



**PERFORMANCE BASED BUDGETING SYSTEM TO IMPROVE
THE MANAGEMENT OF LOCAL GOVERNMENTS**



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UNIVERSITI TEKNIKAL MALAYSIA MELAKA

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DEDICATION

All my beloved family who always support and pray for me so that I can finish writing this thesis.



ABSTRACT

This research aims to investigate the problems of the current budgeting system; investigate the factor that caused; develop a new budgeting system named as performance based budgeting system to improve the management of local governments; and then evaluate it. The novelty of this research is the addition of performance elements, policy components such as minimum service standards, price standards per item, specific measurable, achievable, relevant and time bound (SMART) indicators and community aspirations to determine estimates and more in-depth discussions on inputs, processes, outputs and the outcome of the budget system. Research design uses a qualitative method with a case study approach and action research. Documentation, observation, interviews, validity and reliability test, scoring, media product and focus group discussion as research instrument. The sample of research is 29 people in Central Java who handle the budgeting system. The objective 1 discussion about the current budgeting system problems found that the budget target achieved only 22.50% -22.73%, documents are not consistent; a lack of information; and the control system used is not running optimally because it has a government performance effectiveness ratio in 2010 - 2014 and 2017 - 2019 categorized as very effective while in 2015 and 2016 it was categorized as effective enough. Conclusion 2010 - 2019 level of budget effectiveness in local government is categorized as effective. However, local governments were categorized as not efficient in 2010; less efficient in 2011, 2016; efficient in 2012, 2013, 2014; not efficient in 2014; and very efficient 2018, 2019. Objective 2 discussion about the causative factors found that because the control system is not optimal, data entry manually, unintegrated system, and input errors. Objective 3 discussion about developing a new system was developed by adding performance elements, applying minimum service standards, and Price per item Standard. Objective 4 discussion about the evaluation of the new system are positive findings on indicators 2; 3; 4; 5; 6; 8; 12; 17; 18; 19; 20; 21; 22; 29 and 30. Negative findings on indicators 1; 7; 9; 10; 11; 13; 14; 15; 16; 23; 24; 25; 26; 27; and 28. The conclusion is that the new system has succeeded in contributing to increasing the achievement on several indicators to above 52% in performance. To improve up to 100% the system needs to be further developed by adding menu SMART criteria, minimum service standards, price per item standard and the community aspiration. The conclusions after the improvement with the new effectiveness ratio system in the year 2020-2022 are categorized as very effective in budget management; the level of efficiency in 2020-2022 is categorized as not efficient. While the evaluation from the results of the interview, the effectiveness reached 83% which is interpreted as less effective and the efficiency level reached 40% which is interpreted as not efficient. Recommendations for further research can be carried out in other more complex governments in a longer period of time on more varied indicators.

Keywords: Budgeting System, Performance-Based Budgeting System, Local Government, Indonesia.

SISTEM BELANJAWAN BERASASKAN PRESTASI UNTUK MENINGKATKAN PENGURUSAN KERAJAAN TEMPATAN

ABSTRAK

Penyelidikan ini bertujuan untuk menyiasat masalah sistem belanjawan semasa; menyiasat faktor yang menyebabkan; membangunkan sistem belanjawan baharu yang dinamakan sebagai sistem belanjawan berasaskan prestasi untuk menambah baik pengurusan kerajaan tempatan; and kemudian menilainya. Kebaharuan penyelidikan ini ialah penambahan elemen prestasi, komponen dasar seperti piawaian perkhidmatan minimum, piawaian harga setiap item, petunjuk spesifik boleh diukur, boleh dicapai, relevan and terikat masa (SMART) and aspirasi masyarakat untuk menentukan sistem belanjawan kerajaan and lebih perbincangan mendalam tentang sistem belanjawan daripada input, proses, output and hasil. Reka bentuk kajian ini menggunakan kaedah kualitatif dengan pendekatan kajian kes and kajian tindakan. Instrumen kajian menggunakan dokumentasi, pemerhatian, temu bual, ujian kesahan and kebolehpercayaan, pemarkahan, produk media and perbincangan kumpulan fokus. Sampel kajian adalah 29 orang di Jawa Tengah yang mengendalikan sistem belanjawan. Perbincangan objektif 1 tentang sistem belanjawan semasa mempunyai masalah ialah sasaran bajet yang telah dicapai hanya 22.50% -22.73%, dokumen tidak konsisten; kekurangan maklumat; and sistem kawalan yang digunakan tidak berjalan secara optimum kerana sistem belanjawan lama mempunyai nisbah keberkesanan prestasi kerajaan pada tahun 2010 - 2014 and 2017 - 2019 dalam kategori sangat berkesan, sedangkan pada tahun 2015 and 2016 ia dikategorikan sebagai cukup berkesan. Kesimpulan 2010 – 2019 tahap keberkesanan kerajaan tempatan dalam hasil bajet yang berkesan. Bagaimanapun, kerajaan tempatan dikategorikan sebagai tidak cekap pada tahun 2010; kurang cekap pada 2011, 2016; cekap pada 2012, 2013, 2014; tidak cekap pada tahun 2014; and sangat cekap 2018, 2019. Perbincangan Objektif 2 tentang Faktor penyebab didapati kerana sistem kawalan tidak optimum, kemasukan data secara manual, sistem tidak bersepadu, and ralat input. Perbincangan Objektif 3 tentang membangunkan sistem baharu telah dibangunkan dengan menambah elemen prestasi, menggunakan piawaian perkhidmatan minimum and Standard Harga setiap item. Objektif 4 perbincangan tentang penilaian sistem baharu adalah penemuan positif pada petunjuk 2; 3; 4; 5; 6; 8; 12; 17; 18; 19; 20; 21; 22; 29 and 30. Penemuan negatif pada petunjuk 1; 7; 9; 10; 11; 13; 14; 15; 16; 23; 24; 25; 26; 27; and 28. Kesimpulannya ialah sistem baharu ini telah berjaya menyumbang kepada peningkatan pencapaian pada beberapa petunjuk sehingga melebihi 52% dalam prestasi, Untuk menambah baik sehingga 100% sistem perlu terus dibangunkan dengan menambah menu kriteria SMART, standard perkhidmatan minimum. , harga setiap item Standard and aspirasi masyarakat. Kesimpulan selepas pelaksanaan dengan sistem nisbah keberkesanan baharu pada 2020-2022 dikategorikan sebagai sangat berkesan dalam pengurusan belanjawan; Tahap kecekapan pada 2020-2022 dikategorikan sebagai tidak cekap. Manakala dalam penilaian hasil temu bual dengan responden, keberkesanan mencapai 83% yang ditafsirkan sebagai kurang berkesan and tahap kecekapan mencapai 40% yang ditafsirkan sebagai tidak cekap. Syor untuk penyelidikan lanjut boleh dijalankan di kerajaan lain yang lebih kompleks dalam tempoh masa yang lebih lama pada petunjuk yang lebih pelbagai.

Kata kunci: Sistem Belanjawan, Sistem Belanjawan Berasaskan Prestasi, Kerajaan Tempatan, Indonesia.

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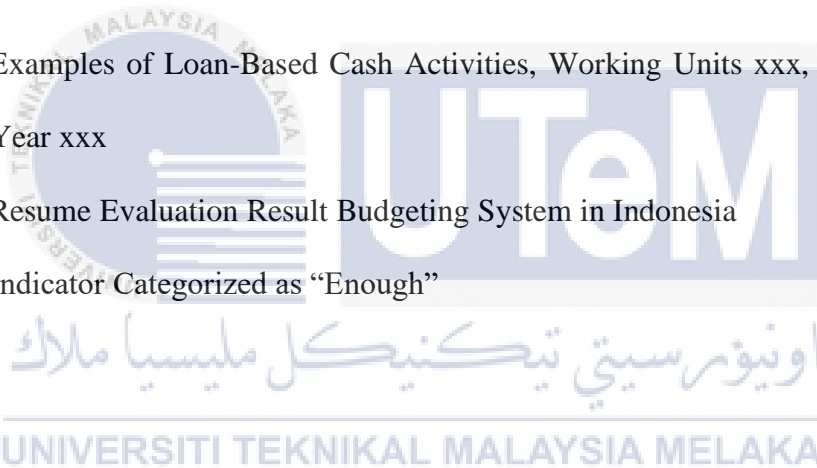
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