

READINESS FACTOR FOR THE IMPLEMENTATION OF PERMENDAGRI NUMBER 77 OF 2020

(Empirical Study: Government of Rokan Hulu Regency)

Tiomin Olivianti Sianturi ¹⁾, Azwir Nasir ²⁾, Nur Azlina ³⁾

¹⁾University Of Riau, Pekanbaru, Indonesia

²⁾ University Of Riau, Pekanbaru, Indonesia

³⁾ University Of Riau, Pekanbaru, Indonesia

Corresponding author: nur.azlina@lecturer.unri.ac.id

Abstract

This study aims to analyze organizational commitment, supporting facilities, competence of human resources and information technology towards the readiness implementation of Permendagri Number 77 of 2020. The objects of this research are the all OPD at Rokan Hulu Government. The data were analyzed by linear regression method and SPSS program version version 17. The variable under study is the readiness implementation of Permendagri Number 77 of 2020 as dependent variables and organizational commitment, supporting facilities, competence of human resources and information technology towards as independent variables. The results of the study show that organizational commitment has an influence affect on the readiness implementation of Permendagri Number 77 of 2020 with a significance value of 0.000, supporting facilities has not an influence affect on the readiness implementation of Permendagri Number 77 of 2020 with significance value of 0.127, competence of human resources has an influence affect on the readiness implementation of Permendagri Number 77 of 2020 with a significance value of 0.022 and informationtechnology towards has an influence affect on the readiness implementation of Permendagri Number 77 of 2020 with a significance value of 0.011. The results of this study also show that the coefficient of R square is 42.5%. Each independent variable, giving a strong influence on the dependent variable, meaning that the independent variable can explain the dependent variable well. While the rest is influenced by other variables not included in the regression model is not included in this study.

Keywords: Readiness Implementation Of Permendagri Number 77 of 2020, Organizational Commitment, Supporting Facilities, Competence Of Human Resources, Information Technology Towards

INTRODUCTION

In order to improve good governance and to provide quality results on central or regional financial reports, the government will continue to make changes to the regulations or guidelines that will be used in compiling and producing financial reports. This is often referred to as bureaucratic reform, bureaucratic reform is one of the government's efforts to achieve *good governance* (Sigit, 2013: 332).

In line with the process of implementing Government Regulation Number 12 of 2019 this is again supported by Minister of Home Affairs Regulation (PERMENDAGRI) Number 77 of 2020 which was issued on December 30, 2020 regarding technical guidelines for regional financial management. Regional finances are all regional rights and obligations in the context of implementing regional government which can be valued in money and all forms of wealth that can be used as regional property in relation to the rights and obligations of the region. What is meant by regional

financial management according to Permendagri 77 of 2020 Article 1 Paragraph 1 is all activities that include planning, budgeting, implementation, administration, reporting, accountability, and supervision of regional finances.

Problems regarding the implementation of Permendagri 77 of 2020 are not only that, this regulation change seems to be a problem that must be faced by every local government in realizing the APBD of each region and the operational budget for activities in the regional government. In terms of its implementation, it can be seen from the various factors that influence the readiness of local governments in implementing Permendagri Number 77 in this study are Organizational Commitment, Facilities and Infrastructure, Human Resources and Utilization of Information Technology.

LITERATURE REVIEW

Stewardship Theory

Stewardship theory can explain that the organs contained in the company will maximize their performance so that the company's goals can be achieved (Septiputri, 2013). The use of stewardship theory in this study aims to suggest that organizational success can be achieved by effective and efficient organizational performance through several supporting factors so that it can provide satisfaction to users of information, especially information about financial statements in government, especially local governments by mobilizing their capabilities and forms of government accountability towards the public.

Ministry of Home Affairs Regulation 77 of 2020 concerning Technical Guidelines for Regional Financial Management

Ministry of Home Affairs Regulation Number 77 of 2020 is a regulation that contains technical guidelines for regional financial management, where this regulation is made by the government through considerations so that it can implement and carry out the provisions in Article 221 paragraph (1) Government Regulation Number 12 of 2019 concerning Financial Management Regions, in this case the government is asked to stipulate a Regulation of the Ministry of Home Affairs concerning Technical Guidelines for Regional Financial Management. In managing regional finances, it needs to be carried out in an orderly, efficient, economical, effective, transparent and responsible manner by paying attention to a sense of justice, propriety, benefits for the community, and obeying the laws and regulations.

Organizational Commitment Readiness

In an organization, the form of human resource management by the organization, it is necessary to pay attention to how committed the employees or members are in it. In essence, a high employee commitment will have a high influence on the achievement of organizational goals. Organizations will find it easier to achieve goals and objectives if employees are committed to the organization. Organizational commitment means the willingness of acceptance (Inznillah, 2015). An individual is willing and ready to work hard in carrying out certain objects, goals and values, or he becomes a member in a system. The concept of organizational commitment has been defined as a combination of attitude and behavior. Organizational commitment is also an attitude that reflects the extent to which an individual knows and is bound to his organization. An individual who has high commitment is likely to see himself as a true member of the organization. Organizational commitment involves three attitudes, namely, a sense of identification with the goals of the organization, a sense of involvement with organizational tasks, and a sense of loyalty to the organization. High commitment makes individuals more concerned with the organization than

personal interests and trying to make the organization better. Low organizational commitment will make individuals to act for their personal interests.

Readiness of Supporting Facilities and Infrastructure

Facilities and infrastructure are tools to support the success of a process of efforts made to achieve the vision and mission, because if the facilities and infrastructure are not available then all activities carried out will not achieve the expected results according to the plan. The availability of the right facilities and infrastructure will be able to support the realization of the implementation of Ministry of Home Affairs Regulation Number 77 of 2020 so that it can run effectively and can also support improving the quality of financial reports by implementing technical guidelines for managing regional finances. In this study, the supporting facilities meant are accounting software that can be used for the process of making financial reports, which are able to arrange the accounting cycle properly, so that transparency and accuracy in the process of accounting activities will be better.

Human Resources Readiness

In implementing and following any existing changes such as in the work environment, the competence and ability of each individual in it greatly affects the continuity of the work process. Because if the individual in it does not have a high enough ability, it is likely that in the application of the new work system there will be obstacles that cause the individual to be overwhelmed in an organization. (Kharis, 2010) explains that human resources are the ability of a person to carry out the tasks and responsibilities given to him with adequate education, training, and experience. Regulation of the Head of the State Civil Service Agency Number 7 of 2013 states that competence is a characteristic and work ability that includes aspects of knowledge, skills, and attitudes according to the duties and/or functions of the position. Meanwhile, according to (Edison, 2016). Competence is an individual's skill to do an activity well and has advantages based on provisions related to knowledge, skills and attitudes.

Information Technology Readiness

Information technology according to (Mulyadi, 2014: 21) is that which includes computers (such as hardware and software), various electronic office equipment, factory equipment and telecommunications. Meanwhile, according to (Uno and Lamatenggo, 2011: 57) stated that information technology is a technology that can be used in processing data processing, including processing, obtaining data, compiling, storing and falsifying the data in various forms to obtain quality information, such as accurate information, relevant and timely. In the use of information technology will focus on accounting information systems used in the accounting field of an organization. Accounting Information System (AIS) is a component that collects, classifies, processes, analyzes and presents financial information.

RESEARCH METHODS

In this study, the population used was all regional apparatus organizations (OPD) in Rokan Hulu Regency. In this study, the method used in sample collection is using saturated sampling, where according to (Sugiyono, 2018:85) saturated sampling is a sampling technique if all members of the existing population are used as samples. This is often done when the population to be studied is relatively small, or less than 30 people. This saturated sample is also referred to by another term, namely census, where all members of the population are sampled. Therefore, the sample in this study were all Regional Apparatus Organizations (OPD) of the Rokan Hulu Regency Government. In this

research, the type used is quantitative research. And in this study also the type of data used is primary data.

RESEARCH RESULTS AND DISCUSSION

Research result

Descriptive statistics

The descriptive statistics of this study can be seen in table 1 below:

Table 1. Descriptive Statistics Results

	N	Minimum	Maximum	mean	Std. Deviation
IMPLEMENTATION_READINESS	206	20	35	28.99	3.234
ORGANIZATIONAL_COMKITMENT	206	15	30	24.40	3,000
INFRASTRUCTURE	206	15	25	21.35	2,765
HR_COMPETENCE	206	17	30	25.17	2,664
IT_UTILIZATION	206	11	25	20.58	3.142
Valid N (listwise)	206				

Validity and Reliability Test

Based on the data obtained, a *Confirmatory Factor Analysis* (CFA) test has been carried out with the following results:

Table 2. Validity Test Results Using Confirmatory Factor Analysis (CFA) Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.836
Bartlett's Test of Sphericity	Approx. Chi-Square	4011,349
	Df	406
	Sig.	.000

Based on Table 2 above, it can be seen that the value of KMO of 0.836 or above 0.5 and the significant value of *Bartlett's Test* has a value of 0.000 or below 0.5, so it is found that the results of all the variable in this study meets the criteria of *goodness of fit* is good or it can be stated that all the statements used in the variables used in this study meet the assumption of validity.

Table 3. Variable Reliability Test Results

No	Variable	Cronbach's Alpha	Information
1.	Readiness of the Implementation of Permendagri Number 77 of 2020	0.834	Reliable
2.	Organizational Commitment	0.763	Reliable
3.	Supporting Facilities and Infrastructure	0.899	Reliable
4.	Human Resources Competence	0.710	Reliable
5.	Information Technology	0.877	Reliable

From table 3 above, the variable Readiness to Apply Ministry of Home Affairs Regulation Number 77 of 2020 has a *cronbach's alpha* value of 0.834 or above a value of 0.70, the Organizational Commitment variable has a *cronbach's alpha* value of 0.763 or above a value of 0.70, the Supporting Facilities and Infrastructure variable has a value *cronbach's alpha* is 0.899 or above

the value of 0.70, the Human Resources Competence variable has a *cronbach's alpha value* of 0.710 or above the value of 0.70 and the Information Technology Utilization variable has a *cronbach's alpha value* of 0.877 or above the value of 0.70, so it can be concluded that all research instruments are reliable because the *cronbach's alpha value* is greater than the *alpha coefficient* of 0.70. It means that the variables used are consistent and reliable.

Multiple Linear Regression Analysis Results

Table 4. Multiple Regression Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.938	1,885		4.210	.000
	COMMITMENT_ORGANIZATION	.413	.074	.383	5.599	.000
	INFRASTRUCTURE	.133	.087	.114	1,533	.127
	COMPETENCY_HR	.173	.075	.143	2,302	.022
	UTILIZATION_TI	.183	.071	.178	2,577	.011

Based on the table above, the resulting regression equation is:

$$Y = 7.938 + 0.413X_1 + 0.133X_2 + 0.173X_3 + 0.183X_4$$

Coefficient of Determination (*R Square* / R^2)

Table 5. Coefficient of Determination Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.652 ^a	.425	.414	2.476

From the above table was obtained *R Square* (R^2) of 0.425. Thus the variables of Organizational Commitment, Supporting Facilities and Infrastructure, Human Resource Competence and Utilization of Information Technology can explain the variable of the application of Ministry of Home Affairs Regulation Number 77 of 2020 by 42.5%. While the remaining 57.5% is influenced by other variables not included in this study, such as leadership style, availability of infrastructure and availability of incentives.

CONCLUSIONS AND SUGGESTIONS

Conclusions

Based on the data analysis and discussion that has been carried out in the previous chapter, the following conclusions can be drawn:

1. The results of the first hypothesis testing indicate that the Organizational Commitment variable affects the Readiness of the Implementation of Ministry of Home Affairs Regulation Number 77 of 2020;

2. The results of testing the second hypothesis indicate that the Supporting Facilities and Infrastructure variable does not affect the Readiness of the Implementation of Ministry of Home Affairs Regulation Number 77 of 2020;
3. The results of testing the third hypothesis show that the Human Resource Competence variable has no effect on the Readiness of the Implementation of Ministry of Home Affairs Regulation Number 77 of 2020; and 4) The results of testing the fourth hypothesis show that the variable of Information Technology Utilization has an effect on the Readiness of the Implementation of Ministry of Home Affairs Regulation Number 77 of 2020.

Suggestion

The suggestions that can be given by researchers for the perfection of further research are:

1. Further research may consider using the research object of all OPDs in Riau Province, so that valid generalizations of the theory can be seen;
2. Further research should consider several other variables that may affect the readiness for the implementation of Ministry of Home Affairs Regulation Number 77 of 2020 to increase knowledge about what supporting and inhibiting factors can increase or decrease readiness for the implementation of Ministry of Home Affairs Regulation Number 77 of 2020; and
3. Future research should use connecting variables, namely moderating or intervening variables in order to allow different classifications .

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