Implementation Of Indonesian People's Representatives Policy On The Effectiveness Of Budget Management In Realizing Good Governance In The Corruption Eradication Commission Institution

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Abstract: Implementation of the supervisory policy of the House of Representatives of the Republic of Indonesia concerning the effectiveness of budget management in realizing good governance in the Corruption Eradication Commission Institute, which is done by identifying, asserting objectives, and designing the structure of the implementation process in creating a "policy delivery system" to link policy objectives with outputs or the results of the Corruption Eradication Commission. The object of this research is the implementation of the Republic of Indonesia's parliamentary oversight policy in the effectiveness of budget management in realizing good governance in the Corruption Eradication Commission. The right pattern in the successful implementation of the Supervisory Function of the House of Representatives of the Republic of Indonesia for the effectiveness of budget management in realizing Good Governance in the Corruption Eradication Commission based on the demands for political reform that are expected to have good corporate governance, then in reflection also demands reform of state finances. State financial reforms include the following matters: Policy reform, Budget Reform, Strategic Cost Reform, and Deficit/Surplus Expenditure Reform. The concept of Good Governance is an ideal type of governance, formulated by many experts for practical purposes to establish good country-community-market relations. Some opinions even disagree with the concept of good governance, because it is considered to be too charged with ideological values. Good governance as a mechanism for managing economic and social resources that involve the influence of the state and non-government sectors in a collective effort. The first message from the terminology of government refutes a formal understanding of the workings of state institutions. Governance recognizes that in society, many decision-making centers work at different levels.

Keywords: House of Representatives, Corruption Eradication Commission, the effectiveness of budget management, Good Governance, the concept of good governance.

Introduction

As an effort to reform the government, the government has carried out reforms in the field of state finance by enacting three sets of laws in the field of state finance, namely Law Number 17 of 2004 concerning State Finance, Law Number 1 of 2004 concerning State Treasury, and Law Law Number 15 of 2004 concerning the Audit of Responsibility and Management of State Finances. The new State Finance Law has implications for the establishment of a more transparent, accountable and measurable state financial management system. To realize this, an internal control system is needed that can provide adequate confidence in achieving agency goals effectively and efficiently, the reliability of financial reporting, securing state assets, and adherence to applicable laws and regulations [1].

Explanation in the Law of the Republic of Indonesia Number 17 of 2003 concerning State Finance that the general principle of managing state finances to support the realization of good governance in the administration of the state, management of state finances needs to be carried out in an orderly, obedient, efficient, effective, transparent and responsible manner. This is under the basic rules stipulated in the 1945 Constitution [2]. In the mandate of Article 23C of the Basic Law, the Law on State Finances has set out the basic rules stipulated in the Basic Law into general principles in the management of state finances, such as the annual principle, the principle of universality, the principle of unity, and the principle of specialization as well as principles as a reflection of best practices (application of good principles) in the management of state finances. Furthermore, in Government Regulation No. 8/2006 it is explained that to improve the reliability of financial reports and performance, each accounting reporting entity must implement an internal control system under relevant laws and regulations.

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The implementation of performance-based budgeting in public sector budgeting is intended to support the realization of good governance. According to Doorgapersad and Aktan (2017), good governance as a norm of governance is a goal to be addressed and realized in the implementation of good governance [3]. Supervision is an important management function to ensure the implementation of activities under established policies and plans [4]. According to Nikezić et al (2012), supervision is an observation of the process of carrying out all organizational activities to ensure that all work is under predetermined plans [5].

Resources for successful implementation of performance-based budgeting are strongly influenced by the ability of the organization to provide adequate resources, employees with analytical skills in program work, allocation of funds to raise funds, or funds for the development of the implementation of performance-based budgets, and sufficient time to assess the reliability of important performance data for successful implementation [6]-[7]. Wang's research (2000), found indications of a relationship between developing performance measurement capacity (involving resources, funds, staff, and information systems) with the use of performance measurement in budgeting [8]. The research concludes that analytical competence and political support increase the use of performance measurement in budgeting which enables the government to be more efficient, effective and accountable.

In 2000, Wang explained that performance measurement requires capacity building in accounting standards, information systems, personnel, and funds [8]. Public organizations that have experience with performance measurement pay great attention to staff needs for performance and collect data [9]. Joyce (1993) asserted that if measures are used to influence resource allocation, then change cannot occur suddenly, but is the result of a culture change that starts from developing valid and better performance information [10]. Regarding Permendagri No. 13/2006 Article 92, if a program and activity constitute the last year for the specified achievement, the need for funding sources must be budgeted in the planned year. Such information and knowledge can be obtained through training or access to information related to adequate performance-based budgeting [11]-[13]. In Wang's research (2002), which examines budget performance measurement shows that performance goals have an impact on the strategic planning process and the management process and the employee performance evaluation process [8]. Thus, in addition to information and resource factors, goal orientation also influences the implementation of performance information.

The concept of Good Governance requires 8 general / basic characteristics, namely participation, consensus orientation, accountability, transparency, responsiveness, effectiveness and efficiency, equity (equality) and inclusiveness, and law enforcement/supremacy. If implemented ideally, this concept is expected to ensure a reduction in the level of corruption, minority views are taken into account and the voices of the weakest in the community are heard in the decision-making process, and also responsive to the present and future needs of the community.

Literature Review

Policy Implementation

In 1980, Edward III examines a public policy implementation by measuring the variables and factors that influence it [14]. This makes a policy model simplify the understanding of the concept of policy implementation and is used to analyze a policy implementation [15]. A policy implementation as a dynamic process, namely many factors interact with each other and influence the implementation of the policy. These factors need to be presented to find out how they affect the implementation of policies [16].

Model Edwards III

According to Edwards III (1980), policy implementation is influenced by four variables, namely (1) communication, (2) resources, (3) disposition, and (4) bureaucratic structure [4] (See Figure 1).

Van Meter and Van Horn models

According to Van Meter and Van Horn (1975), five variables influence policy implementation, namely: "(1) standard and policy objectives; (2) resources; (3) communication between organizations and strengthening activities; (4) characteristics of the implementing agent; and (5) social, economic and political conditions " [17] (See Figure 2).

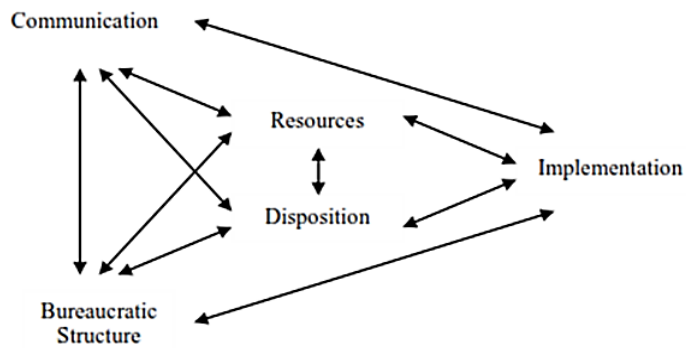

Figure 1. Factors Influencing Policy Implementation [14]

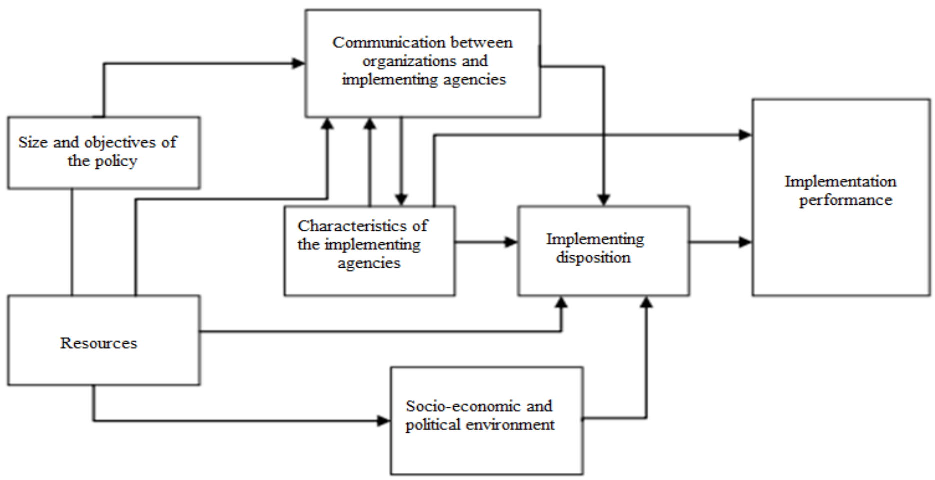

Figure 2. Factors Influencing Policy Implementation [17]

Grindle Model

According to Grindle (1980), two big variables influence policy implementation, namely the content of the policy and the context of implementation [20]. Each of these variables is still broken down into several items. This policy content variable includes (1) the extent to which the interests of the target groups or target groups are contained in the policy content; (2) types of benefits received by the target group ...; (3) the extent of the desired change in policy ...; (4) whether the location of a program is right; (5) whether a policy has specified the implementor in detail; (6) whether a program is supported by adequate resources. While the policy environment variables include: (1) how much power, interests and strategies possessed by the actors involved in implementing the policy; (2) characteristics of institutions and regimes in power; (3) the level of compliance and responsiveness of the target group (See Figure 3).

Stage of the Supervision Process

The monitoring process stage includes the standard-setting stage. The goal is as a target, quota, and target implementation of activities that are used as a benchmark in decision making [21]. Common standard forms are physical standards, monetary standards, time standards. The stage of determining the measurement and implementation of activities used as a basis for the implementation of activities carried out appropriately. Some processes are repetitive and continuous, in the form of observations, reports, methods, tests, and samples. Next, the stage of comparing implementation with standard and deviation analysis. Used to find out the cause of the deviation and analyze why it could happen, also used as a decision-making tool for managers. Then, the stage of taking corrective actions. If it is known that there has been a deviation in its implementation, which needs to be improved in its implementation.

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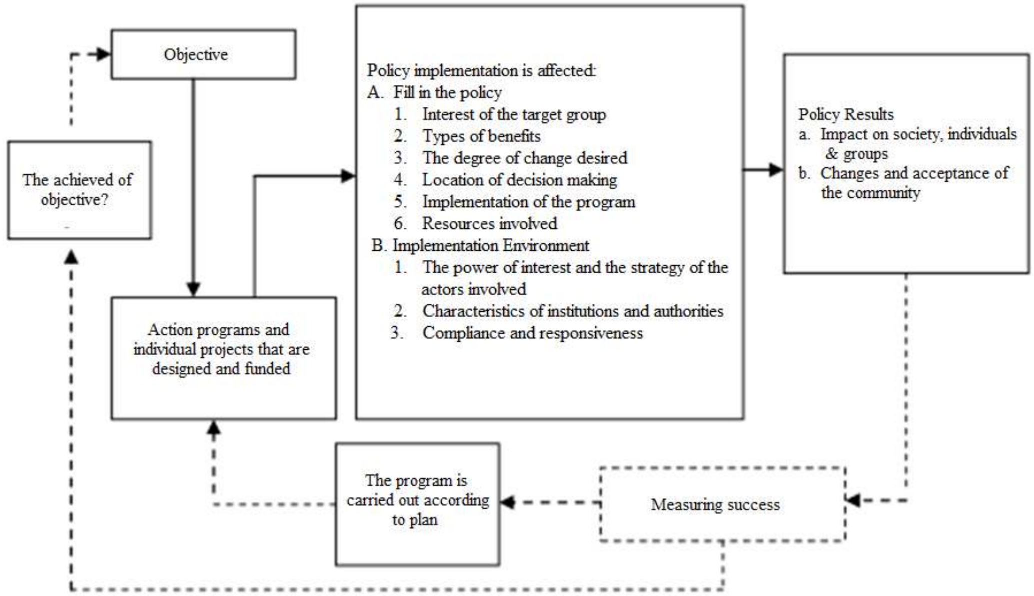

Figure 3. Factors Affecting Policy Implementation [20]

The steps of the monitoring process are setting standards because planning is a benchmark for designing supervision, so logically this means that the first step in the supervision process is to prepare a plan [22]. The planning referred to here is determining the standard that further measures performance. The second step in monitoring is measuring or evaluating the performance achieved against established standards. Next, correct the deviations. The supervision process is incomplete if there are no corrective actions against deviations that occur [23].

The supervision process is divided into 4 stages, namely: Determining standards or basis for supervision. Measure implementation [22]. Compare implementation with standards and find differences if they exist. Then, correcting deviations by appropriate means of action. Supervision consists of a process formed by three kinds of universal steps, namely: measuring work results, comparing work results with standards and ensuring differences (if there are differences), correcting unwanted deviations through corrective actions [22].

There are three main elements or stages that are always contained in the supervision process, namely: the measurements that present the requested forms. This standard size can be real, maybe not real, general or specific, but as long as one still considers that the results are as expected. Next, the comparison between the real results and the previous measurement. This evaluation must be reported to the public who can do something about this [25]. Then, the activities to make corrections. Measurement reports in supervision will not be meaningful without a correction if in this case it is known that general activity does not lead to the desired results.

Supervision Process Design

In 2000, Newman established a monitoring system procedure in which 5 types of approaches are proposed, namely [26]: (1) Formulating desired results that are related to the implementing individual. (2) Establish indicators to overcome and correct irregularities before the activity is completed, namely: measurement of inputs. Results at an early stage and symptoms encountered and conditions of change assumed (3) Setting benchmarks and outcome standards. Linked to the conditions encountered. (4) Establish information and feedback networks. Where supervisory communication is based on the principle of management by excellence, that is, superiors are given information when there is a deviation in the standard. (5) Assess information and take corrective actions. Based on the description above, it can be concluded that the process of supervision is important in carrying out organizational activities, therefore every leader must be able to carry out the supervisory function as a management function. Supervision carried out by the leadership of the organization will have implications for the implementation of the plan, so that the implementation of the plan will be good if supervision is carried out properly, and new goals can be known to be achieved properly or not after the supervision process is carried out [27]. Thus the role of supervision will determine the merits of implementing a plan.

ResultsAnd Analysis

The implementation of oversight policies at the Indonesian Repo- lic House of Representatives on the effectiveness of budget management in the Corruption Eradication Commission, results showed that the more centralized the implementation of public policies, the less public policies that were accurately channeled by implementers. Decentralization is therefore needed, meaning decisions must be discussed through several levels of authority before finally reaching the executor. The more levels of communication must be channeled from the source, the weaker the information received by the actual recipient. There are times when executives and their staff choose not to submit policy orders personally; they choose other people to communicate. This adds to the communication chain which means increasing the potential for distortion. Even the use of third parties as a form of indirect communication, for example through the press, can significantly increase the possibility of irregularities.

There are several reasons for the lack of clarity in the order of implementation. Among these factors include the complexity of public policy, lack of willingness to serve the public, lack of agreement on policy objectives, problems in starting new policies, avoiding policy accountability, and making legal decisions that occur naturally. Lack of clarity will lead to policy changes that cannot be anticipated because of the exploitation of ambiguity resulting from greater personal interests. Unexpected changes can also be caused by management activities because implementers work hard to get compensation results for the uncertainty of their goals. Ambiguity also creates an environment where the implementer easily interprets the wrong desires behind the actual communication.

The implementation of the supervisory policy of the Indonesian Republic of Indonesia Representative Council in the realization of Good Governance in the Corruption Eradication Commission in planning and accountability of the financial budget in the framework of effective budget management to realize Good Governance in the Corruption Eradication Commission of an Institution requires communication so that implementation becomes clear. Public policy is usually complicated and requires a lot of time and expertise for those who issue implementation orders. Because of the inability of top-level decision-makers to do this, they make general decisions and allow subordinates to carry them out specifically. The fundamental cause of unclear policy decisions is the lack of existing agreement regarding policy objectives. In the realization of Good Governance, policymakers usually do not clearly state their goals. Specific objectives make it difficult for them to build honest coalitions among diverse interests. Furthermore, when a decision requires the approval of several people with the same status and influence, for example in the legislative body or court, the policy is blurred because of the power of a special compromise that aims to get a decision.

In the effectiveness of budget management, the order of implementation must be consistent and clear if policy implementation is to be effective. Clear deliveries, but conflicting orders do not make it easy for operational personnel to speed up implementation. Thus the executor encountered obstacles with inconsistent orders. When executors receive inconsistent orders, they cannot avoid failure to fulfill the goals they must achieve. They can easily give up or they can choose the order they like. The explanation of the inconsistency of implementation communication is the same as the unclear (complexity) of public policy, problems in starting new programs and the various objectives of many policies.

Implementation of the supervisory policy of the Indonesian Republic of Indonesia Representative Council on financial budget planning and accountability in the context of effective budget management to realize Good Governance in the Corruption Eradication Commission Institute that includes various other results and results, including organizational resources, control over sources of funds, and the rules of state financial management based on the new paradigm in this reform era, namely the practical reflection of; who is the implementer, how much is the funds and sources, who is the target group, how is the management of the program or project, and how is the success or performance of the program being measured. In short, policy implementation is a way for the policy to achieve its objectives. The policy objective is basically to intervene. Therefore the actual implementation of the policy is the action (intervention) of the intervention itself. While the activities of problem formulation, forecasting, policy recommendations, monitoring, and policy evaluation are more intellectual activities.

Successful implementation is influenced by two large variables, namely policy content (policy content) and implementation environment (implementation context). Furthermore, the contents of the policy (the contents of the policy) consist of the interests of the target group, the types of benefits, the level of change desired, the location of decision making, the implementation of the program, and the resources involved. While the implementation environment (implementation context) contains elements of discretion in the interests and strategies of the actors involved, the characteristics of institutions and authorities, as well as compliance and responsiveness.

Furthermore, that there are three groups of variables that influence the success of implementation, namely: the characteristics of the problem (stability of the issues), its indicators; (a) The level of the technical difficulty of the problem in question; (b) The level of diversity of the target group; (c) Proportion of target groups to total population; (d) Scope of expected behavior change. In addition, accountability is results-oriented, this reflects that the implementation of performance-based budgeting places more emphasis on the implementation of a planned and programmed budget system, which prioritizes the direction of the budget that is usually structured based on institutions. and revenue into implementation-based budgeting. It also means implementing a budgeting system that emphasizes the

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relationship between various program outcomes and the inputs needed to produce something that is of direct benefit to the welfare of the community, making it easier to analyze alternative plans to achieve predetermined/planned goals.

Professionalism is also needed, which starts from the preparation of the budget plan, its management and up to the accountability stage is required to be carried out professionally, which is a collaboration between comparable abilities and skills and policymakers who focus on effective and efficient performance, both performance from a process perspective and from point of view of results, impacts, and benefits. In addition, there are proportional demands with planned budget goals so that management is expected to be appropriate and in accordance with the demands of the existence of the Indonesian people and nation at this time, say at this time the employment is very minimal and unemployment is very large, then proportionally, the planned budget must be able to answer the nation's challenges Indonesia proportionally at the moment. Openness is needed in the management of state finances because one of the real efforts in realizing the ideals of reform is the existence of accountable transparency from the manager of state finances, this means that anytime anyone and anytime if you want to verify the management of state finances for government officials then the system and instruments has been prepared including submission of government financial accountability reports prepared in accordance with generally accepted government accounting standards.

Conclusion

The right pattern in the successful implementation of the Supervisory Function of the Republic of Indonesia Representative Council for the effectiveness of budget management in realizing Good Governance in Corruption Eradication Commission Institutions based on demands for political reforms that are expected to have good corporate governance, reflecting the demand for state financial reform as well. In this case, there needs to be reformed in each sector in the form of policy reforms, strategic cost reforms, deficit/surplus expenditure reforms, and the need for good governance concepts. Policy reforms, including policies in the management of state finances, especially the greater impact on the government. Budget reform, which is in the form of separating routine and development budgets that are tailored to the organization, types of expenditure and functions, so that the consequences, if there are changes in the budget, must be the approval of the House of Representatives. Strategic cost reform, which is in the form of a balance between central and regional finances, but also through regional own-source revenues. Reform deficit/surplus expenditure, namely for the accounting treatment of budget deficits is more objective. Whereas the concept of good governance is an ideal type of governance, which has been formulated by many experts for practical purposes in the context of building good country-community-market market relations.

Therefore, it is necessary to measure the principles of governance, which starts with measuring the performance of the government to realize good governance. An assessment of the benefits of a government can be assessed if it has come into contact with elements of good governance principles. Good governance as a mechanism for managing economic and social resources that involve the influence of the state and non-government sectors in a collective effort.

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