



Research Paper

Consistency Analysis of Planning and Budgeting and Their Implications on Performance Achievements

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ABSTRACT: This study aims to analyze and explain the consistency of planning and budgeting and its implications for performance achievements. The quantitative approach that seems to be more dominant in this study was carried out to determine the level of consistency and level of performance achievement. This research belongs to the type of descriptive research, which is a method that aims to make a description. The location in this research is the Regional Development Planning Agency. Analysis of the data in this study in addition to using quantitative analysis by using the percentage technique, also uses a qualitative analysis model. The results of this study The consistency between the RKPD and the APBD of the Bappeda of North Toraja Regency in 2018-2020 is quite consistent. The implication of the consistency of planning and budgeting on performance achievements at the Bappeda of North Toraja Regency is the realization of the performance targets that have been set.

KEYWORDS: Planning, Budgeting, and Performance of Regional Development Planning Boards.

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I. INTRODUCTION:-

In carrying out development, every Government requires accurate planning and is expected to be able to evaluate the development it does. Along with the rapid development of the economic sector, there is an increase in demand for data and indicators that require data availability to the Regency/City level. The data and development indicators needed are those that are in accordance with the predetermined plans.

This phenomenon is an interesting discussion because budget absorption in general only has a high acceleration at the end of the year. While at the beginning of the year, it is generally difficult to realize as expected by the public. Budget absorption A low level of course has bad implications for the performance of a local government .

From various literacy, it can be seen that there are several factors causing the low absorption of the budget. First, there is excessive fear (legal repercussions) from each apparatus in various institutions related to the use of the budget. Second, a number of institutions do not have a mature, clear and measurable planning concept. Third, the lack of understanding of the apparatus in various institutions related to the mechanism for using the budget and the accountability model.

Product planning requires a manufacturing process that begins with knowing a problem correctly, constraints, goals and targets to be achieved. Then it must be done by a professional planner who is in accordance with the educational background and experience. The 2004 SPPN stipulates that there are five development planning documents that need to be prepared by planning agencies, both at the national and regional levels, namely: 1) The National/Regional Long-Term Development Plan (RPJPN/D) is a long-term planning document for a period of 20 years. ; 2) The National/Regional Medium-Term Development Plan (RPJMN/D) is a medium-term planning document for the next 5 year period which contains a more concrete description of the president's vision and mission (at the national level) or the vision and mission of the regional head (for the provincial level). , District and city); 3) Strategic Plan (Renstra), commonly referred to as the Strategic Plan of the Regional Work Unit (Renstra SKPD) which contains a description of the vision and mission of Local government work unit head which is derived from the vision and mission of the Regional Head. Local government work unit Strategic Plan is more detailed down to activities because its scope is smaller, namely in accordance with the main tasks and functions (tupoksi) of the institution concerned. Local

government work unit Renstra is a Local government work unit planning document for a period of 5 years; 4) Government Work Plan (RKP) / Regional Government Work Plan (RKPD) is a plan outlining the RPJM which contains policies, programs, and activities for 1 year (annual planning) in accordance with the available resources in the relevant year, especially funds.

Consistency between planning and budgeting is important to note because it is an indicator in assessing the performance of local governments, so that all government programs and activities run well to achieve the goals that have been set. planned in the planning document and has an important role in the implementation of development to improve the welfare of the community through programs aimed at improving the quality of human resources and increasing economic growth.

The separate planning and budgeting processes have resulted in inconsistencies between the plans prepared and the expenditure allocations in the budgeting process. This condition causes a bias in the allocation of spending for various types of activities. This will lead to inconsistencies in the allocation of regional expenditures, even though the main problem faced is the limited source of income in the region itself that can be used to finance an activity. North Toraja Regency relies heavily on transfer funds from the central government to the regions. Therefore, efficiency and effectiveness of spending is needed through integration between planning and budgeting in North Toraja Regency. So far, the phenomenon encountered in planning is that sometimes there are programs/activities in OPD that are inserted, so in the RPJM the document is revised because it is considered no longer connected with other documents, thus this may lead to inconsistencies between Local Development Planning Agency planning and budgeting in North Toraja Regency.

From the description of the performance indicators above, the researcher uses the results-oriented performance indicators according to Ratminto and Atik (2005) to examine the performance of the North Toraja Regency Local Development Planning Agency in realizing the programs and activities that are the priorities of the North Toraja Regency Local Development Planning Agency. The selected results-oriented performance indicators that have been achieved in the implementation of Development Planning and Implementation Programs/Activities are programs with the concept of participatory, transparent, and accountable. By utilizing the concept of participatory and transparency and accountability, the researcher examines the performance of the North Toraja Regency Local Development Planning Agency in implementing sustainable planning and budgeting programs/activities. Community participation in the implementation of development is a measure of the success of a development. This study refers to previous research conducted by Rini Octavianti (2008), her research entitled Analysis of Planning and Budgeting Consistency of Primary and Secondary Education Programs in South Solok Regency, The difference with previous research is In examining this research, there is the object of research and this research is also to examine the extent to which the consistency of planning and budgeting and its implications for the achievement of performance targets at the Regional Development Planning Agency of North Toraja Regency.

The consistency between planning and budgeting also affects the achievement of an organization's performance targets, in other words that the higher the realization, the better the achievement level of the plan. From the explanation above, the researcher is interested in examining the extent to which the consistency of planning and budgeting and their implications for achieving performance targets at the Regional Development Planning Agency of North Toraja Regency. Based on the above phenomena, the authors wish to know more about Consistency Analysis Of Planning And Budgeting And Their Implications On Performance Achievements.

II. LITERATURE REVIEW:-

Stewardship Theory

Stewardship Theory (Stewardship Theory) The grand theory that underlies this research is part of the agency theory, namely Stewardship Theory (Donaldson and Davis, 1991), which describes a situation where management is not motivated by individual goals but is more focused on their primary outcome goals for organizational interests. The theory assumes that there is a strong relationship between satisfaction and organizational success. Organizational success reflects the utility maximization of principals and management groups. Maximizing the utility of this group will ultimately maximize the interests of individuals in the organizational group.

The implications of stewardship theory for this research, can explain the existence of the Village Government as an institution that can be trusted to act in accordance with the public interest by carrying out its duties and functions appropriately, making financial accountability entrusted to it, so that economic goals, public services and community welfare can be achieved. maximally. To carry out these responsibilities, stewards direct all their abilities and expertise in making internal control effective in order to produce information reports.

Regional Development Planning Mechanism

In Indonesia, regional development planning systems and mechanisms follow the systems and mechanisms contained in Law no. 25 of 2004 concerning the National Development Planning System (SPPN). The construction of this regional development planning system is structured in the era of decentralization. In line with the paradigm shift in development planning, Law no. 32 of 2004 concerning Regional Government and Law no. 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments has accommodated the redesign of development planning systems and mechanisms in the regions.

The Regional Head organizes and is responsible for regional development planning in his area. In carrying out the regional development planning, the Regional Head is assisted by the Head of the Regional Development Planning Agency (Bappeda). Furthermore, the leadership of the Regional Apparatus Work Unit (SKPD) organizes regional development planning in accordance with the tasks and authorities. The Governor organizes coordination, integration, synchronization, and synergies in development planning between regencies/cities in their respective regions (Depkeu, 2008).

Budgeting

The budget is the government's official statement of estimated revenues and proposed expenditures for the current year. In other words, the budget is a financial plan that reflects the government's policy choices, both social and economic policies (Khan 2002). As an instrument of social and economic policy, Richard Musgrave (1959), identified three functions of the budget. First, the allocation function, the budget is a government instrument for the provision of public goods and services to meet the needs of the community. In the context of Indonesia, this allocation function is often referred to as development spending, or public spending, which for example comes through the construction of public facilities, public services (health, education, housing, and so on) as well as assistance for community empowerment.

The next stages of the regional budget planning process are: 1) The regional government submits the general policy of the Local government budget for the next fiscal year as the basis for the preparation of the Local government budget draft no later than mid-June of the current year. The general policy of the Local government budget is guided by Local government work plan. The process of preparing the Local government work plan is carried out, among others, by carrying out development planning deliberations which in addition to being followed by elements of the government also include and/or absorb the aspirations of the relevant community, including professional associations, universities, non-governmental organizations (NGOs), leaders customs, religious leaders and the business world; 2) Regional representative assembly then discusses the general Local government budget policies submitted by the regional government in the preliminary discussion of the Draft local government budget for the next fiscal year; 3) Based on the general Local government budget policy that has been agreed with the Regional representative assembly, the regional government together with the Regional representative assembly discuss the Priority and Temporary Budget Ceiling (PPAS) to be used as a reference for each Local government work unit; 4) The Head of Local government work unit as the budget user prepares the next year's Local government department budget and work plan by referring to the Priority and Temporary Budget Ceiling that have been determined by the regional government together with the DPRD; 5) The Local government department budget and work plan are then submitted to the Regional representative assembly for discussion in the preliminary discussion of the Draft local government budget; 6) The results of the discussion of the Local government department budget and work plan are submitted to the regional financial management officials as material for the preparation of the draft Regional Regulation on the following year's local government budget; 7) The regional government submits a draft regional regulation on local government budget accompanied by explanations and supporting documents to Regional representative assembly in the first week of October of the previous year; 8) Decision making by Regional representative assembly regarding the draft Regional Regulation on local government budget is carried out no later than one month before the implementation of the relevant fiscal year.

Performance

The development and progress of an organization cannot be denied if management quality factors give influence as a driving force that is able to accelerate that direction. Meanwhile, according to Mathis and Jackson in Masram (2017:138) also mentions "Performance is basically what employees do or don't do. Performance management is the overall activity carried out to improve the performance of the company or organization, including the performance of each individual and work group. in the company."

From the presentation of the performance indicators above, the researcher uses the results-oriented performance indicators according to Ratminto and Atik to examine the performance of the Local Development Planning Agency of North Toraja Regency in realizing the programs and activities that are the priorities of the Local Development Planning Agency of North Toraja Regency. The selected results-oriented performance indicators that have been achieved in the implementation of Development Planning and Implementation

Programs/Activities are programs with the concept of participatory Transparency and Accountability. By utilizing the concept of participatory and transparency and accountability, the researcher examines the performance of the North Toraja Regency Local Development Planning Agency in implementing sustainable planning and budgeting programs/activities. Community participation in the implementation of development is a measure of the success of a development.

III. RESEARCH METHODS:

This study aims to analyze and explain the consistency of planning and budgeting and its implications for the performance of Kapasian. The quantitative approach that seems to be more dominant in this study was carried out to determine the level of consistency and level of performance achievement. This research belongs to the type of descriptive research, which is a method that aims to make a description. The location in this research is the Regional Development Planning Agency. Analysis of the data in this study in addition to using quantitative analysis, namely by using the proportion technique, also uses a qualitative analysis model. Secondary data obtained from documents related to planning and budgeting in North Toraja Regency. These documents include: Strategic Plan (Renstra) of North Toraja Regency. Regional Medium-Term Development Plan of North Toraja Regency. Regional Government Work Plan of North Toraja Regency. Regional Revenue and Expenditure Budget of North Toraja Regency.

IV. RESULTS:-

Description of Research Results and Discussion:

Planning and Budgeting Consistency Analysis

1. Consistency Analysis between The Regional Government Work Plan and Local government budget of North Toraja Regency in 2018

The RKP is an annual plan that contains the design of the regional economic framework, regional development priorities, work plans and funding, as mandated by Article 25 paragraph (2) of Law Number 25 of 2004 which states that The Regional Government Work Plan is the guideline for the preparation of the Draft Regional Revenue and Expenditure Budget . The Regional Government Work Plan (RKP) of North Toraja Regency is prepared based on the North Toraja Regency Local go government medium term development plan and refers to the Provincial RKP and The Regional Government Work Plan and is synchronized with the results of the Development Plan Deliberation (Musrenbang). By considering the potential, conditions, problems, challenges, opportunities that exist in North Toraja Regency and considering the culture that lives in the community, the Development Goals and Targets of North Toraja Regency are the implementation of the goals and targets set out in the Local go government medium term development plan.

The Venn diagram shows that there are 8 consistent programs between The Regional Government Work Plan and the North Toraja Regency Local government budget in 2018. Thus there are 100% of the programs contained in Local government budget that are guided by the The Regional Government Work Plan and 80% of The Regional Government Work Plan activities are accommodated in the North Toraja Regency Local government budget. Meanwhile, 20% of other activities in Local government budget are inconsistent or not guided by The Regional Government Work Plan.

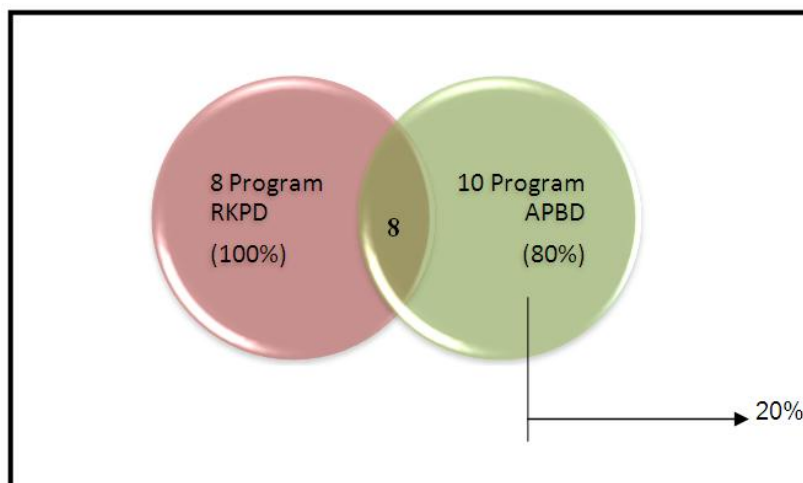


Figure 1

Diagram of the Relationship between the Local government work plan and the 2018 North Toraja Regional Budget

2. Consistency Analysis between The Regional Government Work Plan and Local government budget of North Toraja Regency in 2019

The 2019 North Toraja Regency Regional Government Work Plan (RKPD) was prepared based on the North Toraja Regency RPJMD and referred to the Provincial RKP and RKPD and was synchronized with the results of the Development Plan Deliberation (Musrenbang). In 2019, all development policies that have been implemented in the previous four years have accelerated performance. In addition, adjustments were also made in response to changes in the regional, national and global strategic environment.

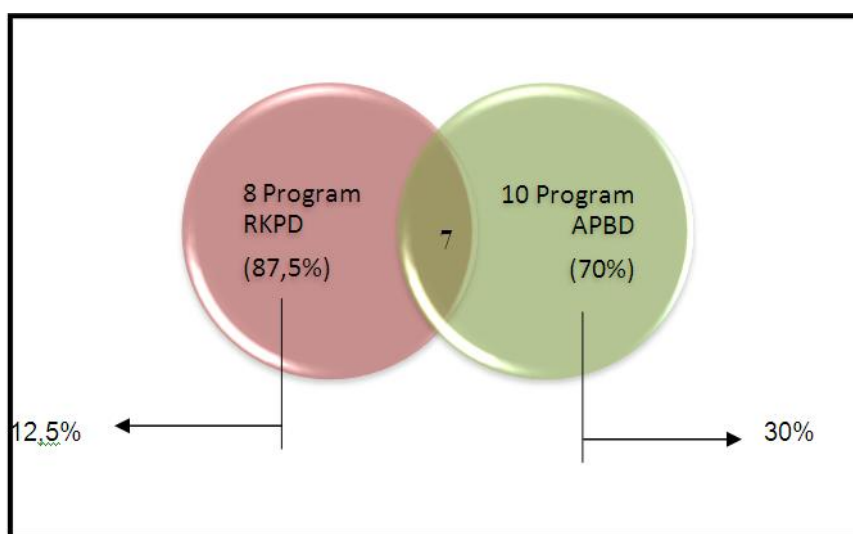


Figure 2

Diagram of the Relationship between the Local government work plan and the 2019 North Toraja Regional Budget

The diagram above shows that of the 8 programs contained in the North Toraja Regency The Regional Government Work Plan in 2019 and 10 programs in the North Toraja Regency Local government budget in 2019, there are 7 programs that are in sync with each other and only 4 programs from Local government budget that are not in sync The Regional Government Work Plan. This means that 85.7% of programs in The Regional Government Work Plan are accommodated in Local government budget while the remaining 12.5% are not accommodated. Meanwhile, the activities in the Local government budget that are consistent with The Regional Government Work Plan are only 70%, while the remaining 30% are inconsistent with the 2019 North Toraja Regency The Regional Government Work Plan.

3. Consistency Analysis between The Regional Government Work Plan and Local government budget of North Toraja Regency in 2020

To see the relationship between the two documents, namely the The Regional Government Work Plan and the 2020 North Toraja Regency Local government budget, it can be seen through the Venn diagram as follows:

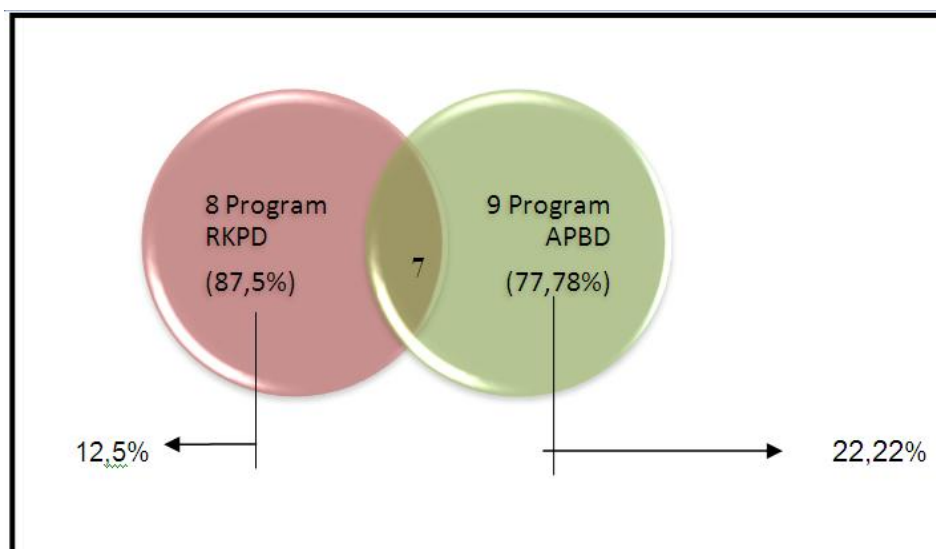


Figure 2

Diagram of the Relationship between the Local government work plan and the 2020 North Toraja Regional Budget

The Venn diagram above shows that of the 8 programs that have been planned in the 2020 The Regional Government Work Plan, there are 7 synchronous programs. This shows that 87.5% of the programs in The Regional Government Work Plan are consistent with the programs contained in Local government budget and 64.5% and for programs in Local government budget that are accommodated in the North Toraja The Regional Government Work Plan in 2020 it is 77.78%. Meanwhile, 12.5% of other activities in the regional government work plan are not accommodated in Local government budget and the preparation of activities in Local government budget of 22.22% is inconsistent or not guided by the RKPD.

Based on the results of the analysis that have been described, it shows that the linkage and balance between the planning and budgeting of Local Development Planning Agency for 2018-2020 is quite well done. This proves that most of the budget preparation carried out in North Toraja Regency pays attention to the plans that have been previously determined as mandated by the laws and regulations as previously discussed. Linkage and balance between planning and budgeting are two things that are indispensable to managing regional development efficiently and effectively.

4. Achievement of Planning and Budgeting Performance Indicators for North Toraja Regency in 2018-2020

Analysis of the achievement of regional performance indicators from 2018-2019 as a whole shows fluctuating numbers. In 2018, the realization of the achievement of performance indicators from the set target was 96.1%, then in 2019 the realization of the achievement of these performance indicators increased to 98.04% of the set target, and in 2009 the achievement of performance indicators decreased to 96% of the target set in the North Toraja Regency local go government medium term development plan.

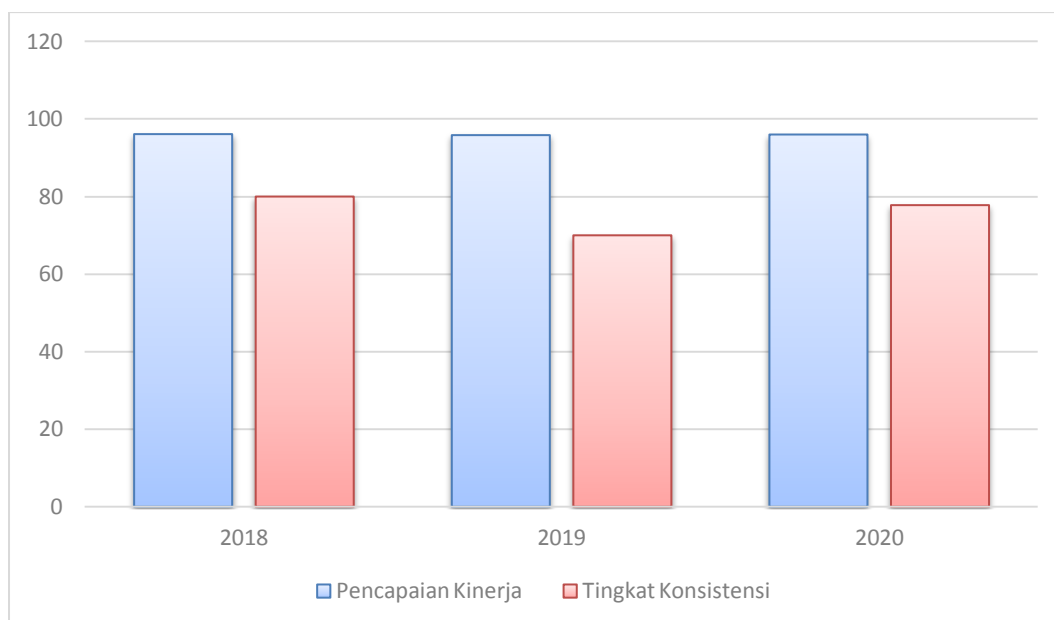


Figure 5.4
Graph of the Level of Consistency and Achievement of Performance Indicators
Local Development Planning Agency North Toraja Regency

The graph above shows that the chart pattern of the level of consistency of planning and budgeting for 2018-2020 is directly proportional to the chart pattern of the level of realization of achievement of performance indicators in 2018-2020. In 2018, the level of consistency in the preparation of the the regional government work plan and Local government budget of the North Toraja Regency in 2018 showed a figure of 80% and the realization rate of achievement of performance indicators was around 96.1%. In 2019, the level of consistency in planning and budgeting decreased to 70% where the realization rate of achievement of performance indicators also decreased to 95.84%. Then, in 2020 there was an increase in the level of consistency in the preparation of the regional government work plan and Local government budget, which was around 77.78%, this was followed by an increase in the realization rate of achievement in 2020, which was 96%.

Based on the results of the analysis between the level of consistency and the level of realization of the achievement of the performance indicators, it shows that the fluctuations in the level of consistency in planning and budgeting are also influenced by the rise and fall of the level of realization of the achievement of performance indicators. Thus, there is a relationship between the consistency of planning and budgeting in North Toraja Regency and the realization of the achievement of performance indicators set out in the regional planning document of North Toraja Regency.

The relationship between the level of consistency and the level of realization of performance achievement can be explained through the performance indicators that have been compiled in the North Toraja Regency medium-term planning document in accordance with development goals and objectives. The development goals and targets are then compiled into relevant programs and activities so that if there is an inconsistency with the program in its budgeting, the activities cannot be carried out which results in the target not being achieved and development targets not being realized.

V. CONCLUSION:

Based on the analysis that has been done, it can be concluded as follows.

1. The consistency between the RKPD and APBD of the North Toraja Regency Bappeda in 2018 is quite consistent. Where the results of the consistency analysis show that 87.5% of the programs in the RKPD are consistent with the programs contained in the APBD and 64.5% and for programs in the APBD that are accommodated in the North Toraja RKPD in 2020, 77.78%. However, there are still some programs and activities that are not included in the RKPD or vice versa, programs that are included in the RKPD are not included in the APBD. This shows that the RKPD is not a basic reference for the preparation of the APBD every year.
2. The consistency between the RKPD and the North Toraja Regency APBD in 2019 is also quite consistent. This is shown based on the analysis results that 87.5% of programs in the RKPD are accommodated in the APBD while the remaining 12.5% are not accommodated. Meanwhile, the activities in the APBD that are consistent with the RKPD are only 70%, while the remaining 30% are inconsistent with the North Toraja

Regency RKPDP in 2019.

3. The consistency between the RKPDP and the regional APBD of North Toraja Regency in 2020 is quite consistent. This shows that 87.5% of the programs in the RKPDP are consistent with the programs contained in the APBD and 64.5% and for programs in the APBD that are included in the North Toraja RKPDP in 2020 it is 77.78%. Meanwhile, 12.5% of other activities in the RKPDP are not included in the APBD and the preparation of activities in the APBD of 22.22% is inconsistent or not guided by the RKPDP.

4. Analysis of the performance achievements of the Bappeda of North Toraja Regency shows that the achievement of targets, programs and activities in the 2018 Fiscal Year, the average realization of the achievement of performance indicators in 2018 is 96.1%, and in 2019 the figure is 95.84%. And for 2020 the average realization of program achievements is 96%.

5. The implication of the consistency of planning and budgeting on performance achievement at the Bappeda of North Toraja Regency is the realization of the performance targets that have been set.

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