Performance Accountability System of Government Institutions: A Key to Achieving Good Governance

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ABSTRACT

This research is motivated by the importance of Good Governance in the context of local government and the key role of the Performance Accountability System of Government Institutions (SAKIP) in achieving it. The research objective is to investigate the impact of SAKIP Implementation, Management Support, Length of Service, and Level of Education on Good Governance. The research method used is a multiple regression analysis of questionnaire data filled out by ASN. The results confirm that SAKIP Implementation has a significant positive effect on good governance, while management support has yet to be proven to have a significant impact. Length of Service also significantly affects Good Governance, while Education Level has no significant effect. The simultaneous test results show that these variables significantly affect Good Governance. The implication of this study is the need for further attention in strengthening the implementation of SAKIP and utilizing more extended employee experience to improve good governance and quality public services. The findings provide an essential foundation for local governments in improving public administration policies and practices to achieve better Good Governance.

Keywords: Good Governance, Public Sector Organization, SAKIP.

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1. INTRODUCTION

In this modern era, the demand for good governance is increasingly becoming a major highlight in public policy and community development (Box, 2014). Good Governance has become essential to building a just, transparent, and effective society (Ali, 2015). Amid the complexity of government tasks in managing resources and providing public services, implementing the Performance Accountability System of Government Institutions (SAKIP) has emerged as one of the crucial instruments to ensure that the government carries out its duties accountably and efficiently. Within the realm of government institutions and their performance accountability system, governance primarily encompasses the regulations, organizations, and procedures that govern the utilization of resources within these institutions, including developing and enforcing laws and regulations (Wangchuk et al., 2023). In this case, SAKIP focuses on performance measurement and accountability to maintain integrity and transparency in government actions (Ateh et al., 2019).

This research focuses on how the implementation of SAKIP impacts Good Governance. SAKIP has the potential to shape good governance principles in government actions by being a tool for measuring the performance and accountability of government agencies (Gnan et al., 2013). By quantifying measurements, SAKIP can facilitate transparency in government decision-making and encourage the adoption of more accountable practices (Ruano de la Fuente, 2014). This study analyzes data to determine whether the implementation of SAKIP significantly impacts the elements of good governance, such as transparency, accountability, and government effectiveness. Thus, this study will provide a deeper understanding of the role of SAKIP in achieving the desired Good Governance in government organizations.

In addition, this study also considers other factors that are likely to affect good governance, including management support, employee length of service, and education level (Dellai & Omri, 2016; Ahmad et al., 2020). By considering these factors in the analysis, this study provides a more comprehensive picture of the complexity and

interaction of various aspects that affect the level of good governance. These results help local governments make comprehensive policies to improve good governance by considering various internal and external factors.

Previous studies have investigated the relationship between SAKIP implementation and the achievement of good governance in various contexts. Research has shown that effective implementation of SAKIP can improve government accountability and transparency in the management of public resources (Deni et al., 2019; Winoto, 2021; Gowon, 2021). However, other research results show problems in implementing SAKIP, such as understanding SAKIP concepts and practices in the government bureaucracy (Ateh, 2019). This research will add to the literature on this relationship.

The research uses a quantitative approach. This research will collect data from state civil apparatus (ASN) working in various government agencies implementing SAKIP. The research instrument used is a closed questionnaire, which includes questions about applying Good Governance and SAKIP indicators. Multiple regression analysis is used to test the hypotheses in this study, provided that the classical assumptions have been met for the model obtained.

The results of this study will provide better insight into the role of SAKIP in realizing Good Governance in government agencies. This research will find empirical evidence that supports or refutes the hypothesis that the implementation of SAKIP significantly affects the achievement of Good Governance in government agencies. This research can be used to improve government policies and practices (Al Sabahi, 2023). This research aims to make government more transparent, accountable, and effective for society.

2. LITERATURE REVIEW

2.1 Good Governance

Good governance is highly relevant in modern public administration as it encompasses several key principles and traits that shape the enabling environment for good governance, such as transparency, accountability, public participation, and efficiency. In good governance, the term "good" encompasses two meanings. First, it refers to values that uphold the desires and aspirations of the people, as well as values that can enhance the capabilities of the populace in achieving national goals of self-reliance, sustainable development, and social justice. Second, it pertains to the functional aspects of effective governance in pursuing national objectives (Nazrir, 2003). Good governance is vital because it can improve the efficiency and effectiveness of government and promote sustainable economic growth. The basic principles of good governance are (Addink, 2019):

1) Transparency: ensuring that all interested parties can see and understand government decisions and gain access to wider information is important.

2) Accountability: the principle that government officials should be accountable for their actions to the public and oversight institutions.

3) Community Participation: An essential element of good governance is citizen participation, which means that the government should involve its citizens in the decision-making process.

4) Efficiency and Effectiveness: The government's ability to properly manage resources and achieve desired results in the delivery of public services is referred to as efficiency and effectiveness.

The government's ability to manage resources well and achieve desired results in delivering public services is called efficiency and effectiveness (Arnaboldi et al., 2015; Rohman, 2019; Widanti, 2022). One of the essential elements in government reform in Indonesia is the implementation of good governance. The Indonesian government has taken various actions to improve transparency, accountability, and public participation in decision-making. Nevertheless, some things could still be improved to implement this idea at the local level.

2.2 Performance Accountability System of Government Institution

The Performance Accountability System of Government Institutions (SAKIP) is a tool used by the government to improve the performance accountability of government agencies (Winoto, 2021). SAKIP consists of various procedures, indicators, and measurements intended to monitor and evaluate the achievement of government goals and results (Deni et al., 2019). The main objective of SAKIP is to improve government transparency, accountability, and effectiveness.

SAKIP comprises various parts: planning, implementation, monitoring, and performance evaluation (Gowon et al., 2021). All parts work together to create a system that allows the government to measure, report, and improve the performance of government agencies. SAKIP is implemented at the local level to improve governance and public services. The implementation of SAKIP at the local level involves making plans, measuring performance, monitoring progress, and evaluating results (Winoto, 2021).

SAKIP and Good Governance are interrelated because SAKIP can help create good governance at the local level by measuring performance and accountability (Salem et al., 2021). SAKIP can also support the principles of good governance by increasing transparency and public participation. In addition, SAKIP plays a vital role in facilitating the reporting of annual financial statements. Local governments must report and record the use of finances in one fiscal year, which is helpful as an evaluation material for agencies (Zakiah et al., 2022).

2.3 Research Model

The research model depicted in Figure 1 has been formulated in light of previous research and background knowledge. This framework is intricately designed, considering the insights gained from prior studies. By aligning with established findings, the model aims to contribute to the existing body of knowledge in the respective field of study.
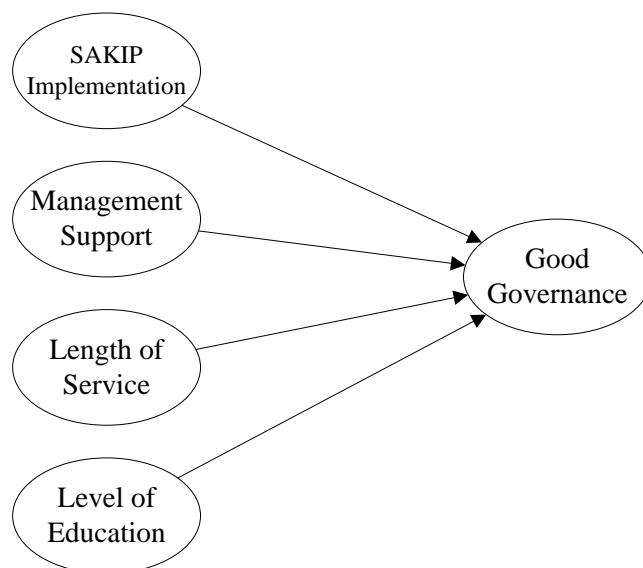

Figure 1. Research Model

H1: Implementation of SAKIP has a significant effect on Good Governance

H2: Management Support has a significant effect on Good Governance

H3: Length of Service has a significant effect on Good Governance

H4: Level of Education has a significant effect on Good Governance

3.   RESEARCH METHODS

This study uses a quantitative research design to collect data needed to test hypotheses about the relationship between implementing the Performance Accountability System of Government Institutions (SAKIP) and achieving Good Governance in government agencies. Data were obtained through questionnaires filled out by state civil

apparatus (ASN) employees who work in various government agencies. The population that is the subject of this research is all ASNs in government agencies that implement SAKIP.

The sample is randomly selected from the population to avoid bias in sample selection. The sample size will be calculated using a statistical formula by the predetermined significance level. Quantitative methods and representative samples are expected to provide more general and reliable research results. The research instrument used is a closed questionnaire that has been carefully prepared. This questionnaire will include questions related to the implementation of SAKIP in government agencies, including the level of understanding, implementation, and impact. In addition, the questionnaire will also include indicators of good governance such as transparency, accountability, public participation, and government effectiveness.

The collected data will be analyzed using statistical methods in accordance with this study's objectives. Regression analysis is used to measure the extent to which the implementation of SAKIP affects the achievement of Good Governance in government agencies. The results of this analysis will help determine whether SAKIP has a significant impact on realizing good governance. In addition, this study will also use descriptive analysis to describe the level of SAKIP implementation and the achievement of Good Governance in government agencies. The data obtained from the questionnaire is statistically analyzed using R statistical software. Using quantitative methods and well-developed instruments, this research can provide a deeper understanding of the relationship between the implementation of SAKIP and the achievement of Good Governance in government agencies.

4. RESULTS AND DISCUSSION

4.1 Classical Assumption Test

1. Linearity Testing

    In statistical modeling, information is needed about the pattern of relationships between variables to determine whether a method is used through a parametric or nonparametric approach. This study uses Ramsey RESET to test the linear or nonlinear relationship between variables. The Ramsey Reset Test results on the relationship between exogenous and endogenous variables give a p-value of 0.8066. Based on these results, it can be seen that the relationship between exogenous variables and endogenous variables has a p-value greater than 0.8066. thus providing a decision to accept H0, which means that the relationship between exogenous variables and endogenous variables is linear so that it can be continued with linear regression analysis.

2. Non-Multicollinearity Check between Variables

    Checking the assumption of non-multicollinearity is done using the help of *R software*. The results of checking the Non-Multicollinearity assumption provide a decision that there is no indication of multicollinearity in exogenous variables. The variables X1, X2, X3, X4 have VIF values less than 10. Based on these results, it can be concluded that the assumption of non-multicollinearity in the model is fulfilled.

3. Normality Testing of Residuals

    Normality assumption testing was carried out on the residuals produced by the multiple linear regression model. The test was carried out using the help of R software. The results of testing the assumption of Normality show that the p-value is 0.4735 which is greater than $\alpha = 0,05$ thus giving the decision to accept H0. It can be said that the difference is normally distributed.

4. Homoscedasticity Testing

    Homoscedasticity assumption testing is carried out on the residuals generated by multiple linear regression models. The test was carried out using the help of R software. The results of testing the Homoscedasticity assumption show that the p-value is 0.3946 which is greater than $\alpha = 0,05$ thus giving the decision to accept H0. It can be said that the variance of the error is homogeneous. Based on the results of the assumption testing that has been carried out, it is found that the data used has met the classical assumptions of regression analysis. Thus, it can be concluded that the data analysis used is appropriate and the resulting model is valid and reliable.

4.2 Parameter Estimation and Significance Test

Parameter estimation is done using *Ordinary Least Square* (OLS). The multiple linear regression model formed with the help of R software indicates the direction of the relationship between exogenous and endogenous variables. The regression model is presented in the following equation:

$$Y = 2.6568 + 0.43151X1 + 0.1562X2 + 0.26296X3 + 0.0143X4$$

The relationship between variables is not only seen based on the regression model that is formed. Parameter significance tests are also needed, both in the form of partial tests (t tests) and simultaneous tests (F tests). Partial tests are used to see the effect of each exogenous variable on the endogenous variable, in this case Good Governance (Y). Table 1 presents the results of the partial test obtained through the help of R software.

Table 1. Partial Test (t test)

Hypothesis	Influence between variables	Coefficient	P-Value	Decision
1	Implementation of SAKIP (X1) → Good Governance (Y)	0.4315	0.01	Accepted
2	Management Support (X2) → Good Governance (Y)	0.1562	0.48	Rejected
3	Length of Service (X3) → Good Governance (Y)	0.2629	0.03	Accepted
4	Education Level (X4) → Good Governance (Y)	0.0143	0.29	Rejected

H1: Implementation of SAKIP has a significant effect on Good Governance

Hypothesis 1 (H1) shows that there is a **significant influence** between SAKIP Implementation (X1) and Good Governance (Y). This can be seen from the coefficient of 0.4315, with a p-value smaller than the alpha value (0.05). The positive coefficient indicates that the better the implementation of SAKIP in public sector organizations, the higher the organization's good governance.

SAKIP is very important for Good Governance, according to previous research. For example, research conducted by Rahayu et al. (2020) found that implementing SAKIP in various government agencies improved accountability, transparency, and public participation. Research conducted by Saputra (2022) also found that SAKIP is an effective tool to improve good governance in local governments. This research also shows that the implementation of SAKIP must be done well in everyday life, not just documented in documents. This aligns with Ernanda's research (2019), which emphasizes that effective SAKIP implementation is essential to improve Good Governance.

H2: Management Support has a significant effect on Good Governance

Hypothesis 2 (H2) shows that there is an **insignificant influence** between Management Support (X2) and Good Governance (Y). This can be seen from the coefficient of 0.1562 with a p-value greater than the alpha value (0.05). The positive coefficient illustrates that the better the management support is, the higher the organization's good governance is.

The results of this study align with the findings of several previous studies that show similar findings. A study by Sofyani (2020) found that solid management support can improve organizational performance, but its impact on elements of good governance, such as accountability and transparency, may be insignificant. Another study by Hadian (2017) found that management support can influence employee motivation and improve organizational performance, but its impact on good governance may vary. However, the findings of this study indicate that management support has no significant effect on Good Governance. However, this does not mean that the critical role of management in supporting the implementation of SAKIP and Good Governance is ignored. Instead, these results may indicate that other sources influencing Good Governance must also be investigated.

H3: Length of Service has a significant effect on Good Governance

Hypothesis 3 (H3) shows that there is a **significant effect** of Length of Service (X3) on Good Governance (Y). This can be seen from the coefficient of 0.2629 with a p-value smaller than the alpha value (0.05). The relationship between the two variables shows a positive coefficient: the longer the ASN works in the public sector organization, the better the organization's governance.

This study's results are consistent with previous studies findings that emphasize that experience and length of service are essential for good governance. One example is a study conducted by Solomon (2020), which found that employees with more work experience better understand the principles of good leadership and accountability. Another study conducted by Shahid and Azhar (2013) also found that the length of work for a company can impact employee commitment to good leadership practices and overall organizational performance.

H4: Level of Education has a significant effect on Good Governance

Hypothesis 4 (H4) shows that there is **no significant effect** of Education Level (X4) on Good Governance (Y). This can be seen from the coefficient of 0.0143 with a p-value of 0.29, greater than alpha (0.05). The positive coefficient indicates that the higher the ASN education level of an organization, the higher the organization's good governance.

Although the results are insignificant, these findings provide important insights into the relationship between education quality and good governance. Previous studies have found comparable results. For example, a study conducted by Alon et al. (2018) found that education only sometimes determines good management quality. Instead, other elements, such as organizational culture and internal policies, can have a more significant influence. However, Fukuyama's (2013) research found that, although not a significant factor, the quality of employees' education will correlate with good management quality in organizations. In the context of public sector organizations, these findings suggest that it is essential to consider factors other than education level to improve good governance. Factors such as organizational culture, policies, and work environment can also contribute to a better understanding and practice of good governance.

Simultaneous Test (F Test)

Simultaneously, the variables of SAKIP Implementation, management support, length of service, and level of education significantly affect Good Governance. This can be seen from the p-value of <0.001, which is less than alpha (0.05). These results indicate that although some independent variables do not show a significant effect individually, when combined in the simultaneous analysis, they have a significant effect on Good Governance. This illustrates the complexity of the relationship between the factors that influence Good Governance and indicates that a combination of these factors must be considered to improve Good Governance in Public Sector Organizations.

In practice, this means that local governments must pay attention to one independent variable and the relationships and interactions between these variables. Improved SAKIP implementation, management support, employee experience, and educational aspects can complement each other in creating an environment that supports better Good Governance. Thus, the results of this simultaneous test make an important contribution to understanding how the variables analyzed in this study can influence each other and play a role in achieving better Good Governance.

4.3 Model goodness

The results show that the model used in this study has a high level of goodness, as reflected by the significant R-squared value. The R-squared value is 0.61, indicating that about 61% of the variation in the level of good governance can be explained by implementing the SAKIP, management support, length of service, and level of education. This indicates that the model has a solid ability to measure and explain the relationship between the independent variable and the dependent variable. These results provide confidence that the factors examined in this study significantly influence Good Governance in public sector organizations, which can be used as a basis for developing better policies and practices at the local government level.

5. CONCLUSIONS AND SUGGESTIONS

The results of this study reveal significant findings related to the relationship between SAKIP Implementation, Management Support, Length of Service, Education Level, and Good Governance. The first hypothesis (H1) proves that SAKIP Implementation positively and significantly affects Good Governance. This indicates that the better the implementation of SAKIP in public sector organizations, the higher the level of Good Governance that the organization can achieve. Meanwhile, the second hypothesis (H2) shows that Management Support has no significant effect on Good Governance, although the positive coefficient indicates a positive relationship. The third hypothesis (H3) supports the positive and significant effect of Length of Service on Good Governance, indicating that the longer ASN works in public sector organizations, the better Good Governance can be realized. However, the fourth hypothesis (H4) needs to be proven, indicating that the Level of Education has no significant effect on Good Governance.

Suggestions that can be made based on the results of this study are the need for further attention in strengthening the implementation of the SAKIP. Concrete steps such as more intensive training, strict supervision of performance indicators, and awareness of the importance of SAKIP in realizing good governance need to be priorities. Thus, public sector organizations can more effectively achieve higher levels of Good Governance and provide better public services to the community.

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