (resources, information, goal orientation, work load) play in significant rules in the implementation performance. This is supported by Wang et al

(2002) found the performance impact on the process of goal planning and strategic management process and employee performance evaluation process. Thus, others factor such as the information and resources, goal orientation also affect the performance, the description above can be suspected that political factors and organizational culture affect the implementation of information performance.

This study viewed differently, implementation of financial performance in local government is relatively influenced by high levels of environmental uncertainty, so that the government must keep permanently on how their organizational capacity placement such as financial literacy of human resource, dynamic capability, goal orientation, strategic planning, budget allocation, controlling and monitoring of financial progress. We assumed that if the Local Government strongly focused on organizational capacity aspects, they will be able to strongly achieve of financial implementation performance. From the description above, it can be formulated following hypotheses:

H1: *Organizational capacity has a significant positive impact on financial implementation performance in Local Government*

To illustrate the relationship will be tested in this research can be described as follows:



Each hypothesis will be tested with an analysis of multiple regressions with equality:

$$Y = b_0 + b_1FinLit_i + b_2DinCap_i + b_3Goal_i + b_4StatPlan_i + b_5BudAl_i + b_6ContMon_i + e_i$$

The independent variables that we utilize are as follows

- FinLit = Financial Literacy, as proxies of specific human resource employed such as accountant or finance on the finance department
- DinCap = Dinamic capability, It is combining various skill in cross functional teams
- Goal = Goal orientation, measured by evaluation process as budget planned
- StratPlan= Strategic Planning, It is creation of governance changes as well as response to exogenous changes
- BudAl = Budget Allocation, as proxies to measures work load compares to total budget available
- ContMon= Control and Monitoring, as proxies to measures implementation of budget has been managed as designed.

4. Research Method

Research sample was taken in Aceh province, particularly in North of Aceh and Lhokseumawe city, the (Department/Agency/Office). The data sample was collected from government department in North of Aceh and Lhokseumawe city. There are fifthin departments of government in North of Aceh and fifthin departments in Lhokseumawe city.

Unit of analysis of this study is financial staff in the department. Each departments represented by one person of staff. In addition to this, sample was collected which about (n = 20) employees from (N = 30) population. Furthermore, simple probability sampling is the method to determine the sample size in this study. Simple probability sampling is the method that give same probability to all element of population to selected as a sample in the research.

The data was collected by distribut the questioners to the persons who are related to this study and conducted the interview to some financial officers in the finance department such as Chief of finance, Supervisors, and finance staff from who releted to implement the budgeting and provide the budget and financial reporting in the finance department in North of Aceh and Lhokseumawe City. On the other hand, theoretical information was collected through library research and the literature reviews presents us with the theoretical guidelines to compare with ground practices. Reliability is the consistency of measurement of a variable based on questions (construct) that proposed in the questioners. Role of the thumbs to get sufficient confidence to questions submitted consistent or not to measure the variable is based on the Cronbach's

Alpha>70% that mean strong consistency. While the validity associated with accuracy questions asked to measure a variable. That indicated by the value of KMO and Bartlett's test with the role of thumbs> 70%.

5. Result Analysis

There are some types of the questions in the questioners namely, name of department, gender, position and background of education. The respondent of description is necessary to use to support the hypothesis. Unit of analysis of this study is financial staff in the department in North of Aceh government and Lhokseumawe city government. The sample was chosen n=20 person from N=30 population which is 10 respondents from departments of North Aceh government or 50% department of North Aceh government and 10 respondents from department of Lhokseumawe city or 50% department of Lhokseumawe city. Therefore, there is equilibrium of the respondent between two districts.

Table 2 Name of Each Department

	Name of each Department	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bappeda AU	1	5	5	5
	Bappeda K	1	5	5	10
	BLHK K	1	5	5	15
	BPM Kota	1	5	5	20
	DHutBun AU	1	5	5	25
	DinKes AU	1	5	5	30
	DinKes K	1	5	5	35
	DinKop AU	1	5	5	40
	DKKD AU	1	5	5	45
	DKP AU	1	5	5	50
	DKPP K	1	5	5	55
	DP K	1	5	5	60
	DPKAD K	2	10	10	70
	DPKP AU	2	10	10	80
	DPPK K	1	5	5	85
	DPRK K	1	5	5	90
	DS AU	1	5	5	95
	PU K	1	5	5	100
	Total	20	100	100	

(Proced data by SPSS,2013)

From gender perspective, the data indicate the financial staff involved in this study is more dominate by male which shows 11 correspondent or as much as 55%, and 9 female correspondent, or 45%. However, the percentage has shown similarities in the financial position between male and female, and there is no difference gender issue to take on the financial position. Data results for gender can be shown in the table below:

Table 3 the Difference of Gender

	Frequency	Percent	Valid Percent
Valid Male	11	55.0	55.0
Female	9	45.0	45.0
Total	20	100.0	100.0

The position, total of 17 employees or 85% of respondent are echelon 4, and 1 employee or 5 % of respondent is echelon 3 and 2 employees or 10% of respondent are echelon 2. The data shows almost employee with echelon 4 responsible for the implementation in the finance department, therefore the respondents of this study met. According to strata position, the highest strata position is echelon 2 and the lowest strata position is echelon 4. Based on the data, shows the echelon 4 is head of department. In addition to this, the distribution of questioners was correct, because the questioner distributed to the right person who responsible to financial department. It can see in the table 4

Table 4 Position in Department

Position	Frequency	Percent	Valid Percent
Valid Ecelon 4	17	85.0	85.0
Ecelon 3	1	5.0	5.0
Ecelon 2	2	10.0	10.0
Total	20	100.0	100.0

Range of work tenure divide into 4 levels such as, below than < 2 years, 2 until 4 years, 4 until 6 years and more than > 6 years. The results shows 6 (six) respondent or 30 % working tenure below than 2 years, 6 respondents or 30% of working tenure 2-4 years, 7 respondents or 35% of working tenure 4-6 years and 3 respondents or 15% of working tenure more than 6 years. It can see from the table 5.

Table 5 Working Tenure

	Frequency	Percent	Valid Percent
< 2 year	6	30.0	30.0
> 2 Until < 4 Year	4	20.0	20.0
> 4 Untill < 6 year	7	35.0	35.0
> 6 year	3	15.0	15.0
Total	20	100.0	100.0

Level of education shows the credibility of respondent to participate in this study. Data shows 2 respondents or 10% are diploma graduated, as many as 13 respondents or 65% are undergraduate, the rest of 5 respondents or 25% are master graduated. Overall, Level of education shows dominantly by undergraduate. It means most

of the personnel in the finance department have good education. It shows in the table 6 below:

Table 6 Level of Education

Level of Education	Frequency	Percent	Valid Percent
Valid Diploma Graduate	2	10.0	10.0
Undergraduate	13	65.0	65.0
Master	5	25.0	25.0
Total	20	100.0	100.0

The education background shows only 3 respondents or 15%, have accounting background, as many as 9 respondents or 45% with management background, others have non social education background such as, engineer, agriculture and medical. That is shows they do not put the right man in the right place. However, this cannot be generalized because the respondents limited to head of department. It shows in table 7 below:

Table 7 Education Background

Education Bacground	Frequency	Percent	Valid Percent
Valid Accounting	3	15.0	15.0
Management	9	45.0	45.0
Others	8	40.0	40.0
Total	20	100.0	100.0

This study attempts to examine distribution each variable both the dependent variable (financial implementation performance or FIP) and independent variables i.e., organizational capability consist of Financial Literacy (FitLit), Dinamic Capability (DinCap), Goals Orientation (Goals), Statgic Planning (StratPlan), Budget Alocation (BudAl) and Control and Monitoring (ContMon). The overall distribution of the dependent variable and independent variables shows in the table 8.

Overall, the data distributed normally, it is referring to level of skewness and Kurtosis. Therefore, further analysis was preceded. The correct hypothe-sis through linier regression analysis shows table 9.

Based on the results, all independent factors have not significant positive impact on financial implementation performance (FIP). Results in table 9 shows four out of six independent variables are significantly impacted to dependent variables (FinLit, Goals, BudAl, and ContMon) while others two independent variables are positive impact to FIP not to DinCap and StratPlan.

The general regression testing results show the independent variables affect the dependent variable and this indicate by a value $\alpha 1 = 0013 < \alpha = 0.05$. While the coefficient of determination value of

71.5%, which means the independent variables explains 71.5% of financial performance management. While the correlation between variables shows 84.5%, it shows in table 10.

The conclusions takes from test of hypothesis -1 which is reject H_0 as $\alpha = 0.013 < \alpha = 0.05$ and accept H_1 , it means there are significant impact of organizational capacities on the implementation of performance management of Local Government.

6. Conclusion

Based on the above analysis shown that almost of variables are significant impacts directly to implementation financial performance of Local Government. It four variables (FinLit, Goals, BudAl and ContMon) are related with financial implementation performance. Essentially, fourth variables have associated with basic learning process that requires through experimentation and repetition in order improves quick resolution on specific problems. This result consistent with variety of work tenure analysis in table 5, where, mostly of financial staf have working tenure more than 6 years in financial task. Based on these result suggested that both Local Governments i.e., North of Aceh and Lhokseumawe city have generated similar focus on four basic factors and significantly impact to financial performance.

Meanwhile, others two variables (DinCap and StratPlan) are viewed not significant. DinCap and StatPlan are variables to see competency of organization, particularly in financial implementation stage. However, both variables are appropriated tools to recombine functional competence of organization when level of uncertainty task is high. Dynamic environmental conditions must be followed by capabilities of organizational in order to equal rapid change.

Therefore, the result implies that this study empirically shown both of Aceh Local Governments i.e., North of Aceh and Lhokseumawe city failed to obtain the predicate of WTP due to weak associate with Dincap and StratPlan although it is not significant. North of Aceh and Lhokseumawe City lack of awareness of dynamic environmental conditions through preparing organizational capacities. This study support the argument Protogerou et al (2008) and Eisenhard and Martin (2000) which is dynamic capabilities can operate in environments other than those experiencing rapid change (Helfat et al. 2007).

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Table 1 Operational difference between Private Sector and Public Sector

No	Description	Private Sector	Public Sector
1	Performance Criteria	Customer satisfaction converted into profit as measure of performance	efficiency, Effectiveness, and conformance to budgets
2	Accessibility	Closed, except in directors' meetings	Open to the Public, interest groups, and the media
3	Conflict of Interest	Administration	government policymakers
4	The Employment Contract	Patronage, efficiency and productivity	political activities or seniority
5	Intense of Inspection	fair for the media and public-interest groups	Protecting themselves which is usually counter productive to innovation and risk taking.
6	Emphasis stability and realibility	Maximum effectiveness and Flexibility.	Reliability, accountability, and legality
7	Atmosphere of control	High Expectation	strict controls designed for the lowest common denominator, low expectation
8	Difference in status	Higher status occupation.	Lower status occupation, a morale problem in many government agencies.

Table 8 Analysis Desperation of Dependent and Independet variable

	FinLit	DinCap	Goals	StratPlan	BudAI	ContMon	FIP
N	Valid 20	20	20	20	20	20	20
	Missing 0	0	0	0	0	0	0
Mean	3.6450	3.7200	4.0050	3.1800	3.7450	4.2100	3.9450
Std. Error of Mean	.11367	.11088	.11975	.13211	.08568	.10410	.08444
Median	3.7000	3.8000	4.0000	3.3000	3.8000	4.4000	4.0000
Mode	3.70	4.00	4.00	3.40	3.70	4.60	4.00
Std. Deviation	.50833	.49588	.53555	.59081	.38317	.46555	.37763
Variance	.258	.246	.287	.349	.147	.217	.143
Skewness	.288	.075	.216	.885	.565	1.041	.614
Std. Error of Skewness	.512	.512	.512	.512	.512	.512	.512
Kurtosis	.054	-.185	.176	2.232	.459	.335	1.408
Std. Error of Kurtosis	.992	.992	.992	.992	.992	.992	.992
Range	2.00	1.80	2.20	2.80	1.30	1.60	1.60
Minimum	2.80	3.00	3.00	1.60	3.00	3.20	3.30
Maximum	4.80	4.80	5.20	4.40	4.30	4.80	4.90
Sum	72.90	74.40	80.10	63.60	74.90	84.20	78.90

Table 9 Linier Regression Result

	Variable	Coeff	Value	SE	T-Statistic	Significant	Prob	Results
A	Intercept	β_0	4.819	1.189	4.055	0.02	0.05	-
	FinLit	β_1	0.424	0.176	2.408	0.033	0.05	Significant
	DinCap	β_2	0.191	0.155	1.233	0.241	0.05	Not Significant
	Goals	β_3	0.430	0.141	3.040	0.010	0.05	Significant
	StratPlan	β_4	0.136	0.121	1.127	0.282	0.05	Not Significant
	BudAl	β_5	0.373	0.185	2.014	0.067	0.10	Significant
	ContMon	β_6	0.064	0.149	0.428	0.022	0.05	Significant

r = 0.846

r² = 0.751

n = 20

F = 4.309, Sign = 0.013

Tabel 10 Summarize of Regression Linier

R	R Square	Adj R Square	Std. Error	Change Statistics				
				R Square Change	F Change	df1	df2	Sig. F Change
.846(a)	.715	.549	.25349	.715	4.309	7	12	.013