

CHAPTER I

INTRODUCTION

A. Background

The world continues to deal with the coronavirus, which has been declared a pandemic by the World Health Organization (WHO). The level of distribution and management varies from one country to another. Indonesia is one of the countries with a relatively rapid spread compared to the first countries exposed to the virus due to the government's unwillingness to treat infected states 19. Therefore, the government coordinates with the ministers, DPR, DPRD, local governments, regional, regency, sub-regency and village apparatus so that they can be more effective in reducing the spread of the corona virus. One of the government's efforts is to implement a social distancing policy or commonly known as PSBB (large-scale social restrictions). In accordance with PP. 21/2020 signed by President Joko Widodo on March 31, 2020. PSBB is the approach contained in Law no. 6/2018 on Health Quarantine. Technically, this PSBB is also regulated in Permenkes No. 9/2020 and Permenhub No. 18/2020. One of the policies issued by the government also be followed by the local government by carrying out a lockdown in each region to spread the virus. In accordance with circular number 8 of 2020 as an effort to prevent and handle COVID-19 in the village it is not an easy thing for the government to lock down in each region because it must be from a health and economic perspective. Therefore, the managerial services of each region must

be improved so that their performance can produce results for the local community. With budget participation, accountability and transparency are the principles of local government because they can help affected regions in controlling COVID-19.

Table 1. 1 COVID-19 Spread Data in Yogyakarta

Status per Kabupaten / Kota

		Sleman	Kulon Progo	Gunung Kidul	Bantul	Yogyakarta	Non DIY	Count of Keterangan(St..
ODP	Proses	2,483	1,789	1,344	1,067	829		
PDP	Meninggal	14	2	2	3	3		1
	Negatif	596	80	147	343	199	40	2,483
	Proses	44	2	23	19	8		
Positif	Dirawat	19	4	2	10	6	1	
	Meninggal	4		1	2	1		
	Sembuh	97	11	47	59	30	8	

Source: <https://corona.jogjapro.go.id/data-statistik>

Based on data on the spread of COVID-19 in the Special Region of Yogyakarta, the number of spreads in different regency with the number of positive patient growth is increasing day by day and decreasing in patients who are recovering. One of the areas affected by COVID-19 is Kulon Progo which has the least spread of COVID-19 in Yogyakarta. Therefore, the government held covid clusters in regency to control the spread of COVID-19. As well as at the level of the covid clusters in each village to be on alert so that the public can directly report to the closest covid cluster if there are people who identify symptoms of COVID-19. Thus there is a need for inter-managerial cooperation to improve the performance of the village government.

The Government of the Special Region of Yogyakarta has prepared 3 programs in Kulon Progo regency in handling COVID-19, namely a program for handling health and medical emergencies, handling social and economic impacts by refocusing the budget on the program. A total of 39.8 billion has

been budgeted for health and medical treatment. One of the measures carried out by the village government for residents affected by the COVID-19 pandemic was the distribution of BLT funds to residents who were in Kulon Progo. In accordance with the Minister of Finance regulation 205 / PMK.07 / 2019, concerning Village Fund Management, the Kulon Progo regency government divides BLT distribution into 3 terms. With a percentage of 40% for the first term, 40% for the second term and 20% for the third term, the funds are directly transferred to the beneficiary's account. In this way, the responsibility of local authorities should be maintained so that the community believes that it will retain all projects that need to be properly implemented so that the community can obtain benefit from it.

Accountability is a form of policy itself that is responsible for the success or failure of an organization's mission in achieving its goals and objectives through means. Responsibilities should be performed periodically Stanbury (2003, as cited in Auditya & Lismawati, 2013). This was supported by Presidential Order 7 of 1999 on Accountability of Public Authorities LAN (2000, as cited in Akbar et al., 2012). Each person is responsible for the responsibility of each agency by preventing fraud by individual fraudsters in order to allocate the budget and prevent abuse. Accountability and transparency have different characteristics, but their accountability must be related to transparency (Shende & Bennett, 2004).

Dwiyanto (2006: 80) defines transparency by providing government information to the public and facilitating the acquisition of accurate and

complete information. It is clear from this understanding that transparency does not only provides information on governance, but must also follow public access to inform. This will be difficult for the government if they do not perform well. Transparency must also be weighed against the security of the organization so that it does not affect other parties. Each person is responsible for the responsibility of each agency by preventing fraud by individual fraudsters in order to allocate the budget and prevent abuse. Accountability and transparency have different characteristics, but their accountability must be related to transparency (Shende & Bennett, 2004).

According to (Afryansyah as cited in Adiputra et al., 2018), maximize the transparent form of online publication of financial statements so that the public knows all financial information during the reporting period. Jatmiko & Kumara (2015) reported that almost all local government agencies in Indonesia have official websites, but their disclosure differs from one agency to another. From this insight, there are still areas that are not transparent. Therefore, transparency is essential to strengthen public confidence in government.

Accountability and transparency are closely linked in good governance, so accountability and transparency must go hand in hand with government so that everyone can believe in the government's responsibility in carrying out its responsibilities. The word described above also corresponds to paragraph 58 of Q.S An-Nissa, namely: touch the other parties.

إِنَّ اللَّهَ يَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا وَإِذَا حَكَمْتُمْ بَيْنَ النَّاسِ أَنْ تَحْكُمُوا
بِالْعَدْلِ ۚ إِنَّ اللَّهَ نِعِمَّا يَعِظُكُمْ بِهِ ۗ إِنَّ اللَّهَ كَانَ سَمِيعًا بَصِيرًا

This means, "In fact, Allah has commanded you to send a message to those who have the right to receive it and (ask you) whether to formulate a rule among men to define it fairly. Indeed, Allah tells the best reward: Verily, Allah Almighty, comprehensive.

The letter explains that the actions of each individual must be calculated because they perform all the tasks that must be handed over to people with fair and open rights. In this case, the regional government should make it transparent to the public and communicate its responsibilities to the community without increasing or decreasing profits. With people's confidence in the government, it will be easier to redistribute and reallocate the budget.

The budget is an important element in the management control system, as it serves as a tool not only for financial planning, but also for monitoring, coordinating, communicating, and evaluating performance and motivation (Anthony and Govindarajan as cited in Hariyani et al., 2015). Budgets, budgetary targets and budgetary targets that all governments need to take into account need to be clarified. Therefore, many organizations believe that budgeting can improve organizational performance. The level of activating managers or employee budget involvement can be used as one of the tools to monitor an organization's performance Yanti and Suardana (2015, as cited in Raheni & Asri Dwija Putri, 2019).

In all the budgets involved, many people need to contribute to getting to know the broader issues and knowledge to address them. Low-level executives who are more familiar with the situation on the ground can be involved in budget planning for senior executives who are responsible for making decisions. With a budget, everyone is responsible for their own work and needs to work together to keep track of what is planned. Decree No. 20 of the Minister of the Interior of 2020 on accelerating the management of COVID-19 in the municipal environment, which explains the allocation of resources to the areas affected by blacksmiths for rapid processing.

Based on the research of Darmawan (2015), it is believed that transparency and accountability of financial management have a significant impact on the functioning of local governments. However not many have examined the accountability and transparency of performance of management. In the meantime, much research has been done on the impact of budget planning on management effectiveness, but the results have been inconsistent, studies by Ratna (2015), Gunawan and Santioso (2015), Adi (2019) and Rahma (2019) on budget participation, which has a significant impact on management performance, while research by Hanna (2018) and Dessy (2016) has shown that budget participation has no significant impact on management performance. The inconsistency of these results has prompted researchers to re-examine the effects of transparency and accountability on the delivery of performance on management as a variable in budget participation the cards are still rare.

This study is a reapplication of the study of Sholekah (2019). The difference between the study and previous researchers is that there are additional variables in the delivery of performance management and put budget participation as intervening variable. This is due to the COVID-19 pandemic that occurred suddenly where accountability and transparency of budget participation in the village government must be carried out as well as possible so that the performance of the apparatus can be seen by the community.

Based on the above description, the researcher is interested in a study entitled "THE INFLUENCE OF ACCOUNTABILITY AND TRANSPARENCY TOWARDS PERFORMANCE OF MANAGEMENT IN HANDLING COVID-19 WITH BUDGET PARTICIPATION AS INTERVENING VARIABLE" (EMPIRICAL STUDY ON VILLAGE GOVERNMENT IN KULON PROGO).

B. Research Questions

Based on the background of this research, the researchers formulated the following problems:

1. Does accountability affect the performance of management?
2. Does transparency affect the performance of management?
3. Does accountability affect budget participation?
4. Does transparency affect budget participation?
5. Does performance of management affect budget participation?

6. Does accountability affect the performance of management through budget participation?
7. Does transparency affect the performance of management through budget participation?

C. Research Objectives

This study aims to examine the impact, accountability, and transparency of the delivery performance of management in handling COVID-19, with budget participation as an intervening variable. Based on the formula of the above problem, the aim of the study is to:

1. Obtain empirical evidence on whether accountability affects the performance of management of regional organizations.
2. Obtain empirical evidence on whether transparency affects the performance of management of regional organizations.
3. Obtain empirical evidence on whether accountability affects the budgetary participation of regional organizations.
4. Obtain empirical evidence on whether transparency affects the budget participation of regional organizations.
5. Obtain empirical evidence on whether performance of management influence budget participation
6. Obtain empirical evidence on accountability and transparency affect the performance of management through budget participation
7. Obtain empirical evidence on transparency affect the performance of management through budget participation

D. Benefits of Research

1. Theoretical advantages

This research is expected to improve people's welfare by upholding the value of togetherness and putting aside personal benefits. The existence of accountability and transparency of budgetary participation in performance of management will make the community believe that the village government is working properly without any abuse of authority.

2. Practical benefits

The results of this study are expected to give contribution to the government especially village government in Kulon progo districts. As material for review and evaluation, to address issur aimed at improving performance of management.