



Research Paper

The Effect of Budget Amount, Organizational Scale, and Fiscal Dependency on Budget Absorption in The Districts of West Sulawesi Province

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This study aims to determine the effect of budget size, organizational scale, and fiscal dependency on budget absorption in the districts of West Sulawesi Province. This study uses research methods with descriptive analysis in a quantitative approach. The results of this study are 1) Budget Amount has a positive effect on budget absorption in the districts of West Sulawesi Province, 2) Organizational Scale has no effect on budget absorption in the districts of West Sulawesi Province, and 3) Fiscal Dependency has a negative effect on budget absorption in the districts of West Sulawesi Province.

Keywords: Budget Amount, Organizational Scale, Fiscal Dependency, Budget Absorption

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I. INTRODUCTION

The budget is the driving force used as the basis for expenditure and revenue by the government to run the wheels of government. Every year the local government prepares an annual financial plan that is contained in the Regional Revenue and Expenditure Budget (APBD). Through the expenditure account data contained in the expenditure budget of government institutions/organizations, it will be seen whether the budget that has been made can act as a controller for the implementation of government activities. The budget that has been approved is expected to be well absorbed by the local government.

Budgeting is the creation of an activity plan expressed in financial measures. Budgeting plays an important role in planning, controlling, and public accountability (Mardiasmo, 2018:61). Budgeting is an important system in almost all organizations and is aimed at understanding how organizations work. According to Law no. 32 of 2004 concerning Regional Government, regional expenditures are all regional obligations which are recognized as deductions from the value of net assets in the relevant budgeting period. The definition of expenditure according to PP Number 58 of 2015 article 20 is all expenditures from the regional general treasury account that reduce the equity of current funds, which are regional obligations in one year (Ruhmaini, Abdullah, & Darwanis 2019).

However, in reality, the central and regional government budgets experience the same problem every year, namely the level of budget absorption is low or not in accordance with the targets that have been previously set. Hanif (2017) said that the pattern of absorption of local government budgets which showed a "year end rush" pattern or "relaxed at the beginning, fast at the end" had become a systemic phenomenon that occurs almost every year. This pattern of budget absorption is not good in terms of planning and cash management. The development implementation process and budget disbursement should take place on time and more evenly.

In Government Regulations No. 58 of 2005 regional expenditures are detailed according to regional government affairs, organizations, programs, activities, groups, types, objects and details of spending objects. Meanwhile, the classification of spending according to PP 71 of 2010, spending is differentiated based on the type of spending, based on function and based on organization. Based on the type of expenditure, expenditure consists of operating expenditure, capital expenditure, other/unexpected expenditure and transfer expenditure. Meanwhile, based on the organization, expenditure consists of the expenditure of the Secretariat of the Regional House of Representatives (DPRD), the Regional Secretariat of the provincial/district/city government, provincial/district/city level government agencies, and provincial/district/city technical institutions. Based on the

shopping function, it is classified into spending for public services, defense, order and security, economy, environmental protection, housing and settlements, health, tourism and culture, religion, education, and social protection (Ruhmaini et al., 2019).

The Regency/City Government in West Sulawesi Province is inseparable from the problem of budget absorption. As is the case with the performance of district/city government budget realization in regional provinces in Indonesia in 2020, it is still recorded that there are several district governments that are unable to achieve the budget realization targets that have been set previously.

There are several reasons why local government's budget absorption capacity rarely reaches one hundred percent. First, the amount of the budget (budget size) where the size of the budget shows how much burden and responsibility the regional government/SKPD bears. The larger the local government/SKPD budget, the more programs and activities are carried out, and this has an impact on the greater the value of the budget that may not be absorbed.

The amount of the budget in the regional work unit (SKPD) is the amount of spending and the amount of burden borne by the SKPD, according to their needs in implementing programs and activities for facilities and infrastructure in carrying out government activities and public services and helping improve the community's economy (Ruhmaini et al. , 2019). The second thing that can affect budget absorption is organizational commitment. Employees who are committed to achieving goals will fully support the values and targets that the organization wants to achieve (Kennedy et al., 2020). In addition to the size of the budget, and the size of the organization, fiscal dependence can also be a factor that affects the delay in budget absorption (Hanif, 2017).

II. LITERATURE REVIEW

2.1. Financial Management

According to Sutrisno (2017) financial management is as all company activities with efforts to obtain company funds at low costs and efforts to use and allocate these funds efficiently. According to Fahmi (2015) financial management is a combination of science and art that discusses, examines and analyzes how a financial manager uses all company resources to seek funds, manage funds and distribute funds with the aim of providing profit or prosperity for shareholders and business sustainability for the company. Meanwhile, according to Kamaludin (2011) financial management is an effort to obtain funds in the most profitable way and allocate funds efficiently within the company as a means to achieve goals for shareholders.

2.2. Budget Amount

According to Arikunto (2017), budget is a plan that is systematically arranged which includes all company activities stated in monetary units that are valid for a certain period of time in the future.

According to Ruhmaini et al., (2017) the amount of the budget in regional work units (SKPD) is the amount of spending and the amount of burden borne by the SKPD, according to their needs in implementing programs and activities for facilities and infrastructure in carrying out government activities and public services and help improve the local economy.

2.3. Organizational Scale

Organizational scale is defined as the total number of employees. The government can influence economic growth only by its size and quality. Organization is a structured process in which people interact to achieve goals based on the shape of the organization generally is in the form of a pyramid, although it is undeniable that there are other forms of organization. At the top of the pyramid are decision-making, power and sources of information. Through the act of delegating authority and assigning the next layer, lower-level managers make every effort to make things work as they should (Wulandari & Rejeki 2017).

2.4. Fiscal Dependency

Problems that often occur related to the implementation of regional autonomy and decentralization are how regions can overcome dependence on the central government in fiscal dependence rights for the needs of all regional development activities (Zeatifani et al., 2018). The success of regional autonomy cannot be separated from the ability in the financial sector which is one of the important indicators in dealing with regional autonomy.

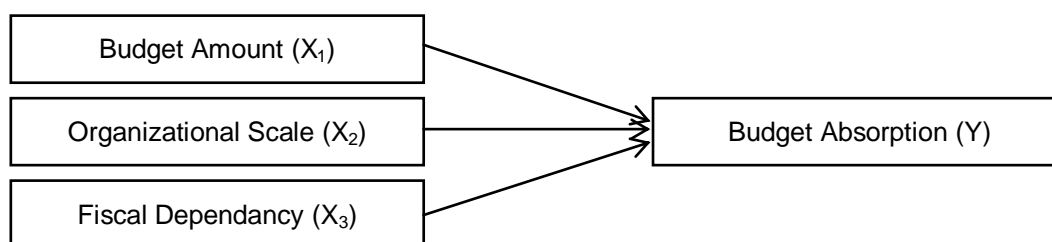
Fiscal policy is one of the macroeconomic policies whose main authority is in the hands of the government, represented by the ministry of finance. This is regulated in Law No. 17 of 2003 concerning state finances, which states that the president grants the power of managing state finances and assets to the Minister of Finance as the fiscal manager and representative of the government in the ownership of separated state assets.

2.5. Budget Absorption

From the aspect of regional spending, the difference between the budget and its realization shows the absorption capacity of the budget, which implicitly describes the government's inability to achieve the development targets to be achieved through the implementation of the budget. High budget absorption means that the remaining budget (which is an implication of the occurrence of budget variances) is not much at the end of the year. That is, budget absorption is positively correlated with accuracy in budget planning or budget quality (Abdullah et al., 2015).

III. CONCEPTUAL FRAMEWORK AND HYPOTHESIS

3.1. Conceptual Framework



3.2. Hypothesis

1. Budget Amount has a positive effect on the absorption capacity of the budget in the districts of West Sulawesi Province.
2. Organizational Scale has a positive effect on budget absorption in the districts of West Sulawesi Province.
3. Fiscal Dependency has a negative effect on budget absorption in the districts of West Sulawesi Province.

IV. RESEARCH METHOD

4.1. Research Design

Researchers use research methods with descriptive analysis in a quantitative approach, because researchers want to describe or explain the numbers that have been processed on the problems studied so that they can be used as conclusions at the end of the study.

4.2. Research Time and Location

The location or place of research carried out by researchers in obtaining data is the West Sulawesi Provincial Government office which is located at Abd. Malik Pattana Endeng Street, Governor's Office Complex, Postal Code 91511 Mamuju. While the time of this research was carried out for 3 (months) from April to June 2021.

4.3. Population and Sample

In this study, the population taken were regencies in the province of West Sulawesi, which amounted to six (6) regencies for 5 (five) years, from 2016-2020. The sampling technique used in this research is non-probability sampling using saturated sampling. The sample used in this study is data related to budget size, organizational size, fiscal dependence and budget absorption capacity from regencies in the province of West Sulawesi, amounting to six (6) regencies in a period of 5 (five) years, namely from 2016 -2020, so the sample used in this study amounted to 30 research samples.

4.4. Data Types and Sources

The data that will be used in this research is secondary data. Secondary data used in the form of financial reports of districts in South Sulawesi Province obtained through the provincial government of West Sulawesi. The data needed is in the form of financial data for districts in South Sulawesi Province for the 2020 period which is included in the sample according to the variables to be studied.

4.5. Data Gathering Method

In collecting data using library research, it is done by looking at the comparison of the facts and available theories. Data is collected by compiling regularly by studying and reading about literature books, related to sources that are in accordance with the object being studied, and appropriate journals.

1. Financial Report

The sources of data used in this study are secondary data sourced from documentation and written reports of organizations that are made regularly obtained from existing sources. The data used in this study are in the form

of district financial reports. This financial report refers to regional financial reports based on districts in West Sulawesi in 2020 which will be the source of data in the study.

2. Research Journal

A research journal is a research report on the results of scientific research carried out with the preparation method determined according to the standard. This study takes data sources in journals with quantitative research types related to the variables studied.

3. Internet

The internet is secondary data whose data is obtained by searching for information related and relevant to research in the form of journals, papers, and scientific works, as well as articles that have been provided.

V. RESEARCH RESULTS

5.1. Data Description

District Government	Year	Budget Amount (in Million Rp)	Organizational Scale (People)	Fiscal Dependency (in Million Rp)	Budget Absorption (%)
Majene	2016	892.229	2.328	763.120	89,72
	2017	916.743	2.231	741.508	96,34
	2018	878.194	2.670	671.954	99,37
	2019	983.101	2.530	758.744	99,20
	2020	922.702	2.828	717.032	100,01
Mamasa	2016	1.003.310	2.496	964.192	97,56
	2017	1.004.769	2.457	959.017	93,40
	2018	973.599	2.271	925.411	98,15
	2019	1.032.304	2.171	954.557	93,22
	2020	950.790	2.147	867.009	92,72
Mamuju	2016	1.188.868	2.565	977.888	89,02
	2017	1.177.531	2.214	979.221	92,59
	2018	1.105.583	2.121	971.325	93,73
	2019	1.171.947	2.714	872.916	95,31
	2020	1.057.762	2.493	824.077	97,85
Mamuju Tengah	2016	698.257	808	625.570	76,00
	2017	609.744	788	821.098	131,15
	2018	638.954	772	582.444	97,49
	2019	716.666	704	661.326	97,41
	2020	642.853	759	597.254	97,89
Pasangkayu	2016	852.328	1.933	821.098	93,83
	2017	869.665	1.687	813.878	96,12
	2018	825.721	1.610	768.318	98,32
	2019	889.075	1.977	810.657	96,53
	2020	861.651	1.814	793.448	99,91
Polewali mandar	2016	1.400.162	3.069	1.251.352	86,19
	2017	1.357.674	2.877	969.933	98,41
	2018	1.478.137	2.833	1.032.698	97,80
	2019	1.614.587	3.614	969.933	82,75
	2020	1.478.292	3.598	1.221.273	102,17

5.2. Research Result Description

5.2.1. Classic Assumption Test

1. Normality Test

Normality testing in this study uses 1-Sample K-S in testing normality. In knowing the data obtained is normal, then the value of Sig. are > 0.05. The test results are presented as follows:

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		30
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	7,81036767
Most Extreme Differences	Absolute	,150
	Positive	,150
	Negative	-,116
Test Statistic		,150
Asymp. Sig. (2-tailed)		,082 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Based on the table above, the significance value is $0.82 > 0.05$, so the data in this study is normally distributed.

2. Heteroskedasticity Test

In knowing the data obtained are free of heteroscedasticity, then the value of Sig. (2-tailed) independent variable with absolute residual above 0.05.

		Coefficients ^a		Standardized Coefficients		
Model		Unstandardized Coefficients	Std. Error	Beta	t	Sig.
		B				
1	(Constant)	-1,032	5,810		-,178	,860
	Budget Amount	-3,612E-6	,000	-,162	-,348	,731
	Organizational Scale	-,003	,003	-,423	-1,143	,264
	Fiscal Dependency	1,932E-5	,000	,541	1,679	,105

a. Dependent Variable: ABS_RES

3. Autocorrelation Test

A good regression test model is expected to not have autocorrelation problems. It is said that there is no autocorrelation if using the Durbin-Watson test the value of $du < d < 4 - du$.

Model Summary ^b						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	,629 ^a	,484	,390	1,24866	2,255	

a. Predictors: (Constant), Fiscal Dependency , Organizational Scale, Budget Amount

b. Dependent Variable: Budget Absorption

Based on the table above, the value of $DU (1.6498) < D (2.255) < 4 - du (2.3502)$, there is no autocorrelation in this study.

4. Multicollinearity Test

Multicollinearity test is a test to see the correlation between regression models on the independent variables. If the independent variable in the correlation is above 0.09 then there is multicollinearity or multicollinearity seen from the VIF value < 10 then the level of collinearity can be tolerated.

		Coefficients ^a		Standardized Coefficients			Collinearity Statistics	
Model		Unstandardized Coefficients	Std. Error	Beta	t	Sig.	Tolerance	VIF
		B						
1	(Constant)	97,749	8,492		11,511	,000		
	Budget Amount	-2,998E-5	,000	-,901	-1,973	,059	,150	6,646
	Organizational Scale	,002	,004	,190	,525	,604	,239	4,180
	Fiscal Dependency	2,793E-5	,000	,524	1,661	,109	,315	3,173

a. Dependent Variable: Budget Absorption

Based on the table above, the value of $VIF < 10$ means that the level of collinearity can be tolerated.

5.2.2. Regression Test

1. Multiple Linear Regression Analysis

The basis for decision making in multiple linear regression analysis is according to Sugiyono (2018), if $sig < 0.05$ the independent variable has an influence on the dependent variable. The results of multiple linear regression analysis using SPSS v.26 are presented as follows:

		Coefficients ^a		Standardized Coefficients		
Model		Unstandardized Coefficients	Std. Error	Beta	t	Sig.
		B				
1	(Constant)	97,749	8,492		,051	,488
	Budget Amount	,309	,015	-,901	2,973	,019
	Organizational Scale	,002	,004	,190	,525	,604

Fiscal Dependency	-.282	.017	.524	-2,161	.035
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a. Dependent Variable: Budget Absorption
The equation formed in this research is:

$$Y_1 = 97,749 + 0,309 + 0,002 - 0,282 + e$$

- a. The value of the constant is 97.749, which means that the budget absorption power is 97.749 if the values of the Budget Amount, Organizational Scale, and Fiscal Dependency are zero.
- b. The coefficient of the budget amount is positive with a value of 0.309, this shows that if there is an increase in the amount of the budget, the absorption capacity of the budget will increase by 0.309.
- c. The coefficient of Organizational Scale is positive with a value of 0.002, but the significance value of Organizational Size is > 0.05, this indicates that there is no influence of Organizational Size on Budget Absorption.
- d. The Fiscal Dependency Coefficient has a negative direction with a value of -0.282, this shows that if there is an increase in Fiscal Dependency, the absorption capacity of the budget will decrease by -0.282.

2. Correlation Coefficient (R)

Correlation analysis is looking for relationships and proving the hypothesis between all the variables used. To find out the relationship between variables, the following criteria are used:

Coefficient Interval	Relationship Level
0,00 – 0,199	Very Low
0,20 – 0,399	Low
0,40 – 0,599	Normal
0,60 – 0,799	Strong
0,80 – 1,000	Very Strong

The results of the correlation test are explained as follows:

		Correlations			
		Budget Amount	Organizational Scale	Fiscal Dependency	Budget Absorption
Budget Absorption	Pearson Correlation	1	,872**	,827**	,302
	Sig. (1-tailed)		,000	,000	,052
	N	30	30	30	30
Organizational Scale	Pearson Correlation	,872**	1	,705**	-,087
	Sig. (1-tailed)	,000		,000	,324
	N	30	30	30	30
Fiscal Dependency	Pearson Correlation	,827**	,705**	1	,226
	Sig. (1-tailed)	,000	,000		,115
	N	30	30	30	30
Budget Absorption	Pearson Correlation	,302	-,087	,226	1
	Sig. (1-tailed)	,052	,324	,115	
	N	30	30	30	30

** . Correlation is significant at the 0.01 level (1-tailed).

Based on the test results, the correlation coefficient value of Budget Amount (X1) is 0.302, so the relationship between Budget Amount (X1) and Budget Absorption (Y) is low. Furthermore, the correlation coefficient of Organizational Scale (X2) is 0.087, so the relationship between Organizational Scale (X2) and Budget Absorption (Y) is very low. Then the correlation coefficient of Fiscal Dependency (X3) is 0.226, so the relationship between Fiscal Dependency (X3) and Budget Absorption (Y) is low.

3. Determination Coefficient (R2)

The coefficient of determination (R2) test is used to explain the effect of budget size, organizational size, fiscal dependence on budget absorption. The coefficient of determination lies between 0 and 1. If R2 = 1 or R = 100%, it means that the approach is absolutely correct, i.e. it contributes 100%. The results of the determination test are presented as follows:

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.629 ^a	.484	.390	1,24866

a. Predictors: (Constant), Fiscal Dependency , Organizational Scale, Budget Amount

Based on the test results, the R2 value is 0.484 or 48.4%, this shows that the Budget Absorption Power (Y) is explained by 48.8% of the Budget Amount (X1), Organizational Amount (X2), and Fiscal Dependence (X3) while the remaining 51 ,6% is explained by other variables not examined in this study.

5.2.3. Hypothesis Test

1. Partial Test (t test)

The t test is used to test the independent variables on the related variables partially or separately. The hypotheses used are:

- a. If the value of Tcount > Ttable then the independent variable (X) has an effect on the dependent variable (Y).
- b. If the value of Tcount < T table, the independent variable (X) has no effect on the dependent variable (Y).

Meanwhile, to find out whether it has a significant effect on the dependent variable, it can be done by testing as follows:

- a. If the value of Sig. < 0.05 then the independent variable (X) has a significant effect on the dependent variable (Y).
- b. If the value of Sig. > 0.5 then the independent variable (X) has no significant effect on the dependent variable (Y).

The value of ttable is $df = n - k = 30 - 3 = 1.70329$. The results of the t test (partial) are explained as follows:

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	97,749	8,492		,051	,488
	Budget Amount	,309	,015	-,901	2,973	,019
	Organizational Scale	,002	,004	,190	,525	,604
	Fiscal Dependency	-,282	,017	,524	-2,161	,035

a. Dependent Variable: Budget Absorption

Based on the test results in the table above on the Budget Amount variable (X1), the tcount value is 2,973 > ttable 1,703 and the sig value is 0.019 < 0.05, then the Budget Amount (X1) has a positive and significant effect on Budget Absorption (Y). Furthermore, the Organizational Scale (X2) has a tcount value of 0.525 < ttable 1.703 and a sig value of 0.604 > 0.05, so the Organizational Scale (X2) has no effect on the Absorption Power of the Budget (Y). Then Fiscal Dependency (X3) has a value of tcount -2.161 > ttable 1.703 and a sig value of 0.035 < 0.05, then the Fiscal Dependency (X3) has a negative and significant effect on Budget Absorption (Y).

2. Simultaneous Test (f test)

To test this hypothesis, the F statistic is used with the following decision-making criteria:

- a. If fcount < ftable, it can be concluded that the independent variable has an effect on the dependent variable or the hypothesis is accepted.
- b. If fcount > ftable then the independent variable has no effect on the dependent variable or the hypothesis is rejected.

Meanwhile, to find out the significance, the hypothesis used is as follows:

- a. F sig. < 0.5, then Ho is rejected, meaning that the independent variable simultaneously affects the dependent variable.
- b. F sig. > 0.5, then Ho is accepted, meaning that the independent variable simultaneously does not affect the dependent variable.

F table value = $df = n - k - 1 = 30 - 3 - 1 = 2.74$. The results of the F (Simultaneous) test are described as follows:

Model	ANOVA ^a					
		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	398,110	3	132,703	4,950	.002 ^b
	Residual	1769,053	26	68,041		
	Total	2167,164	29			

a. Dependent Variable: Budget Absorption

b. Predictors: (Constant), Fiscal Dependency , Organizational Scale, Budget Amount

Based on the tests presented in the table above, the value of Fcount 4,950 > Ftable 2.74 and the value of sig 0.002 < 0.05, the Budget Amount (X1), Organizational Scale (X2), and Fiscal Dependency (X3) together affect the Budget Absorption (Y).

VI. DISCUSSION

6.1. Effect of Budget Amount towards Budget Absorption

Based on the data obtained from the research sample studied in this study, the amount of the budget in Majene Regency experienced fluctuating developments with the largest budget amount in 2019 amounting to IDR 983,101 million, while the largest budget absorption capacity in Majene Regency was in 2020, by 100.01%. Then the budget amount in Mamasa Regency also experienced fluctuating developments with the largest budget amount in 2019 amounting to Rp 1,032,304 million, while the largest budget absorption capacity in Majene Regency was in 2018, amounting to 98.15%. Furthermore, in Mamuju Regency the largest budget amount occurred in 2016 amounting to 1,188,868 million, then it decreased until 2020, while the largest budget absorption capacity in Mamuju Regency occurred in 2020 at 97.85%.

Then the amount of the budget in Mamuju Tengah Regency experienced fluctuating developments with the largest budget amount in 2019 amounting to IDR 889,075 million, while the largest budget absorption capacity in Central Mamuju Regency was in 2017, amounting to 131.15%. Furthermore, the amount of the budget in Pasangkayu Regency, the largest budget value was in 2019 amounting to Rp. 889,075 million, while the largest budget absorption in Pasangkayu Regency was in 2018, amounting to 99.91%. Finally, the budget amount in Polewali Mandar Regency, the largest budget amount was in 2019 at Rp. 1,614,587 million, while the largest budget absorption in Polewali Mandar Regency was in 2020, amounting to 102.17%.

Based on the description of the data, the largest budget amount is in Polewali Mandar Regency, amounting to Rp. 1,614,587 in 2019 million, but the absorption capacity of the budget is still low at 82.75%. This shows that the high amount of the Polewali Mandar Regency budget is still not being effectively used. The largest budget absorption is in Central Mamuju Regency in 2017 with a percentage of 131.15%.

The results show that the Budget Amount (X1) has a tcount value of 2,973 > ttable 1,703 and a sig value of 0,019 < 0.05, then the Budget Amount (X1) has a positive and significant effect on the Absorption Power of the Budget (Y). Then the correlation value of Budget Amount (X1) is 0.302, so the relationship between Budget Amount (X1) and Budget Absorption (Y) is low. Furthermore, the regression coefficient of the budget amount has a positive direction with a value of 0.309, this shows that if there is an increase in the amount of the budget, the absorption capacity of the budget will increase by 0.309.

The results of this study are in line with research conducted by Ruhmaini et al., (2017) and Triana (2016) who found that the amount of the budget has a positive effect on the absorption of the budget which shows that the higher the budget, the higher the absorption of the budget. SKPD in the government (agency) has a tendency to maximize budget allocations. A large budget allocation will make it easier for SKPDs to carry out their duties and functions because it gives them the flexibility to make policies in financing their programs and activities.

Then it is stated that the larger the budget, the greater the possibility of budget changes which will reflect the greater SKPK's responsibilities and burdens, so that the level of budgeting accuracy will also be lower, this can lead to delays in realizing the budget (Triana, 2016).

6.2. Effect of Organizational Scale towards Budget Absorption

Based on data obtained from the research sample studied in this study, the size of the organization in Majene Regency in 2020 when this research was conducted was 2,828 people, while the largest budget absorption capacity in Majene Regency was in 2020, amounting to 100.01%. Then the size of the organization in Mamasa Regency in 2020 amounted to 2,147 people, while the largest budget absorption capacity in Majene Regency was in 2018, amounting to 98.15%. Furthermore, in Mamuju Regency, the number of organizations in 2020 amounted to 2,493 people, while the largest budget absorption capacity in Mamuju Regency occurred in 2020 at 97.85%.

Then the size of the organization in Central Mamuju Regency in 2020 amounted to 759 people, while the largest budget absorption capacity in Central Mamuju Regency was in 2017, amounting to 131.15%. Furthermore, the size of the organization in Pasangkayu Regency in 2020 amounted to 1,814, while the largest

budget absorption capacity in Pasangkayu Regency was in 2018, amounting to 99.91%. Finally, the size of the organization in Polewali Mandar Regency in 2020 amounted to 3,598, while the largest budget absorption capacity in Polewali Mandar Regency was in 2020, amounting to 102.17%.

Based on the description of the data, the largest organizational size is in Polewali Mandar Regency of 3,614 in 2019 million but the absorption capacity of the budget is still low at 82.75%. This shows that the high organizational size in Polewali Mandar Regency is still not effectively used. The largest budget absorption is in Central Mamuju Regency in 2017 with a percentage of 131.15%.

The results showed that the Organizational Size (X2) had a tcount value of $0.525 < t_{table} 1.703$ and a sig value of $0.604 > 0.05$, then the Budget Amount (X1) had no effect on the Absorption Power of the Budget (Y). Furthermore, the correlation coefficient of Organizational Size (X2) is 0.087, so the relationship between Organizational Size (X2) and Budget Absorption (Y) is very low. Then the regression coefficient of Organizational Size is positive with a value of 0.002, but the significance value of Organizational Size is > 0.05 , this indicates that there is no influence of Organizational Size on Budget Absorption.

The results of this study are in line with research conducted by Alumbida et al., (2019) which states that human resource capacity has a positive but not significant effect on the Absorption of Regional Budgets. This is due to the placement of tasks that are not in accordance with the educational background accompanied by the lack of training and technical guidance regarding financial management and the high frequency of employee mutations so that the employee concerned still has to adjust to the new task. The positive regression coefficient value indicates that there is a unidirectional relationship between human resources and the absorption of the regional budget, which means that increasing the capacity of human resources will increase the absorption capacity of the regional budget.

6.3. Effect of Fiscal Dependency towards Budget Absorption

Based on data obtained from the research sample studied in this study, the largest fiscal dependence in Majene Regency occurred in 2016 with a total of IDR 763,120 million, while the largest budget absorption capacity in Majene Regency was in 2020, amounting to 100.01%. Then the fiscal dependence in Mamasa Regency experienced a fluctuating development with the largest fiscal dependency value in 2016 amounting to IDR 964,192 million, while the largest budget absorption capacity in Majene Regency was in 2018, amounting to 98.15%. Furthermore, in Mamuju Regency, the largest fiscal dependency occurred in 2018 amounting to Rp. 971,325 million, then it decreased until 2020, while the largest budget absorption capacity in Mamuju Regency occurred in 2020 at 97.85%.

Then the fiscal dependence in Mamuju Tengah Regency experienced a fluctuating development with the largest fiscal dependency value in 2017 amounting to IDR 582,444 million, while the largest budget absorption capacity in Central Mamuju Regency was in 2017, amounting to 131.15%. Furthermore, the fiscal dependency in Pasangkayu Regency, the largest fiscal dependency value was in 2016 amounting to Rp. 821,098 million, while the largest budget absorption capacity in Pasangkayu Regency was in 2018, amounting to 99.91%. Finally, the fiscal dependency in Polewali Mandar Regency, the largest fiscal dependency value was in 2016 amounting to IDR 1,251,352 million, while the largest budget absorption capacity in Polewali Mandar Regency was in 2020, amounting to 102.17%.

Based on the description of the data, the largest fiscal dependence is on Polewali Mandar Regency of Rp. 1,251,352 million in 2016 million with a low budget absorption capacity of 86.19%. This shows that the high fiscal dependence of Polewali Mandar Regency does not affect the absorption capacity of the government's budget. The largest budget absorption is in Central Mamuju Regency in 2017 with a percentage of 131.15%.

The results show that Fiscal Dependence (X3) has a tcount value of $-2.161 > t_{table} 1.703$ and a sig value of $0.035 < 0.05$, then the Budget Amount (X1) has a negative and significant effect on Budget Absorption Power (Y). Then the correlation coefficient of Fiscal Dependency (X3) is 0.226, so the relationship between Fiscal Dependency (X3) and Budget Absorption (Y) is low. Furthermore, the coefficient of Fiscal Dependency has a negative direction with a value of -0.282, this shows that if there is an increase in Fiscal Dependence, the absorption of the budget will decrease by -0.282, or if there is a decrease in fiscal dependence, the absorption capacity of the budget will increase.

The results of this study are in line with research conducted by Hanif (2017) which found that fiscal has a negative effect on the absorption of district/city government budgets in Aceh. That is, the higher the fiscal level experienced by a region, the lower the absorption value of the regional budget. This shows that local governments experiencing fiscal stress do not have the flexibility to adjust their budgets.

High fiscal pressure reflects the need for large regional expenditures but cannot be balanced with the ability to obtain balanced regional revenues. This means that local governments with high fiscal dependence conditions have low flexibility in adjusting their budgets so that they are not able to improve the absorption performance of the regional budget.

VII. CONCLUSION

Based on the research conducted and the explanation described in the previous chapter, the conclusions in this study are:

1. Budget Amount has a positive effect on Budget Absorption in the districts of West Sulawesi Province.
2. Organization Scale does not affect Budget Absorption in the districts of West Sulawesi Province.
3. Fiscal Dependency has a negative effect on Budget Absorption in the districts of West Sulawesi Province.

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