

Factors Affecting Budget Absorption at Regional Apparatus Organizations

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ABSTRACT

Article History:

Received : 31-07-2022

Revised : 02-12-2022

Accepted : 16-12-2022

Online : 12-01-2023

Keywords:

Budget Absorption;
Budget Planning;
Administrative Process;
Human Resources;
Procurement
Documents;
Budget Amendments.



This study aims to analyze the factors that influence the absorption of expenditure budgets at the Regional Apparatus Organization in South Tangerang City. The research sample is respondents who hold positions in areas related to the budget, including commitment-making officials, technical implementation officials, officials who sign pay warrants and expenditure treasurers at Regional Apparatus Organization in South Tangerang City. The research method used is quantitative method with multiple linear regression analysis tools. The variables in this study are five independent variables and one dependent variable, namely: budget planning (X_1), administrative processes (X_2), human resources (X_3), goods and services procurement documents (X_4), budget changes (X_5), while one dependent variable is budget absorption (Y). The results showed that simultaneously budget planning, administrative processes, human resources, goods and services procurement documents, budget changes had a significant effect on the absorption of revenue and expenditure budgets at Regional Apparatus Organization s in South Tangerang City. Furthermore, partially budget planning and human resources have a significant effect on the absorption of revenue and expenditure budgets at Regional Apparatus Organization in South Tangerang City. However, partially administration, goods and services procurement documents, budget changes have no significant effect on the absorption of revenue and expenditure budgets at Regional Apparatus Organization in South Tangerang City. In this study the regression equation is as follows $Y=5,964+0,246X_1-0,1X_2+0,239X_3-0,62X_4+0,176X_5$.



<https://doi.org/10.31764/jtam.v7i1.10267>



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A. INTRODUCTION

The form of regional financial management is the regional budget, which is determined annually through regional regulations on the regional budget, as a result of an agreement between the regional government and the regional representative council. The regional budget is an allocation of regional expenditures to implement programs and activities accompanied by funding sources that come from regional revenues and regional financing. Local governments are required to be able to utilize their funds effectively and efficiently so that they can provide public services in the context of improving public welfare through quality regional expenditures. In order to avoid overlapping in basic services, it is necessary to consolidate, reformulate, and change regional institutions that have the same and similar subjects and objects so that they meet the criteria for the number of regional agencies and technical institutions as mandated by legislation (Hidayat & Karyana, 2012). Bureaucratic restructuring

in local governments ideally follows the principle of poor structure but rich functions, so that the use of APBD funds for bureaucratic purposes can be cut to be more efficient in order to support the achievement of good governance (Agustamar, 2014).

In practice, the allocation of regional expenditure as stated in the regional budget, often faces obstacles when realized, causing problems with the absorption of expenditure budgets. The first problem is the low realization of expenditure at the beginning of the year (first quarter) and then increases significantly at the end of the fiscal year (fourth quarter). This pattern causes the quality of the delivery of goods, including capital goods, to be suboptimal because it is carried out in a hurry. This also shows the ineffectiveness of cash budgeting, which is the basis for providing cash for expenditure purposes. Low budget absorption at the beginning of the fiscal year has an impact on delays in the provision of facilities or infrastructure to support the economy, hampering public services and meeting community needs, causing economic growth targets not to be achieved and of course this is very detrimental to the community.

The next problem is that expenditure is difficult to realize because the concept of planning is weak. Expenditure planning should be prepared carefully and rationally, because if it is not, it will cause the expenditure budget to be difficult to implement. Expenditure plans for the construction of assets without an adequate budget plan and terms of reference have the potential to prevent the construction of the building (Siswanto & Rahayu, 2010). When preparing an expenditure plan, the legal aspects must be clear, where it is located, how much it costs, and when it will be implemented.

The third obstacle is the fear that the state apparatus will be caught in corruption cases when using the budget. This fear causes excessive caution so that planned expenditures are not implemented. This happened in North Bengkulu Regency when a number of state civil apparatus refused to become technical implementation officials for fear of being caught in corruption cases.

The fourth obstacle is inadequate apparatus understanding of budget mechanisms and budget accountability models (Siswanto & Rahayu, 2010). Such conditions cause an expenditure plan not to be implemented because it is prepared by an apparatus that does not understand the needs of both formal and substantial aspects or the expenditure must be delayed because it needs to make various revisions which are quite troublesome. These constraints cause the level of budget absorption, which is the ratio between the realization of expenditure and its budget or the proportion of the budget that has been disbursed/realized (Noviwijaya & Rohman, 2013), to be low. In the midst of demands for more transparent and accountable management and responsibility of state and local finances in the context of good government governance and demands for effectiveness and efficiency, low budget absorption causes efficiency and effectiveness of activities not to be achieved because of the swelling of idle cash.

This condition is the result of activities that actually have a budget available but are not immediately implemented. In addition, local government performance can be said to be low because the level of budget absorption can provide an overview of the ability of the Local Government to carry out and be accountable for each activity it has planned. In the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 19 of 2020 concerning Measurement of the Regional Financial Management Index, it is stated that one of the

dimensions measured to assess the quality of effective, efficient, transparent, and transparent regional financial performance in a certain period is the level of budget absorption.

Through previous studies related to budget absorption, it is known that there are several factors that influence budget absorption. These factors include planning, budget execution, human resources, and procurement of goods and services (Zulaikah & Burhany, 2019). In addition, there are also factors of management commitment and bureaucratic environment (Gagola et al., 2017), administration, procurement documents, and filing for reimbursement of supplies (Kirnanda, 2016), and budget change factors (Lestari et al., 2014).

This agency theory developed by Jensen and Meckling explains the agreement relationship between the principal (company owner) and the agent (manager) to carry out activities accompanied by delegation of authority for decision making in order to increase the owner's wealth (Jensen & Meckling, 1976). In the implementation of the Regional Budget, the authority delegated to the executive as an agent makes him know more information than the legislature as the principal.

A budget is a set of documents that refer to the financial condition and future plans of an organization including information about revenues, expenses, activities, and goals. Basically, a budget is a set of documents that refer to the financial condition and future plans of an organization including information about revenues, expenses, activities, and goals. A budget is a work plan expressed quantitatively, measured in standard monetary units and other units of measure covering a period of one year. The budget in government is a form of commitment from the executive to the authorizer (legislature). Budget in the public sector is a managerial plan to implement organizational strategies in achieving organizational goals, one of which is the provision of public services.

The budgeting process, which repeats annually, forms a budget cycle. A budget cycle covers a period of time during which the budget must be prepared to be implemented. The stages in a budget cycle include executive preparation, legal approval, budget execution, and audit/evaluation. Budgeting is a planning process that is carried out based on assumptions about economic conditions, wage levels accompanied by the number of workers at each level, commodity price levels, and other factors that cannot be accurately estimated.

Budgeting plays an important role in planning, controlling, and decision making, as well as to improve coordination and communication among interested parties/involved in the implementation of activities later. Budgeting has a very important role in efforts to increase budget absorption, because if it is done properly it will facilitate budget implementation (Yunarto, 2011). The budgeting process includes processes and mechanisms that start from the indicative ceiling to the determination of the final budget allocation ceiling (Irwanti, 2017). Budgeting in the public sector is related to the amount of funding allocation for each program and activity in monetary units.

Budgeting is assumed to be rational, economic, and politically free choices. In practice, budgeting is closely related to politics, which involves bargaining between various forces that have the authority to determine what is important or not (budgeting is power and politics). As a political activity, the process and work products of budgeting are political products related to who gets what, who is involved and the problems and conflicts that arise in the preparation and

determination of the budget. From a political point of view, budgeting is basically a matter of making various choices or priorities for doing something or not doing something.

The planning aspect that is not mature will have an impact on the work program not running well so that it will result in a low level of budget absorption (Arif & Halim, 2013). Before preparing the budget, the important thing that needs to be done is to evaluate the previous year's budget. Similarly, program submissions must be in line with the planning and needs of the organization and must obtain approval from the Regional Representative Council. The composition of expenditure that is not in line with program implementation is also an indication of poor planning. The problem of low budget absorption is partly due to weak planning of activities carried out by organizations or work units. Often there is a mismatch between the Budget Work Plan document and its reference, namely the Regional Apparatus Organization work plan document caused by political factors, for example the aspirations of legislative members that suddenly appear when budget preparation is in the final stage (Rina, 2016).

Slow budget absorption has become a problem for most government agencies, both central and local, so that the success of performance-based budgeting is still an issue that is questioned by various groups (Sriharioto & Wardhani, 2012). In fact, almost no local government can achieve one hundred percent budget realization. The large remaining budget reflects low budget absorption. The low level of budget absorption is seen as an indicator of bureaucratic failure that can hinder development and improvement of community welfare in the regions (Yunarto, 2011). Another consequence of low levels of budget absorption is an increase in development gaps and regional competitiveness (Marinas & Prioteasa, 2016). There is no standard reference on the size of an absorption is considered low, but in some regions an integrity pact or promise of the Head of OPD to the Regional Head is applied that budget absorption is considered low if it is less than 90% (Jumriani, 2018). In accordance with the formulation of the problem above, the purpose of this study is to analyze the effect of planning, administration, human resources, procurement documents, and budget changes on the absorption of expenditure budgets in regional apparatus organizations in South Tangerang City.

B. METHODS

This research is included in the type of causal associative research, which is research that identifies the causal relationship between various variables. This research was conducted in South Tangerang City, Banten Province, the research time was held in May 2022. The research stages are presented by the author in the form of a flowchart as shown in Figure 1.

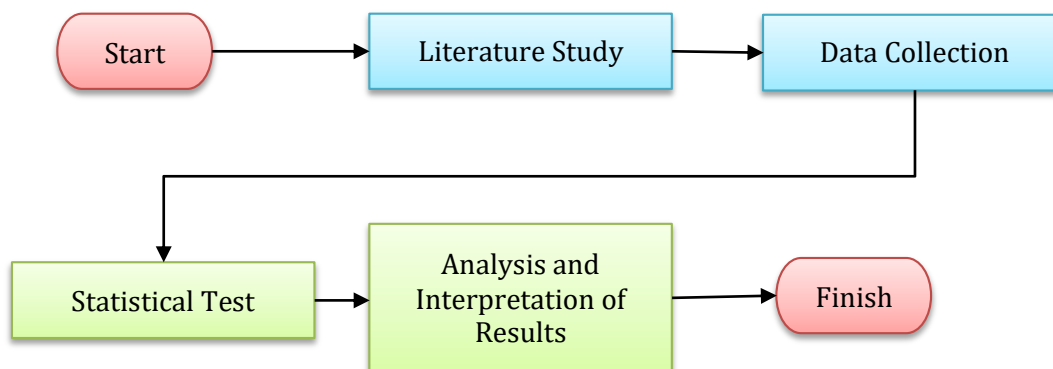


Figure 1. Research Flowchart

The population in this study were the Technical Implementation Officer of the Activity and the Financial Administration Officer of the Regional Apparatus Organization within the South Tangerang City Government. Population is a complete group of entities in the form of people, events, or objects that have certain characteristics that are in an area and meet certain conditions related to research problems to be studied and then draw conclusions, while the sample is part of the number or characteristics possessed by the population that must be able to represent the population.

There are 36 Regional Apparatus Organizations in the South Tangerang City Government. The sample in this study will use a quota sample, in which the population is grouped into several categories based on judgment or assumptions or prior knowledge, the proportion of the population that falls into each category is then determined by the researcher. In this study, each Regional Apparatus Organization will be given a quota of 3 respondents as a sample, so that there are 108 samples in this study.

The data analysis method in this study is multiple regression analysis with an α value of 0.05. Multiple regression analysis aims to estimate how the dependent variable is when associated with two or more independent variables. Data quality tests need to be carried out because the type of research data uses primary data. This test is carried out to determine the quality of data including the consistency and accuracy of data collected through research instruments, in the form of validity tests and reliability tests.

The validity test was carried out to determine the feasibility of the questionnaire items in defining a variable. The data validity test is conducted to determine that the questions on the questionnaire can be used to measure what should be measured. This test is carried out by comparing r count with r table where $df = n-2$ with alpha 0.05. The results obtained are said to be valid if r count $>$ r table. Meanwhile, the reliability test is a test of accuracy in measurement which is expected to provide consistent results across time on various items and instruments. The reliability test was carried out using the Cronbach alpha statistical test. The questionnaire items are said to be reliable if the Cronbach's Alpha statistical test results are greater than 0.6.

The classic assumption test needs to be carried out as a requirement in the analysis so that the data can be meaningful and useful. A multiple linear regression model is considered good if it fulfills the assumption of data normality and is free from classical statistical assumptions, be it multicollinearity or heteroscedasticity.

Data normality testing aims to determine the distribution of data in the variables to be used in research. Data that is good and suitable for use in research is data that has a normal distribution. The data normality test uses the Kolmogorov-Smirnov test, namely by comparing the probability with a certain significance level. Normality test results if the significance value or probability <0.05 , then the data distribution is abnormal. If the significance value or probability > 0.05 , then the data distribution is normal. Furthermore, the multicollinearity test aims to test the correlation between the independent variables. Multicollinearity occurs when there is a close relationship between the independent variables. Multicollinearity testing is done using the tolerance value and variance inflation factor (VIF). The commonly used value to indicate the absence of multicollinearity is the tolerance value must be in the range of $0.10 \leq$ tolerance and with the VIF value of each independent variable $VIF \leq 10$.

Related to the heteroscedasticity test according to (Sujarweni, 2021) aims to test whether in a regression model there is an inequality of variance from the residuals of one observation to another. It is called homoscedasticity if the variance of the residuals from one observation to another is constant, and it is called heteroscedasticity if it is different. A good regression model is one that is homoscedasticity. Heteroscedasticity testing is done with the Glesjer method, where the data is said to be free from heteroscedasticity if the significance value is > 0.05 .

For hypothesis testing in the form of a test of the difference between the sample value and the population or the value of the data studied with the expected value (hypothesis) of the researcher. Hypothesis testing in this study uses the coefficient of determination (R^2), F test, t test, and residual test. The coefficient of determination (R^2) in the form of the coefficient of determination is used to measure how far the model's ability to explain variations in the dependent variable. The coefficient of determination is between zero and one. A small R^2 value means that the ability of the independent variables to explain the variation in the dependent variable is very limited. A value close to one means that the independent variables provide almost all the information needed to predict variations in the dependent variable.

Furthermore, the F test (Model Reliability Test) basically shows whether all independent variables included in the model have a simultaneous influence on the dependent variable. To test the hypothesis through the F test, there are two things that can be used as guidelines. The first is by comparing the calculated F value with the F table, where if $F_{count} > F_{table}$, then this means that the independent variables simultaneously affect the dependent variable significantly. This must be in line with the second reference, namely by looking at the significance value (Sig.) or the probability value of the Anova output results, where the hypothesis is accepted if the value of Sig. < 0.05 , and vice versa (Raharjo, 2016).

Meanwhile, the t test (Regression Coefficient Test) basically shows how far one independent variable individually or partially can explain the variation in the dependent variable. According to (Iqbal, 2015) the steps in decision making for the t test if $t_{count} > t_{table}$ and $Sig < \alpha = 0.05$, it can be concluded that partially the independent variable has a significant effect on the dependent variable. Conversely, if $t_{count} < t_{table}$ and $Sig > \alpha = 0.005$, it can be concluded that partially the independent variable has no significant effect on the dependent variable. The equation formula in this study is denoted as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon \quad (1)$$

The explanation related to the above equation formula is presented as shown in Table 1.

Table 1. Explanation of Research Equation Formula

No	Symbol	Description
1	Y	Dependent Variable Budget Absorption (PRA)
2	X ₁	Independent Variable Planning (PRC)
3	X ₂	Independent Variable Administrative Process (ADM)
4	X ₃	Independent Variable Human Resources (HR)
5	X ₄	Independent Variable Procurement Document (DOK)
6	X ₅	Independent Variable Budget Change (PANG)
7	α	Constant Numbers
8	β	Independent Variable Regression Coefficient
9	ϵ	Tolerable Error (5%)

The parameters estimated in linear regression include the intercept (constant) and slope (coefficient in the linear equation). The research data questionnaire research tool was collected by distributing questionnaires to Administrator Officials, Regional Apparatus Finance Administration Officials, Activity Technical Implementation Officials, and implementers in the field of regional finance within the South Tangerang City government through a google form that was distributed through several whatsapp groups. From the questionnaire that was filled in by the respondents, data on the identity of the respondents was obtained related to regional apparatus organizations, positions, educational background, education sector, and years of service as civil servants. Presentation of data regarding the identity of the respondent to provide an overview of the respondent's personal circumstances. This Descriptive Test is used to describe the various conditions of respondents who are statistically displayed and provide information in a simple way on the state of the respondents who are the object of descriptive research describing in a simple way the description of the respondents of this study.

C. RESULT AND DISCUSSION

1. Results of Data Quality and Classical Assumption Test

Questionnaire items are said to be valid if they have a sig. (2-tailed) value below 0.05 or have a Pearson test result value above r table. In this study, the r table value for df 72 $\alpha = 0.05$ one tailed is 0.1940. Based on the validity test results, the questionnaire items on the Dependent Variable and the Independent Variable have a sig. (2-tailed) value of 0.000, which is below 0.05. Likewise, the results of the r count of all questionnaire items are greater than the r table value of 0.194. Therefore, it can be concluded that all questionnaire items on the Dependent Variable Budget Absorption (PRA = Y), Independent Variable Planning (PRC = X₁), Independent Variable Administrative Process (ADM = X₂), Independent Variable Human Resources (HR = X₃), Independent Variable Procurement Document (DOK = X₄), and Independent Variable Budget Change (PANG = X₅) are declared valid.

Regarding the questionnaire items, it is said to be reliable if the Cronbach's Alpha statistical test results are greater than 0.6 (Sujarweni, 2021). Based on the results of the reliability test, the questionnaire items in the Dependent Variable and Variable have a Cronbach's Alpha value above 0.6. It is concluded that all questionnaire items on the Dependent Variable Budget Absorption (PRA = Y), Independent Variable Planning (PRC = X₁), Independent Variable

Administrative Process (ADM = X2), Independent Variable Human Resources (HR = X3), Independent Variable Procurement Document (DOK = X4), and Independent Variable Budget Change (PANG = X5) are declared reliable.

As for the results related to the classical assumption test, it shows that the data has a normal distribution as indicated by the residual test results which produce an Asymp. Sig. (2-tailed) value of 0.200. This value is greater than 0.05, so it is concluded that the data is normal. Furthermore, the test results show that all independent variables have a tolerance value of more than 0.1 and a VIF value of less than 10, which means that the data is free from multicollinearity and all independent variables have a significance value of more than 0.05, which means that there is no heteroscedasticity problem in the data.

2. Results of Research Hypothesis Test

The output results of SPSS multiple regression analysis of quantitative data sets related to Dependent Variable Budget Absorption (PRA = Y), Independent Variable Planning (PRC = X₁), Independent Variable Administrative Process (ADM = X₂), Independent Variable Human Resources (HR = X₃), Independent Variable Procurement Document (DOK = X₄), and Independent Variable Budget Change (PANG = X₅) are presented as shown in Table 2.

Table 2. Multiple Regression Analysis Results Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sig.
	B	Std. Error	Beta		
(Constant)	5.964	2.025		2.945	0.004
X1 - Planning	0.246	0.127	0.266	1.935	0.057
X2 - Administration	-0.100	0.118	-0.124	-0.844	0.402
X3 - Human Resources	0.239	0.110	0.296	2.170	0.034
X4 - Document	-0.62	0.129	-0.066	-0.480	0.633
X5 - Budget Change	0.176	0.127	0.241	1.387	0.170

a. Dependent Variable: Y

Based on the coefficients in Figure 2 above, the regression equation constructed is as follows:

$$Y = 5,964 + 0,246X_1 - 0,1X_2 + 0,239X_3 - 0,62X_4 + 0,176X_5$$

The test results show that the Planning variable (X₁) has a positive and significant effect on Budget Absorption. The positive regression coefficient of 0.246 means that any increase in the Planning variable by 1% will cause an increase in Budget Absorption by 24.6%. Conversely, if there is a decrease in the Planning variable by 1%, it will cause a decrease in Budget Absorption by 24.6%. The test results as described in the previous section show that the Planning variable has a positive and significant effect on Budget Absorption. The positive regression coefficient of 0.246 means that any increase in the Planning variable by 1% will cause an increase in Budget Absorption by 24.6%. Conversely, if there is a decrease in the Planning variable by 1%, it will cause a decrease in Budget Absorption by 24.6%. These results are in line with research (Nuri, 2017) and (Ramdhani & Anisa, 2017) which states that planning has a positive and

significant effect on budget absorption. Careful planning should be easier to implement so that the budget will be absorbed optimally. The proposed program must also pay attention to the composition of expenditure so that it can be implemented. The issue of mismatches between the government work plan and the budget work plan of regional apparatus organizations, namely when indicators from planning are not related at all/difficult to translate with outputs in the budget work plan of regional apparatus organizations, will make budget implementation difficult (Wasono & Maulana, 2018).

Furthermore, the Administration variable (X_2) has a negative and insignificant effect on Budget Absorption. The negative regression coefficient of 0.100 means that any increase in the Administration variable by 1% will cause a decrease in Budget Absorption by 10%. Conversely, if there is a decrease in the Administration variable by 1%, it will cause an increase in Budget Absorption by 10%. Administration, which is defined as management, should provide guidance on how an activity is carried out. However, if the management or rules are made too complicated or convoluted, it will ultimately lead to the slow process of these activities, including budget absorption (Hifni, 2020). The results of this study differ from the results of research (Dengagi et al., 2021) which concluded that administration has a positive and significant effect and the results of research (Herriyanto, 2012) and (Kirnanda, 2016) which concluded that administration has a positive but insignificant effect on budget absorption. In terms of budget process, having approved by the legislature, the budget is forwarded to the state office for local government committee for a review (Ugoh & Ukpere, 2009).

For the Human Resources variable (X_3) has a positive and significant effect on Budget Absorption. The positive regression coefficient of 0.239 means that any increase in the Human Resources variable by 1% will cause an increase in Budget Absorption by 23.9%. Conversely, if there is a decrease in the Planning variable by 1%, it will cause a decrease in Budget Absorption by 23.9%. These results are in line with the results of research (Ramdhani & Anisa, 2017) and (Putri et al., 2017), namely human resources have a positive and significant effect on budget absorption. The reluctance of the apparatus to become procurement officials because the risk is not worth the reward and the fear of being arrested for corruption will clearly result in the budget not being realized. Too frequent mutations also have an impact on delays in absorption because an official is transferred before having time to realize the budget and the newly replaced official certainly cannot immediately continue the process he left behind.

Meanwhile, the Document variable (X_4) has a negative and insignificant effect on Budget Absorption. The negative regression coefficient of 0.062 means that any increase in the Document variable by 1% will cause a decrease in Budget Absorption by 6.2%. Conversely, if there is a decrease in the Document variable by 1%, it will cause an increase in Budget Absorption by 6.2%. The results of this study are different from the results of research (Nuri, 2017) which states that Procurement Documents have a positive and significant effect on budget absorption. Likewise with the results of research (Kirnanda, 2016) that procurement documents have a positive but insignificant effect on budget absorption in Binjai City. The utilization of information systems in financial management in South Tangerang ensures that every submission for expenditure disbursement must meet the required documents. Too many documents and a long issuance process have the potential to slow down the process of disbursing regional revenue and expenditure budgets.

The last is related to the Budget Change variable (X_5) which has a positive and insignificant effect on Budget Absorption. The positive regression coefficient of 0.176 means that any increase in the Budget Change variable by 1% will cause an increase in Budget Absorption by 17.6%. Conversely, if there is a decrease in the Budget Change variable by 1%, it will cause a decrease in Budget Absorption by 17.6%. Budget amendments should be implemented by taking into account the latest developments and new policies regulated by the Central Government. Similarly, when preparing budget amendments, it should still refer to the planned program. Planned programs are often disrupted due to agency needs or rationalization. Disconnection between planning and budgeting should be avoided (Wasono & Maulana, 2018), because in reality planning refers to programs while budgeting refers to functions.

Overall, with reference to the F test results, the calculated F value is 6.011. With the value of the F table (5;73-6)0.05 of 2.35, the F count is greater than the F table. In line with the significance value of 0.000, which is below 0.05, it is concluded that the independent variable simultaneously affects the dependent variable. Based on the results of the study, it shows that the independent variables Planning, Administration, Human Resources, Documents, and Budget Changes simultaneously affect the dependent variable Budget Absorption

D. CONCLUSION AND SUGGESTIONS

The results of the research on factors affecting budget absorption in South Tangerang City are as follows: (a) Based on the results of the study, it shows that the Planning variable has a positive and significant effect on Budget Absorption. Planning factors can be measured from the evaluation of the previous year's activities, the suitability of the program with the planning and needs of the organization, the feasibility of the composition of expenditures, and the approval of the regional budget and income by the regional legislature; (b) Based on the results of the study, it shows that the Administration variable has a negative and insignificant effect on Budget Absorption. Administrative factors can be measured from incorrect account determination, too short budget preparation and review time, too long verification by the Regional Financial Management Officer, and late issuance of the Bid Committee decision letter; (c) Based on the results of the study, it shows that the Human Resources variable has a positive and significant effect on Budget Absorption. The Human Resources factor which can be measured from lack of skill, worry about being caught in corruption cases, concurrent duties, reluctance to become procurement officials, frequent transfers of officials related to procurement; (d) Based on the results of the study, it shows that the Document variable has a negative and insignificant effect on Budget Absorption. The Document factor which can be measured from the Contract document has not been signed, the Accountability Letter file is incomplete, the Contract Procurement and Auction files are incomplete, there is a default due to an error in determining the account code; and (e) Based on the results of the study, it shows that the Budget Change variable has a positive and insignificant effect on Budget Absorption. The Budget Change factor which can be measured from changes in regulations and policies, changes not according to the planned program, budget rationalization, agency needs, and political compromise with the legislature.

Based on the research that has been done, the suggestions that can be given by researchers are: (a) The South Tangerang City Government can maximize budget absorption by improving

the quality of budget preparation planning, and improving the quality of apparatus resources continues to be improved in the future; (b) In order to improve planning, the APBD discussion can run according to plan, it is hoped that the active role of more intense communication between the executive and legislative parties; (c) Complete technical guidelines and regulations regarding budget management so that knowledge increases and employees can better understand and work more regularly and in accordance with applicable regulations as an effort to increase human resource capacity; (d) For future researchers who want to examine the absorption of SKPD budgets, it is recommended that they expand the Regency/City research location increase the breadth of respondents and examine other organizations other than regional apparatus organizations so that the research results become even broader in scope; and (e) For future researchers, they can expand the discussion beyond the variables in this study, including regulatory variables, politics and organizational commitment.

ACKNOWLEDGEMENT

We would like to thank the leaders and staff of the regional apparatus organizations in South Tangerang City for providing the opportunity to conduct research related to regional revenue and expenditure budgets. The authors would also like to thank Universitas Terbuka for providing support in the implementation of this research.

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