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Editors

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Preface

It is an honor to welcome all participants of the 7th International Conference on Accounting, Management, and Economics (7th ICAME). As Dean of the Faculty of Economics and Business Universitas Hasanuddin, I am writing this foreword to address my high appreciation for all researchers and presenters who have contributed knowledge and shared their ideas on economic and environmental issues. This year's conference takes a concern on innovation toward sustainable business. As one of the leading faculties of economics and business in Indonesia, we are highly committed to encourage academic research in this field, since the world is currently transitioning to promote economic activities in compliance with the implementation of a sustainable approach and natural preservation. Our involvement in this issue is also aimed to assist the community development agenda by regional and national stakeholders in designing their strategy to achieve sustainable development goals.

It begins with the organization of the Paris Agreement in 2015 which marked the international initiative on climate change. Along with 194 parties in this global treaty, Indonesia has committed to implement some programs in the nationally determined contribution (NDC) to reduce greenhouse gas emissions. However, it is difficult to realize that the achievement of this objective could be feasible without concrete approaches and solutions from the business sectors. We are often faced with the question of trade-offs between natural preservation and economic opportunity, where the achievement of one thing should always be compensated with the sacrifice of another. For example, Indonesia, a country whose total area of 187 million km^2 is covered by at least 65% by forest, experienced the loss of 28,6 Mha of tree cover from 2001 to 2020, or equivalent to an 18% decrease in tree cover since 2000. This was mainly contributed to deforestation to support production in commercial activities, such as oil palm and timber plantation, conversion to grassland, land conversion to small-scale agriculture and plantations, as well as excessive logging activities. The impact on the environment is detrimental, where it was estimated that the amount of loss in tree cover had equivalently resulted in 19.6 Gt of CO2 emissions according to Global Forest Watch. However, the best practice in the world has shown evidence that the trade-off is not always the case, especially when we are talking about the longer-term economy and business. It is argued that the existence of nature and environmental factors would give services to the economy and business that barely or even cannot be provided at all by any entities. In the end, this will give rise to the economy, and without a sufficient proportion of these elements, the economy will not be able to continuously grow. Some mechanisms like payment for ecosystem services (PES), land and marine protected areas, fishing quotas, carbon credits, tax, and green subsidies are among the instruments that are still under consideration by the government of Indonesia to implement. Some studies have shown the effectiveness of these policies in promoting environmental protections without losing significant chances to enjoy the economic profit. However, such pieces of evidence are still in need of improvement in research methodology and reliable proof.

Hence, through the organization of the 7th ICAME, we invited all researchers and scholars to share their expertise and knowledge on this issue. We are aware that the innovations to promote a sustainable approach in the economy and business practice cannot be achieved without in-depth and profound investigations. I would also like to thank everyone who has given their support for this year's conference, including Rector of Universitas Hasanuddin, Prof. Jamaluddin Jompa, Vice Deans of the faculty, sponsors, fellow lecturers, and our beloved students. I also highly appreciate Prof. Dr. Noor Raihan AB Hamid, Prof Johnny Jeremias, Dr. Yanuar Nugroho, and Prof Anshory Yusuf for the inspiring keynote session at the conference. I hope that we can continue to work together in the future to preserve our earth!

Sincerely yours,

Abdul Rahman Kaidr

General Information

ICAME 7

The International Conference on Accounting, Management, and Economics (ICAME) is an annual agenda organized by the Faculty of Economics and Business, Hasanuddin University. In 2022, the theme entitled "Innovation Towards Sustainable Business". We hope that our conference can add discussions and information from various research toward the discourse of new economic policy in the post-pandemic era. This activity also became an important agenda in publishing scientific papers by academics and became a positive contribution to mapping Indonesia's future development.

The 7th ICAME was held on October 6–7, 2022, in Makassar, Indonesia.

Keynote speakers:

Prof. Johny Jermias from Canada
Prof. Yanuar Nugroho from Singapore
Prof. Noor Raihan from Malaysia
Prof. Arief Anshory Yusuf from Indonesia
Topic: Innovation Towards Sustainable Business
Scope: Strategic Management, Operation Research, Marketing Management, Economics, Financial Management, and others

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Contents

Peer-Review Statements

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All of the articles in this proceedings volume have been presented at the 7ᵗʰ International Conference in Accounting, Management, and Economics (ICAME–2022) on 6–7 October 2022 in Makassar, Indonesia. These articles have been peer-reviewed by the members of the Reviewer Committee and approved by the Editor-in-Chief, who affirms that this document is a truthful description of the conference's review process.

1 Review Procedure

The reviews were double-blind, and at least one reviewer examined each submission. All full papers were submitted to ICAME via online submission. The conference submission management system was Open Journal System (OJS) which can be assessed at this link: https://icame7.unhas.ac.id.

The submissions were first screened for generic quality and suitableness with the template. After the initial screening, they were sent for peer review by matching each paper's topic with the reviewers' expertise, considering any competing interests. An article could only be considered for acceptance if it had received favourable recommendations from one reviewer.

Authors of a rejected submission were allowed to revise and resubmit after addressing the reviewers' comments. The acceptance or rejection of a revised manuscript was final.

2 Quality Criteria

Reviewers were instructed to assess the quality of submissions solely based on the academic merit of their content along the following dimensions. There were several criteria to evaluate the qualification of each article, consisting of:

1. The pertinence of the article's content to the scope and themes of the conference;
2. Clear demonstration of originality, novelty, and timeliness of the research;
3. The soundness of the methods, analyses, and results;
4. Adherence to the ethical standards and codes of conduct relevant to the research field;
5. Clarity, cohesion, and accuracy in language and other modes of expression, including figures and tables.

M. I. Ferdiansah—Editor-in-Chief of the ICAME 2022.

In addition, all of the articles have been checked for textual overlap to detect possible signs of plagiarism by the publisher. Each author carried out plagiarism checks before submitting the article, which a maximum plagiarism score was 20 percent. The committee also checked the plagiarism score of the final manuscript before sending it to the publisher.

3   Key Metrics

Total submissions	126
Number of articles sent for peer review	110
Number of accepted articles	71
Acceptance rate	64.5%
Number of reviewers	15

Comparison of Inventory Control Using the Periodic Method in PT. Rajawali Nusindo Branch of Sorong City, West Papua

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Abstract. This study aims to determine the comparison of inventory using the periodic method to determine the cost of goods sold in each recording method. The data analysis method in this study is a quantitative approach with a comparative descriptive analysis. The data analyzed in this study is inventory data in PT. Rajawali Nusindo City Branch from 2018–2020. The method that used to analyze this research is the Comparative Descriptive Analysis Method which compares the recording method carried out by the company with the recording method based on the FIFO method, LIFO method, Average, Gross Profit, and Retail Methods in generating the level of operating profit at PT. Rajawali Nusindo Sorong City. The results of this study show that the comparison of inventory control in increasing the inventory with different COGS in each of method, shows that inventory has a good relationship to get the value of cost of goods sold.

Keywords: Inventory Control · Periodic Method

1 Introduction

Control of inventory is an important factor in the enterprise, so the inventory of goods must be sufficient to guarantee market demand. The company cannot produce goods and meet customer demands on time [1]. Classical techniques of sales forecasting and require special methods to estimate their needs precisely [2]. Generic inventory and forecasting systems can be improved by using VBA tools that allow detailed inspection of each component demand time series [3]. The best method to be applied by companies to optimize inventory costs is the EOQ method (Comparison et al., n.d.) [4].

Inventory control is an activist maintaining the amount of inventory at the desired level. Service levels and average costs are influenced by control parameters as well as smoothing factors in demand forecasting [5]. To make it easier to control inventory, the company records a period or periodic to carry out Stock-Taking. The application of the periodic review method has the least inventory cost [6]. Numerical experiments show that substantial savings can be achieved if quality levels, setup costs, and waiting times are controlled, and if backorder price discounts are applied [7].

Periodic recording plays an important role in conducting Stock-Taking so that the company can see how much stock is left in each period. To solve the above problems, the company uses period or periodic recording to control the supply of goods so that the goods are reduced damaged or expired goods. Monitoring of merchandise inventory is also carried out regularly once a month by the warehouse department through stock-taking activities [8]. Accelerated order plans perform better in controlling the risk of waste, but result in a higher risk of shortages than return plans [9].

The tested capacity regulation method can lead to an increase in the level of service and a decrease in the average delay compared to the constantly provisioned capacity [10]. Numerical investigations carried out based on theoretically generated data the results show the benefits of using dynamic policies when compared to static ones [11]. Emergency delivery policies inventory levels that depend on unfavorable levels especially when the length of the period is a variable decision and the waiting time of the emergency order is long [12]. Methods for calculating safety stocks without shortages or excesses remain to be established [13].

The economic impact of inaccuracies in inventory records, which can be significant, especially in systems with poor estimation of error parameters as well as with high inspection costs [14]. Based on the identification of problems and the scope that has been conveyed, the purpose of this study is to determine how to apply inventory control with the periodic method in PT. Rajawali Nusindo Branch of Sorong City-West Papua.

2 Method

The type of research used in this study is quantitative approach research. This research uses a comparative descriptive method type of research. This study used time series data, namely inventory data contained in PT. Rajawali Nusindo Branch of Sorong City- West Papua which operates until now. The sample used is inventory data for the period 2018 to 2020 obtained from the PT database. Rajawali Nusindo Branch of Sorong City, West Papua. The sampling technique used is the purposive sampling technique. Methods of data collection of library research and field research. The method used to analyze this research is the Comparative Descriptive Analysis Method which compares the recording method carried out by the company with the recording method based on the FIFO, LIFO, Average, Gross Profit, and Retail Methods in generating the level of operating profit at PT. Rajawali Nusindo Sorong City.

3 Results

Inventory control with periodic method in 2019–2020, to obtain cost of goods sold (Tables 1, 2, and 3).

Table 1. Cost of Goods Sold Report

FIFO Method						
31 Jan 2018–31 Des 2018						
Beginning Inventoy 01 Jan 2018					Rp.	166.895.610
Ciprofloksacin Infuse 2 mg/M	321	Piece	Rp.	13.361.625		
Dextamine Tab 300	141	Piece	Rp.	60.378.597		
Grivin Forte 10x10'S	164	Piece	Rp.	66.351.940		
Hydrocortisone 2,5% Krim|Tb 5 Gr	72	Piece	Rp.	378.648		
Zing Tab Dispersible 20 M	536	Piece	Rp.	26.424.800		
Purchase 2018 (Nett)						
Ciprofloksacin Infuse 2 mg/M	480	Piece	Rp.	18.592.600		
Dextamine Tab 300	385	Piece	Rp.	164.863.545		
Grivin Forte 10x10'S	924	Piece	Rp.	373.836.540		
Hydrocortisone 2,5% Krim|Tb 5 Gr	408	Piece	Rp.	2.140.882		
Zing Tab Dispersible 20 M	2.496	Piece	Rp.	115.915.567		
Sales Transportation			Rp.	13.506.983		
			Rp.	688.856.117		
Product Returned	Rp.	-				
Discounted Product	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	688.856.117
Items Available for Sale					Rp.	855.751.727
Ending Inventory 31 Des 2018					Rp.	126.564.052
Ciprofloksacin Infuse 2 mg/M	167	Piece	Rp.	5.792.896		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	102	Piece	Rp.	41.267.670		
Hydrocortisone 2,5% Krim| Tb 5 Gr	384	Piece	Rp.	2.015.636		
Zing Tab Dispersible 20 M	804	Piece	Rp.	36.379.017		
Cost of Goods Sold (2018)					Rp.	729.187.675

Table 2. Cost of Goods Sold Report

Lifo Method						
31 Jan 2018–31 Des 2018						
Beginning Inventory 01 Jan 2018					Rp.	166.895.610
Ciprofloksacin Infuse 2 mg/M	321	Piece	Rp.	13.361.625		
Dextamine Tab 300	141	Piece	Rp.	60.378.597		
Grivin Forte 10x10'S	164	Piece	Rp.	66.351.940		

Table 2. (*continued*)

Lifo Method						
31 Jan 2018–31 Des 2018						
Hydrocortisone 2,5% Krim|Tb 5 Gr	72	Piece	Rp.	378.648		
Zing Tab Dispersible 20 M	536	Piece	Rp.	26.424.800		
Purchase 2018 (Nett)						
Ciprofloksacin Infuse 2 mg/M	480	Piece	Rp.	18.592.600		
Dextamine Tab 300	385	Piece	Rp.	164.863.545		
Grivin Forte 10x10'S	924	Piece	Rp.	373.836.540		
Hydrocortisone 2,5% Krim|Tb 5 Gr	408	Piece	Rp.	2.140.882		
Zing Tab Dispersible 20 M	2.496	Piece	Rp.	115.915.567		
Transportation Cost			Rp.	13.506.983		
			Rp.	688.856.117		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	688.856.117
Items Available for Sale					Rp.	855.751.727
Ending Inventory 31 Des 2018					Rp.	126.460.755
Ciprofloksacin Infuse 2 mg/M	167	Piece	Rp.	5.792.896		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	102	Piece	Rp.	41.267.670		
Hydrocortisone 2,5% Krim|Tb 5 Gr	384	Piece	Rp.	2.015.636		
Zing Tab Dispersible 20 M	804	Piece	Rp.	36.275.721		
Cost of Goods Sold (2018)					Rp.	729.290.972

Table 3. Cost of Goods Sold Report

Average Method						
31 Jan 2018–31 Des 2018						
Beginning Inventory 01 Jan 2018					Rp.	166.895.610
Ciprofloksacin Infuse 2 mg/M	321	Piece	Rp.	13.361.625		
Dextamine Tab 300	141	Piece	Rp.	60.378.597		
Grivin Forte 10x10'S	164	Piece	Rp.	66.351.940		
Hydrocortisone 2,5% Krim|Tb 5 Gr	72	Piece	Rp.	378.648		
Zing Tab Dispersible 20 M	536	Piece	Rp.	26.424.800		
Purchase 2018 (Nett)						

Table 3. (*continued*)

Average Method						
31 Jan 2018–31 Des 2018						
Ciprofloksacin Infuse 2 mg/M	480	Piece	Rp.	18.592.600		
Dextamine Tab 300-	385	Piece	Rp.	164.863.545		
Grivin Forte 10x10'S	924	Piece	Rp.	373.836.540		
Hydrocortisone 2,5% Krim|Tb 5 Gr	408	Piece	Rp.	2.140.882		
Zing Tab Dispersible 20 M	2.496	Piece	Rp.	115.915.567		
Transportation Cost			Rp.	13.506.983		
			Rp.	688.856.117		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	688.856.117
Items Available for Sale					Rp.	855.751.727
Ending Inventory 31 Des 2018					Rp.	126.564.045
Ciprofloksacin Infuse 2 mg/M	167	Piece	Rp.	5.792.896		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	102	Piece	Rp.	41.267.670		
Hydrocortisone 2,5% Krim|Tb 5 Gr	384	Piece	Rp.	2.015.629		
Zing Tab Dispersible 20 M	804	Piece	Rp.	36.379.017		
Cost of Goods Sold (2018)					Rp.	729.187.682
Cost of Goods Sold (2018)					Rp.	729.290.972

Table periodic method of FIFO, LIFO, AVERAGE to find a comparison to cost of goods sold (COGS) in 2018. From the three calculations above, there is a comparison between the three methods, the FIFO method has a COGS of Rp. 729,187,675, while the LIFO method has a COGS of Rp. 729,290,972, and the AVERAGE method has a COGS of Rp. 729,187,642. All three methods have a comparison in each HPP. The analysis of the LIFO Method results in a higher Cost of Goods Sold than the FIFO method, and the AVERAGE method, therefore, if the company uses the LIFO method in controlling inventory, the newly entered product or inventory is not sold first. But it is stored in a myriad of supplies. For this reason, the conceptual calculation on the price of the last inventory of goods will be assessed at the price of the acquisition of inventory when it first enters. If the LIFO method is used during periods of inflation or rising prices, it will result in a higher cost of goods, a lower amount of gross profit and a lower value of inventory (Tables 4, 5, and 6).

Table 4. Cost of Goods Sold Report

Fifo Method						
31 Jan 2019–31 Des 2019						
Beginning Inventory 01 Jan 2019					Rp.	126.564.052
Ciprofloksacin Infuse 2 mg/M	167	Piece	Rp.	5.792.896		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	102	Piece	Rp.	41.267.670		
Hydrocortisone 2,5% Krim|Tb 5 Gr	384	Piece	Rp.	2.015.636		
Zing Tab Dispersible 20 M	804	Piece	Rp.	36.379.017		
Purchase 2019 (Nett)						
Ciprofloksacin Infuse 2 mg/M	700	Piece	Rp.	29.029.036		
Dextamine Tab 300	480	Piece	Rp.	205.544.160		
Grivin Forte 10x10'S	594	Piece	Rp.	240.323.490		
Hydrocortisone 2,5% Krim|Tb 5 Gr	-	Piece	Rp.	-		
Zing Tab Dispersible 20 M	2.760	Piece	Rp.	140.333.442		
Transportation Cost			Rp.	12.304.603		
			Rp.	627.534.731		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	627.534.731
Items Available for Sale					Rp.	754.098.782
Ending Inventory 31 Des 2019					Rp.	124.572.365
Ciprofloksacin Infuse 2 mg/M	278	Piece	Rp.	11.487.148		
Dextamine Tab 300	79	Piece	Rp.	33.829.143		
Grivin Forte 10x10'S	133	Piece	Rp.	53.809.805		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	126.034		
Zing Tab Dispersible 20 M	498	Piece	Rp.	25.320.235		
Cost of Goods Sold (2019)					Rp.	629.526.418

Table 5. Cost of Goods Sold Report

Lifo Method						
31 Jan 2019–31 Des 2019						
Beginning Inventory 01 Jan 2019					Rp.	126.460.755
Ciprofloksacin Infuse 2 mg/M	167	Piece	Rp.	5.792.896		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		

Table 5. (*continued*)

Lifo Method						
31 Jan 2019–31 Des 2019						
Grivin Forte 10x10'S	102	Piece	Rp.	41.267.670		
Hydrocortisone 2,5% Krim|Tb 5 Gr	384	Piece	Rp.	2.015.636		
Zing Tab Dispersible 20 M	804	Piece	Rp.	36.275.721		
Purchase 2019 (Nett)						
Ciprofloksacin Infuse 2 mg/M	700	Piece	Rp.	29.029.036		
Dextamine Tab 300	480	Piece	Rp.	205.544.160		
Grivin Forte 10x10'S	594	Piece	Rp.	240.323.490		
Hydrocortisone 2,5% Krim|Tb 5 Gr	-	Piece	Rp.	-		
Zing Tab Dispersible 20 M	2.760	Piece	Rp.	140.333.442		
Transportation Cost			Rp.	12.304.603		
			Rp.	627.534.731		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	627.534.731
Items Available for Sale					Rp.	753.995.486
Ending Inventory 31 Des 2019					Rp.	124.647.949
Ciprofloksacin Infuse 2 mg/M	278	Piece	Rp.	11.561.988		
Dextamine Tab 300	79	Piece	Rp.	33.829.143		
Grivin Forte 10x10'S	133	Piece	Rp.	53.809.805		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	125.979		
Zing Tab Dispersible 20 M	498	Piece	Rp.	25.321.034		
Cost of Goods Sold (2019)					Rp.	629.347.537

Table 6. Cost of Goods Sold Report

Average Method						
31 Jan 2019–31 Des 2019						
Beginning Inventory 01 Jan 2019					Rp.	126.564.045
Ciprofloksacin Infuse 2 mg/M	167	Piece	Rp.	5.792.896		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	102	Piece	Rp.	41.267.670		
Hydrocortisone 2,5% Krim|Tb 5 Gr	384	Piece	Rp.	2.015.629		

(*continued*)

Table 6. (*continued*)

Average Method						
31 Jan 2019–31 Des 2019						
Zing Tab Dispersible 20 M	804	Piece	Rp.	36.379.017		
Purchase 2019 (Nett)						
Ciprofloksacin Infuse 2 mg/M	700	Piece	Rp.	29.029.036		
Dextamine Tab 300	480	Piece	Rp.	205.544.160		
Grivin Forte 10x10'S	594	Piece	Rp.	240.323.490		
Hydrocortisone 2,5% Krim|Tb 5 Gr	-	Piece	Rp.	-		
Zing Tab Dispersible 20 M	2.760	Piece	Rp.	140.333.442		
Transportation Cost			Rp.	12.304.603		
			Rp.	627.534.731		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	627.534.731
Items Available for Sale					Rp.	754.098.775
Ending Inventory 31 Des 2019					Rp.	124.565.120
Ciprofloksacin Infuse 2 mg/M	278	Piece	Rp.	11.487.148		
Dextamine Tab 300	79	Piece	Rp.	33.829.143		
Grivin Forte 10x10'S	133	Piece	Rp.	53.809.805		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	125.977		
Zing Tab Dispersible 20 M	498	Piece	Rp.	25.313.047		
Cost of Goods Sold (2019)					Rp.	629.533.656

Periodic method of FIFO, LIFO, AVERAGE to find a comparison to cost of goods sold (COGS) in 2019. From the three calculations above, there is a comparison between the three methods above, the FIFO method has a COGS of Rp. 629,526,418, while the LIFO method has a COGS of Rp. 629,347,537, and the AVERAGE method has a COGS of Rp. 629,533,656. All three methods have a comparison in each HPP. The results of the analysis, the AVERAGE Method produces a Cost of Goods Sold (COGS) greater than the FIFO method, and the LIFO method, therefore, when using the AVERAGE method in controlling inventory of goods, the AVERAGE method prioritizes those that are easily affordable to serve, no matter whether the goods enter first or enter the goods are thought of. In the application of the AVERAGE method, it means that the company will use the inventory of goods that are in the warehouse for sale without regard to which goods masuj early or late (Tables 7, 8, and 9).

Table 7. Cost of Goods Sold Report

Fifo Method						
31 Jan 2020–31 Des 2020						
Beginning Inventory 01 Jan 2020					Rp.	124.572.365
Ciprofloksacin Infuse 2 mg/M	278	Piece	Rp.	11.487.148		
Dextamine Tab 300	79	Piece	Rp.	33.829.143		
Grivin Forte 10x10'S	133	Piece	Rp.	53.809.805		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	126.034		
Zing Tab Dispersible 20 M	498	Piece	Rp.	25.320.235		
Purchasing 2020 (Nett)						
Ciprofloksacin Infuse 2 mg/M	-	Piece	Rp.	-		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	66	Piece	Rp.	26.702.610		
Hydrocortisone 2,5% Krim|Tb 5 Gr	576	Piece	Rp.	3.024.000		
Zing Tab Dispersible 20 M	1.732	Piece	Rp.	91.402.762		
Transportation Cost			Rp.	3.244.764		
			Rp.	165.482.968		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	165.482.968
Items Available for Sale					Rp.	290.055.333
Ending Inventory 31 Des 2020					Rp.	6.791.336
Ciprofloksacin Infuse 2 mg/M	150	Piece	Rp.	6.237.117		
Dextamine Tab 300	1	Piece	Rp.	428.217		
Grivin Forte 10x10'S	-	Piece	Rp.	-		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	126.001		
Zing Tab Dispersible 20 M	-	Piece	Rp.	-		
Cost of Goods Sold (2020)					Rp.	283.263.997

Table 8. Cost of Goods Sold Report

Lifo Method						
31 Jan 2020–Des 2020						
Beginning Inventory 01 Jan 2020					Rp.	124.647.949
Ciprofloksacin Infuse 2 mg/M	278	Piece	Rp.	11.561.988		
Dextamine Tab 300	79	Piece	Rp.	33.829.143		
Grivin Forte 10x10'S	133	Piece	Rp.	53.809.805		

Table 8. (*continued*)

Lifo Method						
31 Jan 2020–Des 2020						
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	125.979		
Zing Tab Dispersible 20 M	498	Piece	Rp.	25.321.034		
Purchasing 2020 (Nett)						
Ciprofloksacin Infuse 2 mg/M	-	Piece	Rp.	-		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	66	Piece	Rp.	26.702.610		
Hydrocortisone 2,5% Krim|Tb 5 Gr	576	Piece	Rp.	3.024.000		
Zing Tab Dispersible 20 M	1.732	Piece	Rp.	91.402.762		
Transportation Cost			Rp.	3.244.764		
			Rp.	165.482.968		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	165.482.968
Items Available for Sale					Rp.	290.130.917
Ending Inventory 31 Des 2020					Rp.	6.816.043
Ciprofloksacin Infuse 2 mg/M	150	Piece	Rp.	6.261.827		
Dextamine Tab 300	1	Piece	Rp.	428.217		
Grivin Forte 10x10'S	-	Piece	Rp.	-		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	125.999		
Zing Tab Dispersible 20 M	-	Piece	Rp.	-		
Cost of Goods Sold (2020)					Rp.	283.314.873

Table 9. Cost of Goods Sold Report

Average Method						
Periode 31 Jan 2020–31 Des 2020						
Beginning Inventory 01 Jan 2020					Rp.	124.565.120
Ciprofloksacin Infuse 2 mg/M	278	Piece	Rp.	11.487.148		
Dextamine Tab 300	79	Piece	Rp.	33.829.143		
Grivin Forte 10x10'S	133	Piece	Rp.	53.809.805		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	125.977		
Zing Tab Dispersible 20 M	498	Piece	Rp.	25.313.047		

Table 9. (*continued*)

Average Method						
Periode 31 Jan 2020–31 Des 2020						
Purchasing 2020 (Nett)						
Ciprofloksacin Infuse 2 mg/M	-	Piece	Rp.	-		
Dextamine Tab 300	96	Piece	Rp.	41.108.832		
Grivin Forte 10x10'S	66	Piece	Rp.	26.702.610		
Hydrocortisone 2,5% Krim|Tb 5 Gr	576	Piece	Rp.	3.024.000		
Zing Tab Dispersible 20 M	1.732	Piece	Rp.	91.402.762		
Transportation Cost			Rp.	3.244.764		
			Rp.	165.482.968		
Product Returned	Rp.	-				
Product Discount	Rp.	-				
			Rp.	-		
Total Nett Purchase					Rp.	165.482.968
Items Available for Sale					Rp.	290.048.088
Ending Inventory 31 Des 2020					Rp.	6.752.318
Ciprofloksacin Infuse 2 mg/M	150	Piece	Rp.	6.198.101		
Dextamine Tab 300	1	Piece	Rp.	428.217		
Grivin Forte 10x10'S	-	Piece	Rp.	-		
Hydrocortisone 2,5% Krim|Tb 5 Gr	24	Piece	Rp.	125.999		
Zing Tab Dispersible 20 M	-	Piece	Rp.	-		
Cost of Goods Sold (2020)					Rp.	283.295.770

Comparison table of periodic methods of FIFO, LIFO, AVERAGE to find a comparison to cost of goods sold (COGS) in 2020. From the three calculations above, there is a comparison between the three methods above, the FIFO method has a COGS of Rp. 283,263,997, while the LIFO method has a COGS of Rp. 283,314,873, and the AVERAGE method has a COGS of Rp. 283,295,770. All three methods have a comparison in each HPP. The results of the analysis, the LIFO Method produces a Cost of Goods Sold (COGS) greater than the FIFO method, and the AVERAGE method, therefore, companies should use the LIFO method in controlling inventory. If the LIFO method is used during periods of inflation or rising prices, it will result in a higher cost of goods, a lower amount of gross profit and a lower value of inventory.

4   Conclusion

The results of the analysis that have been carried out, the conclusions that can be drawn are as follows: 1) Control of inventory of goods is one of the factors that play a role in increasing operating profits at PT. Rajawali Nusindo Sorong City Branch, because without being managed properly, the company does not know when to order goods and

issue goods so that it can harm the company. 2) Inventory control is controlled and fully supervised by the head of the warehouse at PT. Rajawali Nusindo. This is because without monitoring the entry and exit of goods, it will affect the goods recording system so that it can affect the company's profits. 3) Inventory of goods in 2018–2020 by applying the periodic recording method has a clear comparison. Where it can be seen in 2018 the largest HPP is the LIFO method of Rp. 729,290,972, in 2019 the largest HPP is the AVERAGE method of Rp. 629,533,656, and in 2020 the largest HPP is the LIFO method of Rp. 283,295,770. 4) Control of inventory plays a role in increasing profits. This can be seen from the implementation of sales activities and inventory management of goods always guided by the system policies and procedures that have been set by the company.

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Description of Local Wisdom Culture "Waja Sampai Kaputing" in Palm Oil Companies in Banjarmasin

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Abstract. This article aims to explain the description of organizational culture based on local values. The values of local wisdom of Banjarmasin culture called Waja Sampai Kaputing which function as social glue that unite the organization by providing appropriate standards for employees of oil palm companies. This study uses the Systematic Literature Review (SLR) of journal articles published in 2017–2021 using the PICOC (Population Intervention Comparison Outcomes Context) criteria. It is concluded that there were 10 articles which constituted 20% of the 50 articles or it could be said that only 10% of the total 100 articles found in online database searching. Organizational culture has a strong role in palm oil companies. A strong orientation towards communication and good working relationships with each other characterized people orientation. Organizational culture produces a high level of commitment. Organizational culture of palm oil companies in Banjarmasin is more result-oriented (outcome orientation). Organizational culture of oil palm employees also maintains stability (statusquo). Organizational culture based on local wisdom has been successfully implemented in oil palm companies. The value of local wisdom has been successfully maintained from the past until now even though the era has changed, The active role of the management of oil palm companies should be continuously instill organizational cultural values into their employees. If the organizational culture is applied correctly, a strong organizational culture will be formed. A strong organizational culture will ultimately improve performance while still carrying the slogan Waja Sampai Kaputing as a characteristic of local wisdom.

Keywords: Organizational Culture · Local Wisdom · Waja Until Kaputing · Palm Oil Company

1 Introduction

1.1 Organizational Culture Concept

The palm oil industry sector is a priority sector in the province of South Kalimantan with an output multiplier value and an above average income multiplier value. This shows that the oil palm plantation sector is included in the priority sector. Until 2015, the number of oil palm companies/plantations in South Kalimantan was 64. The existence of palm oil

companies in South Kalimantan so far has not provided optimal results. Banjarmasin, the capital city of South Kalimantan Province, has an oil palm plantation business that has experienced significant development. Meanwhile, the number of palm oil mills in South Kalimantan is 20 factories with a used capacity of ± 797.89 tons/h [1].

This condition must be followed by improving the quality of oil palm commodities, especially the Fresh Fruit Bunches (FFB) produced. The quality of this palm oil FFB will greatly affect the quality of Crude Palm Oil (CPO) and the quality of Palm Kernel Oil (PKO) produced from the FFB processing. This good FFB product will greatly affect the yield value of palm oil. Many factors can affect the yield including plant varieties, plant maintenance, natural factors or weather conditions, quality and procedures for harvesting FFB, transportation and processing at the factory. Palm oil companies certainly have to change their strategy in order to compete and survive, including cultural reform. It means being able to keep up with changes and developments that occur in society.(Governor Regulation No. 03 of 2020).

The people of Banjarmasin have the motto "Waja Sampai Kaputing" which has a very deep meaning, namely: Waja means Steel (hard determination), "Kaputing means fighting to the last drop of blood". Waja Sampai Kaputing's motto means a strong determination to fight to the end. This indicates that the people of Banjarmasin do not easily give up in their struggle. The cultural values behind the meaning of the slogan on the coat of arms of South Kalimantan (Regional Regulation, 1963) in the form of a shield are as follow:

1. The star symbolizes belief in God Almighty.
2. The color of the Black Banjar House symbolizes high culture.
3. Diamonds symbolize prosperity.
4. Rice and rubber symbolize farming and rubber tapping.
5. The White Ribbon symbolizes honesty in speech, behavior, and character, wisdom, and loyal friends.

Waja Sampai Kaputing's motto remains as passionate and strong as steel, from beginning to end. These values based on observations have not been clearly reflected in the pulse of the life of palm oil companies in Banjarmasin in carrying out their various duties and functions. Specifically the value in point four, although the main livelihoods are farming and tapping rubber, because in Banjarmasin there are coal mines and many plantations and oil palm companies, but the results do not reflect the prosperity of the community, as well as for the fifth point about the White Ribbon, especially the expression of behavior employees which are reflected in honesty, good attitude, fairness in making policies and a sense of loyalty to coworkers at work.(Regional Regulation, 1963).

Organizational culture can be interpreted as a system of sharing meaning by members that distinguishes an organization from other organizations [17]. [17] Characteristics of organizational culture namely: (a) innovation and risk taking, which is the degree to which employees are encouraged to be innovative and take risks; (b) attention to detail, which is a level where employees are expected to show thoroughness, study, and attention to detail; (c) oriented to results (outcome orientation), which is a level where management prioritizes optimal results rather than processes to achieve these results; (d) people

orientation, which is a level where every decision making by management considers the impact and consequences of these decisions on members of the organization; (e) team orientation, namely the degree to which work activities are organized in teams rather than individuals, [19].

Based on observations that have been made, there are indications that the organizational culture of oil palm companies in Banjarmasin is still weak. One of organizational culture problem that exist in palm oil companies in Banjarmasin from the characteristics of Attention to People (people orientation), where many employees need extra supervision [4]. The management mostly conducts supervision only at the end of the activity to evaluate if an error occurs or cannot achieve the expected goals resulting in delays in reporting activities that cannot be completed on time. This is reflected in many employees who are negligent at work and do not comply with the regulations set by the palm oil management. For example, not wearing Personal Protective Equipment (PPE) such as forgetting to wear a safety helmet when going to oil palm plantations, boots, gloves and a vest as their safety protective equipment when going to the field to harvest oil palm in the plantation. On the characteristics of Stability (Stability), want to maintain the Status Quo which explains the symbol and motto of Waja Sampai Kaputing which must be upheld, respected, there is a sense of pride, a sense of belonging to the organization and have a desire to advance the organization where the employee works. Some employees of oil palm companies have implemented the characteristics of organizational culture, especially those based on local wisdom, but not all employees have implemented organizational culture in oil palm companies in Banjarmasin.

1.2   Formation of Organizational Culture

Philosophy of leadership will determine how the selection criteria, as well as the process occurs in an organization. This is the beginning of the process of forming organizational culture [19] (Fig. 1).

Leader should strive to provide an effective socialization process, especially for new employees in the organization. Without a good socialization process, organizational culture will be difficult to maintain and develop [22]. This socialization process applies to every employee, especially to new employees. New employees have great potential to change the culture in an organization. In general, new employees bring many different paradigm to the organization. Each socialization process that is carried out slowly forms the unique characteristics of the organizational culture [24].

The characteristics of organizational culture can be seen from the processes that occur in it, because culture is a guide to behavior and processes that should be carried out [8].
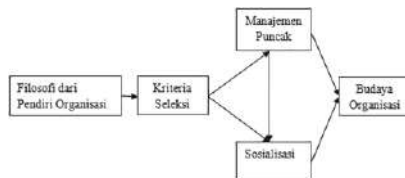
Fig. 1. The Process of Forming Organizational Culture

The characteristics of organizational culture consist of conscientiousness, aggressiveness, stability, innovation and risk taking, people orientation, team orientation, and results orientation [19]. Each of the characteristics consists of various elements, which directly describe how members view certain things in the organization. Every organization has different elements, according to their needs and what they believe to be true.

Element of involvement and consistency determine the performance of an organization [6, 7]. Organizations will have different cultural elements regarding problem solving, problem reporting, rewards, punishments, sense of belonging to the organization, self-development, and training. The determination of the vision and mission determines the cultural elements that are formed within the organization. When the organization has a clear and measurable vision, this will directly affect organizational commitment and productivity [20]. A culture-based on local wisdom Waja sampai Kaputing will be seen from its influence in integrating every problem in the organization.

1.3   Functions of Organizational Culture

A good organization culture will provide benefits to the organization through several functions, namely as a control mechanism, stability of social systems, boundaries of differentiation, integrator, behavior former [25], focus of attention in organizations, perceptions of time, individuals, groups, communities, and the natural environment [23] (Hartanto, 2009). On the other hand, organizational culture can also serve as an obstacle to initiating a change. Organizational culture that has a significant influence is called a strong organizational culture [16]. Strong or weak organizational culture will be seen from its influence in integrating every problem in the organization. A strong culture will form a high level of tolerance in risk taking, aggressiveness, and a high focus on performance results without neglecting the process in achieving these results [19]. Leaders must continue to pay attention to the processes that exist in the organizational culture, by continuing to be a role model of behavior in the organization, providing direction in relation to standards within the company, and having reward and punishment standards within the company.

Each of these processes will be an element of culture, which has several special functions. Organizational culture has a function to set boundaries, provide identity [19], control mechanisms, integrators [6], facilitate commitment within an organization [20]. In addition, the function of organizational culture is also defined as the role of leadership in relation to the phases experienced by the organization [21]. According to the author personally, leaders who hold full control in shaping the elements as the basis of the function of organizational culture. These functions then continue to change, according to the leadership style and environmental conditions of the organizational culture. Therefore, it is important for every organization to understand the organizational culture well. This is directly related to the productivity of the organization's performance [3].

2   Research Methods

Research method used is Systematic Literature Review. The data sources are taken from the results of research publications related to the topic, namely those related to the

description of organizational culture based on local wisdom from Waja sampai Kaputing in oil palm companies. The publication results are taken by Sinta accredited national journals and international journals.

2.1 Research Questions

Research questions based on the needs of the chosen topic are:

1. What is the description of the organizational culture based on local wisdom in oil palm companies in Banjarmasin based on the 2017–2021 article?
2. What is the expected organizational culture based on local wisdom in oil palm companies in Banjarmasin?

2.2 Research Criteria

Inclusion criteria, namely the article has certain conditions according to what has been determined by the researcher as follows:

a. Articles related to research topics for a maximum of 5 years.
b. Articles related to research topics from 2017–2021.

The exclusive criteria are articles that already have inclusion criteria but there are circumstances that must be excluded, namely:

a. Articles with unclear road maps
b. Unidentified article

2.3 Research Stage

This systematic review research consists of several steps that must be passed according to [27]), namely Planning, Conducting, and Reporting.

a. Planning

At this stage, starting with formulating the questions used for the research to be reviewed based on the PICOC. The term PICOC is an abbreviation of the following terms:

1) Population (P) is the target group from the investigation or search of research articles. The population in this study are employees of palm oil companies
2) Intervention (I) in the form of detailed aspects of the investigation or research issues that are of interest to researchers.
3) Comparison (C) in the form of aspects of the investigation that compares the interventions made from the research results.
4) Outcomes (O) in the form of effects and results of organizational culture interventions that have been written and published.

5) Context (C) is the setting and environment of the investigation in the working area of the oil palm company.

b. Conducting

The conducting stage is the stage of implementing a systematic review research by carrying out the following steps:

1) Determination of keywords from the literature search using keywords, organizational culture
2) Determination of literature search sources (digital library) which is managed with literature endnote software
3) Selection of literature in accordance with the research topic assisted by the inclusion and exclusion criteria of the study.
4) Assessment of literature quality (quality assessment) with recommendations based on the parameters of questions that can be asked by research [27].
5) Implementation of data extraction (data extraction) by making groupings from the results of articles that have been found

c. Reporting

Reporting is the third step in SLR. The reporting stage is the stage of writing the results of a systematic review research which is compiled in written form.

3   Result and Discussion

3.1   Results

Based on the results of the stages of the systematic review method according to [27] that through three stages of selection, namely planning, conducting, and reporting. In the first stage, the researcher conducted a digital search and conducted a selection process based on the title which resulted in 100 references that were considered relevant to the searched variable.

Whether the variables are relevant or not, based on their suitability for the research objectives, they are then combined into one, then a screening is carried out whether the titles in the articles are the same or not. Next, an evaluation of the abstract and brief content of the articles found and selected was carried out. During the evaluation, 25 articles were found that were included in the duplicates and 25 articles that were not relevant to the inclusion criteria. Articles that did not meet the inclusion criteria were excluded, leaving 50 relevant articles to be assessed for high quality research.

The number of the 50 articles, the researchers filtered again by applying the PICOC criteria and left 10 articles, which showed that these articles constituted 20 percent of the 50 articles or it could be said that only 10% of the total 100 articles found in online database searches. The 10 articles are articles that have synthesized data after screening based on inclusion criteria and detailed screening of abstracts and full texts.

In the next stage, a search and search for sources obtained an analysis of the 10 journals showing 10 journals with quantitative methods and cross-sectional surveys, 10 journals with correlational quantitative methods. The literature cited in this review is the

publication of articles published from 2017 to 2021. This type of quantitative research from the selected research uses a survey method through a Likert scaled questionnaire.

3.2 Discussion

Based on the results of the literature analysis there were 10 journals selected focused on Organizational Culture. Organizational culture is a shared system that is embraced and respected by members of the organization and distinguishes it from other organizations [17].

The results of a good organizational culture literature analysis will provide benefits to the organization through several functions, namely as a control mechanism, social system stability, differentiating boundaries, integrators, behavior former. [11] focus of attention in organizations, perceptions of time, individuals, groups, communities, and the natural environment [23]. On the other hand, organizational culture can also serve as an obstacle to initiating a change. Organizational culture that has a significant influence is called a strong organizational culture [18].

The strong organizational culture of local wisdom will be seen from its influence in integrating every problem in the organization. A strong culture will form a high level of tolerance in risk taking, aggressiveness, and a high focus on performance results without neglecting the process in achieving these results [18]. Leaders must continue to pay attention to the processes that exist in the organizational culture, by remaining an example of behavior in the organization, providing direction to existing standards within the company, and having reward and punishment standards within the company.

The results of this study are in line with the opinion of [18] which states that performance is shaped by organizational culture. This research also supports the opinion [9] said a strong culture is often said to help business performance because it creates a tremendous improvement in employees. Likewise, this research also supports the opinion [8] that a strong and distinctive culture greatly influences the success of an organization. Successful organizations have a strong and distinctive culture, including myths that reinforce the organizational sub-culture. Waja Sampai Kaputing culture also has a positive and significant effect on organizational commitment. Organizational culture acts as a social glue that binds all members of the organization together [10]. This finding supports previous empirical studies conducted by [12].

Research conducted by Maulida (2013) found that organizational culture that applies local wisdom values has an effect on employee performance. Organizational culture in addition to functioning as a tool to achieve goals also serves as the identity of an organization, helps maintain stability and integrity and can also shape the behavior of individuals within it. The integration of local culture in organizational culture will strengthen employee performance. The existence of a common cultural background among employees will of course strengthen the bond between employees. An employee's individual attachment to the organization is formed by emotional attachment and rational factors related to work experience and work environment.

The results of the study conclude that the suitability of previous research with this research shows that in any situation and wherever the context occurs, organizational culture is a universal element that will affect the behavior of employees in an organization in carrying out their duties and activities. This finding supports [19] opinion which states

that a specific result of a strong culture decreased employee turnover, a strong culture indicates a high agreement among members about what the organization believes. This kind of harmony of goals builds cohesiveness, loyalty, and organizational commitment. These traits, in turn, reduce the tendency of employees to leave the organization. This finding also strengthens the theory proposed by [21] which states, basically, organizational culture represents the norms, behaviors followed by members of the organization. Culture plays an important role in encouraging the creation of organizational effectiveness, specifically playing a role in creating identity, emotional bonds, commitment and behavioral foundations. A strong culture will create an extraordinary level of motivation in employees, this high motivation fosters high commitment and loyalty to the organization.

Organizational culture based on local Waja Sampai Kaputing culture is applied to oil palm companies in Banjarmasin. Based on research conducted by [26] there are several values of local wisdom inherent in each ethnic group, including those proposed by [26] are the values of local wisdom (local wisdom) in Banjarmasin inherent and diversity Culture will color variations in the behavior patterns of the community or members of the organization where the culture applies. Culture is very influential on humans who work in an organization. Based on this, the behavior of a person in the organization cannot be separated from the influence of the local culture in which they are located. Each of these processes will be an element of culture, which has several special functions. Organizational culture has a function to set boundaries, provide identity [7], control mechanisms, integrators [11], facilitate commitment within an organization [1]. In addition, the function of organizational culture is also defined as the role of leadership in relation to the phases experienced by the organization [3] Palm oil companies in Banjarmasin have a more results-oriented organizational culture. Results-oriented organizational culture is based more on the basic assumption of an oil palm company's organizational culture based on local wisdom. This assumption underlies every practice in the company that focuses more on obtaining results than on the techniques and processes used to achieve them. This is in line with the noble value of Waja Sampai Kaputing's motto that work is easy to achieve results when done together.

Characteristics of results-oriented culture within the company. From targeting work processes, stages of coordination, standardization of performance and dress, everything is based on a very high tolerance system. System tolerances work from time to time. This also reflects the existence of a people orientation organizational culture in oil palm companies because it is based on very good relationships. When there is a problem, organizational culture plays a role in restoring the stability of the social system in the company. This tolerance is further strengthened by a payroll system that focuses entirely on the results achieved by oil palm employees.

Organizational culture that is strong results-oriented and people-oriented, reflects the motivation of oil palm company employees to work as hard as possible to achieve the expected results [5]. Never giving up until the end before producing results, is proof that the palm oil company in Banjarmasin has the basic assumption of the successful application of local wisdom from the motto of Waja Sampai Kaputing.

4   Conclusion

Culture is very influential on employees who work in an organization. Organizational culture reflects the behavior of a person in an organization that is inseparable from the influence of the local culture (local wisdom) in which they are located. The characteristics of the organizational culture of oil palm company employees in Banjarmasin are more outcome orientation. The result orientation refers to the very high tolerance caused by a culture that has a steel-hard desire to achieve a common goal. This assumption creates a system with a high result orientation, making employees look oriented towards salary (reward system). Meanwhile, people orientation is reflected in good working relationships with each other at work. [2].

Organizational culture of oil palm employees also maintains stability (statusquo).This proves that employees at the companyn Oil palm plantations in Banjarmasin have succeeded in implementing the local wisdom of Waja Sampai Kaputing. The motto of Waja Sampai Kaputing is a value driver that has been maintained since the past until now, even though the era has changed, the characteristics and philosophy that have been instilled reflect the success of the implementation of the motto Waja Sampai Kaputing, which means determination as hard as steel to fight until the end in achieving the goal, which continue to be expected and maintained and carried out jointly by employees of palm oil companies in Banjarmasin.

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Digital Marketing Strategy Uses E-Commerce to Maintain MSMEs Business KKGohan.id

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Abstract. Economic activities, which were initially carried out traditionally (offline marketing), gradually shifted towards digitalization (digital marketing), so that MSMEs 'KKGohan.id' require marketing strategies in maintaining their business. The purpose of this research is to find out the digital marketing strategies used and to maintain a business so that it can still increase sales. Regarding the data collection process, the data collection methods used are interview and observation methods. The analysis method used in this study is qualitative research with a descriptive approach, which uses information through interviews with business owners. The results of this study show that MMSMEs "KKGohan.id" have utilized digital marketing strategies through social media WhatsApp and Instagram, while also using E-Commerce through the GoJek and Grab applications through the GoFood and GrabFood features available in this application. The implications of MSMEs players, in order to take advantage of all E-Commerce platforms in Indonesia, in order to be creative in maintaining their business.

Keywords: Digital Marketing · E-Commerce · MSMEs

1 Introduction

Technological advances integrated with business and commerce gave birth to the Industrial Revolution 4.0. This era has resulted in modern companies having to adapt to information technology, which must be used appropriately in all sectors, including Micro, Small and Medium Enterprises (MSMEs) [1].

The phenomenon of advances in information technology (IT) has now succeeded in transforming the existing economic order. Economic activities, which were initially carried out traditionally (offline marketing), gradually shifted towards digitalization (digital marketing). This forces MSMEs actors to adapt in order to be able to compete for business continuity in the future [1].

Small and Medium Enterprises (MSMEs) are placed in an increasingly difficult situation in the midst of changing business environments that are increasingly sophisticated. Business competition can arise from many sources in addition to those who do business in the same field [2].

Small and Medium Enterprises (MSMEs) are placed in an increasingly difficult situation in the midst of changing business environments that are increasingly sophisticated.

Business competition can arise from many sources in addition to those who do business in the same field [2]. Therefore, with the development of the business world and increasingly fierce business competition, micro, small and medium enterprises (MSMEs) need to have a good marketing strategy in order to continue to compete with their competitors. Marketing strategy is a way to gain a sustainable competitive advantage, including in the culinary business. Marketing strategies can be considered as one of the basics used to develop msME master plans [2].

Moreover, with the development of information and communication technology and the emergence of online business people, the use of strategies in marketing is important to innovate in tumultuous times, business actors must be aggressive to make micro, small and medium enterprises (MSMEs) able to be competitive. Digital media products and products related to digital technology are rapidly gaining popularity in almost every industry, including MSMEs [1].

Advances in digital technology have allowed MSMEs to sell their products online and make transactions through the online banking system. Due to the development of digital technology, the marketing of small and medium enterprises (MSMEs) has been digitized, such as using social media and selling products using websites. Using online media is the right choice for small businesses to further develop their business. The ease of internet access today, the magnitude of benefits, and the low costs needed are the main reasons before business actors finally choose online media as the right solution to expand their business reach [3].

Many MSMEs industry players have switched to selling digitally through e-commerce. Internet-related e-commerce services for buying, selling, transporting, or exchanging information about products, or services. E-commerce has many advantages, including operational benefits such as global reach, cost savings, supply chain optimization, and business opportunity development [4]. E-commerce offers many benefits for MSMEs such as expanding market opportunities for companies, increasing sales, improving communication, improving the company's image, speeding up processes and increasing employee productivity. Almost all human needs are met through digital e-commerce or buying and selling on the internet [4].

This strategy was very useful during the Covid-19 pandemic that had hit Indonesia with various government policies in limiting people's movements (Social Distancing), so that online sales became an important alternative in maintaining a business by using various social media such as WhatsApp, Instagram, Facebook and other provider applications (websites) [5].

Currently, many Micro, Small and Medium Enterprises (MSMEs) have begun to design and implement new strategies in marketing their products to be able to maintain the business they manage. This research examines and examines digital marketing strategies using E-Commerce in maintaining a business in a "KKGohan.id" culinary business that sells modern food inspired by Japanese food.

2   Methodology

The type of research used is qualitative research with a descriptive approach, namely research conducted to provide a more detailed picture of a symptom or phenomenon with

the aim of knowing how the development of MSMEs KKGohan.id [6]. According to [7] states that the descriptive method is a method used to describe or analyze a research result but is not used to make broader conclusions. Meanwhile, qualitative research is one type of research whose specifications are systematic, designed and structured from the beginning to the development of the research design and the implementation stage. The data collection method carried out by MSMEs KKGohan.id using the interview and observation method [4].

3 Result and Discussion

3.1 Result

This research is an empirical researcher who explores data through interviews with the owner of the culinary business "KKGohan.id", namely Karlina Ghazalah Rahman who is located on jalan Abdullah Dg. Sirua Makassar. This interview was conducted to find out the strategies used in marketing food products that are currently in great demand among all Japanese food lovers. This needs to be done to maintain business, especially during the pandemic over the past two years which has hit several countries including Indonesia. The following are the results of a joint interview with the owner of the "KKGohan.id" business:

– The inspiring thing so that Micro, Small and Medium Enterprises (MSMEs) "KKGohan.id" choose a Japanese-style culinary business is explained as follows:

"Since its establishment in June 2019, but previously its name was KKDessert, the inspiring thing is because I love Japanese food, especially mentai sauce. From there I tried several mentai products from various brands. As a result, I decided to make my own product using mentai sauce".

– The marketing methods used at the time of the start of this business, are described as follows:

"At that time, because there was already social media, the majority of me used social media but because at that time I didn't have much knowledge, then I used social media more in the form of WhatsApp and Instagram, as well as word of mouth stories between family and closest friends".

– During the Pandemic, the marketing strategy used to maximize sales is explained as follows:

"My strategy is to first use e-commerce such as go-food and grab-food in maximizing sales, the second is to create promos for potential buyers to increase consumer interest in buying "KKGohan.id" products and maximize through Instagram, thirdly, every purchase from "KKGohan.id" will be given candy or wafer as a form of gratitude for choosing KKGohan.id".

– At this time, the things that are done to maintain the business to continue to exist in this strict competition are explained as follows:

"I try to maintain the taste that has been maintained from the beginning so that customers are still willing to buy products from us, and we do not change the price so that customers do not feel heavy buying products from us and of course by continuing to use Go-food and Grab-food"

– Based on the results of observations made at the location of MSMEs "KKGohan.id" it can be seen that the production process carried out is in accordance with incoming orders and toppings ordered by consumers. Likewise, the use of raw materials is adjusted to the dosage so that it never changes the taste offered to consumers. In the process of processing, it is carried out very well and carefully, so as not to affect the taste and appearance caused by incorrect processing of it.

3.2 Discussion

From the results of research that has been carried out, it was obtained that the MSMEs culinary business "KKGohan.id" started a business because it liked Japanese food which was famous for its mentai sauce, so that it became a profitable business opportunity, because at that time consumers, especially young people, had begun to look for a lot of contemporary foods. This is supported by research conducted by [5] that the culinary business can attract the attention of consumers because it is a basic need of humans, so this can be the best choice, the reason behind the decision to finance a culinary business is that business people want to apply skills (soft skills and hard skills) and technology currently has many advantages and conveniences in supporting the business.

MSMEs "KKGohan.id" at the beginning of their establishment used traditional marketing strategies in the family environment in the form of word of mouth, and with limited knowledge, so they only used marketing strategies through social media in marketing their products using WhatsApp (WA) and Instagram (IG). We can convey this that the marketing of MSMEs in sustainable development must be supported by empirical knowledge of entrepreneurship obtained from doing business. Developing and deepening practical knowledge is the main competence for the development of entrepreneurship. Therefore, the marketing characteristics of small businesses are derived to some extent from the experience of the owner and such characteristics of the company as a typical managerial style, independence, limited resources, ownership and scale and scope of operations [8].

This is in line with research that has been carried out that the use of social media can increase sales of MSME handicrafts for PKK mothers. Digital Marketing using social media such as WhatsApp (WA), Instagram (IG) and Facebook (FB) can significantly increase business sales [9].

Along with the development of time and the emergence of the Covid-19 pandemic which limits people's space for movement due to various government regulations [5]. This has a huge impact on Micro, Small and Medium Enterprises (MSMEs), amid the uncertainty of the pandemic period [9], so that the MSMEs "KKGohan.id" which initially only used WhatsApp and Instagram social media, finally began to carry out digital marketing strategies using E-Commerce through the Gojek and Grab applications with their features in the form of Go-Food and Grab-Food. This e-Commerce is widely used by MSMEs business people because the average of the existing consumers has the E-Commerce application (Gojek and Grab).

Go-Food facility is a feature of food and beverage delivery facilities developed by the GoJek application in March 2015 [10]. This facility is a solution that really helps culinary business actors, because with this application business actors no longer need to have a physical storefront or store as their place of business, they can market and bring

food to consumer locations through this application [10]. In addition to the Go-Food service used by MSMEs "KKGohan.id" also uses a leading service in Indonesia that is a competitor to Go-Food, namely the Grab-Food application which was initiated in 2016 [11].

The strategy of MSMEs "KKGohan.id" during the pandemic is also by conducting vigorous promotions by providing promos in the form of discounts and providing sweets or wafers in every food or beverage purchase made at MSMEs "KKGohan.id", of course this is useful for overcoming the level of sales so as not to have too much impact on the business. Offering discounts is an important part and has an impact on increasing sales results, because discounts will make consumers interested in buying because they consider the product cheap. Discounts give the impression to consumers that the price paid is lower than it should be [11].

Nowadays, people have utilized information and communication technology to transact, sell and buy through e-commerce, this phenomenon offers various shopping options to the public without having to go to the seller [12]. Those who have adopted marketplace sales methods that can survive the pandemic. The second survival strategy for MSMEs is innovation which includes content and products [9].

In addition, MSME business actors make changes or innovations in terms of services. The presence of digital features in sales models and advertising or promotion can increase sales and customer understanding [9].

To maintain the culinary business in the midst of competitors who serve the same food and beverage products, making this business must move faster in outperforming its competitors, so in addition to using the digital marketing strategy by utilizing E-Commerce, the most important thing is also to maintain taste quality at competitive prices. The quality of this taste should not change, so as not to appear the statement of the consumer "first and last time". This is due to the mindset of consumers who can change at any time in consuming a product. The better the quality of the products sold, the more it will have a positive influence on consumer satisfaction [13]. This factor causes MSMEs to "KKGohan.id" to maintain their business.

This is in line with the research that has been carried out that to be able to adapt to current conditions, business owners must use social media, namely Instagram, Facebook and Shopee to promote their products in order to reach and arouse buying interest from consumers, and continue to maintain the quality of taste that makes consumers come to buy back [14]. Similarly, with research conducted at the Permata Bread Business, which states that to face business competition with the emergence of new companies with similar products, this business must advance to outperform its competitors both in terms of product quality and marketing carried out to maintain the existence of products, so that sales can still be stabil and consumer attachment to products will never change [13].

Based on the presentation of the results of research conducted at MSMEs "KKGohan.id", it was found that these Micro, Small and Medium Enterprises (MSMEs) have used social media WhatsApp (WA) and Instagram (IG), but have not used Facebook (FB). MSMEs "KKGohan.id" also use e-commerce strategies but are still limited to the use of the GoJek and Grab applications, through the Go-Food and Grab-Food features.

In addition, the packaging also uses aluminum foil, arguing that this container is the most appropriate because this food is baked and grilled at the top using a torch tool.

To survive in the increasingly fierce business competition, it is necessary to expand the digital marketing strategy by using all social media facilities including Facebook, as well as digital business platforms provided in e-commerce, making websites easy to access anywhere, anytime and by anyone. This is supported by the results of research in pempek4beradek that it is necessary to make marketing on Facebook and create a website, which can be accessed by anyone and anywhere, because this website was built to provide wider information to the public about profiles and content in MSME products [4]. MSMEs "KKGohan.id" should also innovate products in terms of toppings and the menus offered are more varied, as well as in terms of packaging, more varied models and their bags use paper bags that have business labels, as a form of supporting the government's program, namely "Go Green".

4   Conclusion

Based on the results of research, which has been carried out in MSMEs "KKGohan.id" it can be concluded that at the beginning of its establishment, in addition to using traditional marketing strategies, it also used social media through social media in the form of WhatsApp and Instagram. Along with the emergence of pandemic conditions that have hit Indonesia, starting to use E-Commerce digital marketing strategies in the form of GoJek and Grab applications through the GoFood and GrabFood features.

MSMEs "KKGohan.id" to maintain their business in addition to using E-Commerce, also provide promos in the form of discounts/discounts or provide gifts for those who shop, and maintain taste quality so that consumers continue to buy products from MSMEs "KKGohan.id", however, the price of MSME products "KKGohan.id" has not changed or increased prices.

The implications of MSME players are expected to use all E-Commerce platforms that apply in Indonesia, such as Tokopedia, Lazada, or Shopee, to be more innovative and creative in maintaining their business. If regulations allow, MSME players can also use E-Commerce platforms from abroad.

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The Influence of Competence and Work Environment on Employee Productivity in PT. Inko Java Semarang

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Abstract. The study has the objective of analyzing the impact on competence and work environment on employee productivity at PT. Inko Java Semarang. Using an associative quantitative approach with a survey method, the total population of this study were all 128 employees of the production division at PT. Inko Java Semarang. Using a non-probability purposive sampling, the size of the sample used in this study was 32 people. The data were collected using a questionnaire with a Likert scale of 1 to 5. The results of this study showed that partially, competence has a positive and significant effect on employee productivity with a 28.9% score; work environment has a positive and significant effect on employee productivity with a 45.9% score. While simultaneously, competence and work environment have a positive and significant effect on employee productivity in the production division of PT. Inko Java Semarang with a total of 65.4% score, and the other 34.6% is influenced by other variables that are not discussed in this study.

Keywords: competence · work environment · employee productivity · production division

1 Introduction

Management controls the main function of increasing efficiency and effectiveness in the company. Management is the art of science in the affairs of human resources and various other resources in an effective and efficient way to achieve an ideal. So, human resources are the main aspect of the company, so they must be managed properly to increase the effectiveness and efficiency of groups and companies [1].

Among the many goals of a company is to make profit and be the best in meeting consumer needs. Based on these two things, companies are forced toto continue to be productive in producing products with the best and sustainable quality [2]. Therefore, employee productivity is very important. There are many factors that can affect the high and low work productivity of employees, including competence and work environment of employee. Employee's role productivity is the ability to get maximum benefits with various facilities provided to obtain maximum output and input. With good productivity, the company will be able to provide products needed by consumers in a sustainable manner. In line with that, the company's profit target can also be achieved.

PT. Inko Java is a manufacturing company located in Semarang Regency, Indonesia, which produces sports equipment, such as baseball and softball gloves. In its development, the company has had three subsidiaries, each of which is located in Osaka, Japan, Busan, South Korea, and Los Angeles, California, United States. This company in the position of being a vendor company, there must always be goods according to orders and therefore is required to be able to provide goods on time and in accordance with orders. Therefore, the work productivity of the employees is very important to support the demand fulfillment so that problems do not occur. In its production activities, productivity is the main problem faced by the company. The daily production results have experienced fluctuations up and down and not Align with the achievement targets set by the company.

Based on company data, it is known that the productivity of finished goods each month increases and decreases. This is apart from the different number of orders each month, because in their daily life to achieve the productivity figures set by management becomes difficult to achieve due to the lack of skills possessed by employees. This phenomenon occurs because there are still many employees who do not have the skills Carry out its role in the creation of goods effectively and efficiently, so that it can affect employee productivity at PT. Inko Java Semarang. These skills are one of the dimensions of competence and have an impact on not achieving the daily production target.

Competence is a combination of insights, skills, results and actions that are reflected in the habit of thinking and taking action [3]. Competence is an interesting and integrated level of insight, expertise, action and results that are reflected in ways of thinking and models of action [4]. Productivity is the acquisition of management that has been determined and has a size in a period that has been determined through criteria and agreements that have been previously agreed upon [5]. Productivity is in line with employee competence, because it is not only about the current work results of employees but also takes into account the results of employees' work from time to time align with its competence, so that it is known the extent of employee work and improvements that must be made so that in the future it will be better [6].

The area of the company is the main aspect that can have an impact on employees productivity [7–9]. In PT. Inko Java Semarang, there are many things that could affect the rise and fall of the production per day, including the lack of employee competence as well as the employee's work environment which may be felt by employees to be uncomfortable, resulting in employees working leisurely without paying attention to the achievement of daily production targets.

The work environment of a company can affects an employee's productivity because a human being can carry out activities well (Robbins & Judge, 2022), then they will get maximum value by being encouraged in a harmonious regional atmosphere [10]. Thus, the work area is something that is in the employee's area which can have an impact on the productivity of the employee itself. Non-physical work areas are all the physical and psychological factors in work rules that can have an impact on welfare and productivity gains [6].

It is known that there are still problems in the non-physical work environment in PT. Inko Java Semarang, namely there are still many employees who are sick every month, this is caused by many employees who feel tired while doing their work. The fatigue
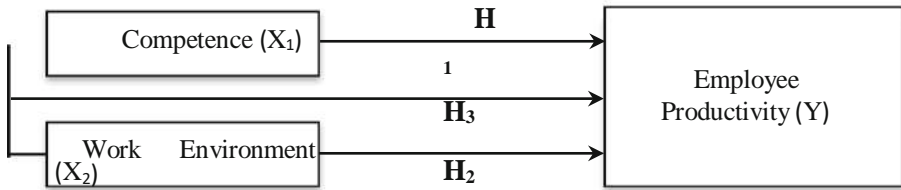
Fig. 1. Conceptual Framework

experienced by employees in the production division of PT. Inko Java Semarang is due to the number of working hours that are not relevant to Appointment period period that has been determined against the company. Excess working hours causes many employees to experience fatigue and causes employees to be absent due to illness every month.

Because fatigue is an indicator work area, can be called if the work area affects the productivity of PT. Inko Java Semarang. If the competence of employees increases and the work environment of employees increases, then employee productivity will increase.

The dimensions of employee productivity variable that are relevant in this study are: quality, quantity, cooperation, responsibility; while the relevant productivity indicators in this study are: reliability, accuracy, timeliness, work results, collaboration, cohesiveness, responsibility in making decisions, responsibility in utilizing facilities and infrastructure [6]. The dimensions of competence variable relevant to this research, namely: knowledge, skills, and attitudes; while the indicators of competence relevant to this research are: conceptual knowledge, productive knowledge, managerial skills, technical skills, social skills, initiative in helping co-workers, friendliness [11]. For the work environment variable, this study uses the dimensions as follows: temporal psychological territory; while the indicators of the that are relevant to this research, namely: the number of hours worked, time off work, boredom, monotonous work, and fatigue [12].

Based on the explanation above, this research tries to find out the influence of competence and work environment on employee productivity in PT. Inko Java Semarang. Conceptual framework is a theoretical explanation of the linkages between the variables, which are compiled from various theories (Sugiyono, 2004). Therefore, the conceptual framework in this study is shown in Fig. 1.

2   Method

This study uses a quantitative approach to the survey method. The population of this study is all employees of the production sector of PT. Inko Java Semarang. The sample size used in this study was determined using the Slovin formula, and the total sample obtained was 32 people. In this study the sampling technique used was non- probability purposive sampling. Opinion of Sugiyono (2012), non-probability purposive sampling is a sample method that does not provide equal opportunities for all population workers to be determined as a sample, with certain considerations aimed at making the data obtained to be more representative. Where in determining this sample, the researcher considers each person who is considered as a respondent to have the capability or is able to examine each statement in the questionnaire properly. The data were collected using

a questionnaire with a Likert scale of 1 to 5 to reveal the attitude of the respondents. The attitude scale instrument contains statements that have been tested for validity and reliability test. Data were analyzed using multiple linear analysis with SPSS version 26 software.

3   Result

3.1   Normally Test

The normality test is intended to examine whether a sample is normally distributed or not. In the linear regression model, this opinion is intended for values that are at a normal or almost normal level. Information is called normal if the significance obtained is above 0.05, so that the sample is through a normally distributed population. If the significance is below 0.05, then the sample does not pass through the normal population. Based on Table 1, for the normality test that has been tested using SPSS 26 software, the significance obtained is 0,200 which is greater than 0.05, meaning that the sample used in this study comes from a normally distributed population.

3.2   Linearity Test

The linearity test has the objective of seeing whether the variables studied have a linear or insignificant relationship. If the actual relationship to the variable is not linear, the pattern cannot be used for further analysis because its accuracy will be significantly reduced. Based on Table 2, for the linearity test that has been tested using SPSS 26 software, the significance value deviation from linearity on the competence variable (X1) is 0.267, and the work environment variable (X2) is 0.718. So overall it is concluded that all the variables that have been tested are stated to have a linear relationship.

Table 1. Normality Test Result

Variable	Sig. α = 0,05	Sig. Kolmogorov-Smirnov	Result
Y	0,05	0,200	Normal
X1	0,05	0,200	Normal
X2	0,05	0,200	Normal

Source: Data processed, 2022

Table 2. Normality Test Result

Variable	Deviation from Linearity Sig.	Standart Sig.	Result
Y - X1	0,267	0,05	Linear
Y - X2	0,718	0,05	Linear

Source: Data processed, 2022

Table 3. Multiple Linear Regression Analysis Test Results

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	Constant	22,323	9,056		2,453	,020
	X1 = Competence	0,289	0,129	0,311	**2,139**	**,040**
	X2 = Work environment	0,459	0,117	0,541	**3,675**	**,001**
Y = Employee Productivity						

Source: Data processed, 2022

3.3 Hypothesis Test

Multiple Linear Regression Analysis. Multiple linear regression analysis consists of constant, competence (X1), and work environment (X2). In the observation of multiple linear regression prepared against Table 3 includes.

From the results of above, carefully obtained multiple linear regression includes:

$$Y = 22,323 + 0,289X1 + 0,459X2 \tag{1}$$

Y = Employee Productivity
X1 = Competence
X2 = Work Environment

From Obtaining the similarity of multiple linear regression, observation of elaboration includes:

a) A constant of 22.323 means that the competency coefficient (X1) and work environment (X2) are 0, so that the result of employee productivity is 22.323.
b) X1 = Competency regression coefficient (X1) is 0.289. This means that there is a unitary development of the competency variable, so that the growth in employee productivity is 0.289 per one.
c) X2 = Work environment regression coefficient (X2) is 0.459. This means that if there is an increase in the unity of the work environment variable, then the increase in employee productivity is 0.459 per one.

Partial Hypothesis Test (T-test). The partial hypothesis assessment (t-test) includes constants, competence (X1), and work environment (X2). The acquisition of partial hypothesis test (t-test) is prepared based on Table 4 in the form.

The acquisition of a partial hypothesis test (t-test) Competence (X1) on employee productivity (Y) illustrates the results of t-count 2.139 > t-table 2.045, and a Significance Value of 0.04 < 0.05. So it can be concluded that if Hypothesis 1 or H0 is rejected and

Table 4. Partial Hypothesis Test Results (T-test)

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	Constant	22,323	9,056		2,453	,020
	X1 = Competence	0,289	0,129	0,311	**2,139**	**,040**
	X2 = Work environment	0,459	0,117	0,541	**3,675**	**,001**

Y = Employee Productivity

Source: Data processed, 2022

Table 5. Simultaneous Hypothesis Test (F-test) ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1639.521	2	804.756	**26.231**	**.000[b]**
	Residual	900.428	29	31.040		
	Total	2539.949	31			

Source: Data processed, 2022

Ha is accepted, it means that competence has a partial positive and significant impact on the work productivity of employees of PT. Inko Java Semarang.

The results of partial hypothesis testing (t test) Work Environment (X2) on employee productivity (Y) illustrate the results of t count 3.675 > ttable 2.045, and a Significance Value of 0.001 < 0.05. So it can be concluded that if Hypothesis 2 or H0 is rejected and Ha is accepted, it means that the work environment has a partial positive and significant impact on the work productivity of employees of PT. Inko Java Semarang.

Simultaneous Hypothesis Test (F-Test). The Simultaneous hypothesis testing (f-test) aims to observe Competency (X1) and Work Environment (X2) variables with the same impact on employee productivity (Y). The results of this study with simultaneous hypotheses (f-test) are prepared through Table 5.

Through the acquisition of analysis obtained F-count at the accumulation of 26.231 and a significance of 0.000. Through table F with a significant level (α) = 5%, (df) = n-k = 32–2 = 30. In that determination, the F-table is 3.32. The data management illustrates the calculated F value of 26,231 increasing in F tale 3.32 and a Significance Value of 0.000 increasing to 0.05. Means that the hypothesis in this study H0 is rejected and Ha is accepted. So that it can be concluded if Competence and Work Environment with similarities have an impact on employee productivity.

Table 6. Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error ofithe Estimate
1	,804[a]	,654	,622	5,584

a. Predictors: Constant, Work Environment, Competence

b. Y: Employee Productivity

Source: Data processed, 2022

Coefficient of Determination. The coefficient of determination includes predictors: constants, competence (X1), and work environment (X2), and the dependent variable employee work productivity (Y) is prepared in Table 6.

Through Table 6, the coefficient of determination ($R2$) is 0.654 or (65.4%). Illustrating that 65.4% of employee productivity variables are affected by competency and work environment variables, but 34.6% are affected by other variables that are not criteria in the assessment pattern.

4 Discussion

4.1 The Influence of Competence on Employee Productivity

Competence is an amalgamation of insights, skills, results and actions that are depicted in the habit of thinking and doing [3]. Through the obtained analysis, it can be seen that competence partially has a positive and significant impact on employee work productivity. Which means if the employee has minimal competence in carrying out his duties, then the employee will experience difficulties and cannot be optimal in carrying out the assigned tasks [15, 16]. In this case, if employees in the production division of PT. Inko Java Semarang don't have the skills to play a role in producing goods, it can affect employee productivity at PT. Inko Java Semarang.

Competence is an interestingly integrated stage of insight, expertise, actions and results that are reflected in ways of thinking and ways of acting [4]. These skills are one of the dimensions of competence and have an impact on whether the employees may or may not achieve the daily production target [17]. In the production division of PT. Inko Java Semarang, the productivity of finished goods each month increases and decreases. This is apart from the different number of orders each month, because in their daily life to achieve the productivity figures set by management becomes difficult to achieve due to the lack of skills or low competence possessed by employees. This, in turn, will also affect the achievement of the company's productivity [18, 19].

This research is in line with Dessler's opinion [20] which Competence is defined as individual characteristics that can be used, especially knowledge, expertise, and actions that can gain productivity and talent. Competence is a person's expertise to carry out a job with accuracy having goodness covering something related to insight, expertise,

and behavior [5]. The results of this study were encouraged by valid initial studies [14, 21–23] all conclude that competence has a positive and significant impact on employee work productivity.

This study further confirms the relevant previous research on the influence of competence on productivity. Thus, theoretically and empirically evidence carried out in this study shows that competence (X1) has a positive and significant effect on the employee productivity (Y) in the production division of PT. Inko Java Semarang.

4.2   The Influence of Work Environment on Employee Productivity

Employee productivity is not only about the current work results of employees but also it takes into account the results of employees' work from time to time align with its competence, so that it can be seen how far the work of employees and improvements that must be made so that in the future it will be even better [6]. Through the acquisition of analysis, obtained if second hypothesis was accepted, namely work environment partially positive and significant impact on employee productivity. In this case, if employees of PT. Inko Java Semarang in the production division gets excess working hours that are not in accordance with the work contract, employees will complain because the rest time at home is reduced due to excessive working hours, hence it will affect their productivity.

Work environment is an important Aspects that can have an impact on employee work productivity [17]. The results of this study are in line that the work environment of a company can influence the employee's productivity because they will be able to carry out their jobs and activities well, resulting in an optimal result and the company target could be achieved [10]. However, it should be supported by good and appropriate environmental condition [10, 23]. In PT. Inko Java Semarang, there are many things that could affect the rise and fall of the production per day, including the employee's work environment which may be felt by employees to be uncomfortable, resulting in employees working leisurely without paying attention to the achievement of daily production targets.

The findings of this study can encourage initial studies on [23–27] in conclusion thinks that the work environment has a positive and significant impact on employee work productivity. In this study, the work environment variables include the temporal work environment and the psychological work environment. The psychological work area and non-physical work environment are a factor of psychological physical work and work rules that can impact work welfare and employee work productivity [6]. One of the non-physical work environments is the psychological work environment, namely the work environment related to one's psychology [12]. Based on the data analysis, the employees of PT. Inko Java Semarang in the production division still feels that the working hours are not in accordance with company regulations which causes the number of hours to work excessively and affect their psychological work environment. This, in turn, makes the employee productivity decrease [13, 14].

Based on the statements above, the acquisition of this study further strengthens the strength of relevant preliminary studies on the impact of the work environment on employee work productivity. Thus, the theoretical and empirical evidence carried out in this study illustrates that the work environment (X2) partially has a positive and significant impact on employee productivity (Y) of PT. Inko Java Semarang in the production division.

4.3 The Influence of Competence and Work Environment on Employee Productivity

Based on the results of the analysis, this study found that the first hypothesis was accepted as true, namely that competence partially has a positive As well as having a significant impact on employee productivity. If the employee has minimal competence in carrying out his duties, then the employee will experience difficulties and cannot be optimal in carrying out the assigned tasks [15, 16]. In this case, if employees in the production division of PT. Inko Java Semarang don't have the skills Carrying out his directives on producing goods effectively and efficiently, can have an impact on employee's productivity at PT. Inko Java Semarang.

Meanwhile, based on the results of the analysis for the second hypothesis, it was found that the second hypothesis was also accepted, namely work environment causes positive as well as significant to employee productivity. If employees of PT. Inko Java Semarang in the production division gets excess working hours that are not in accordance with the work contract, employees will complain because the rest time at home is reduced due to excessive working hours, hence it will affect their productivity.

Empirically, the results of this study support previous research that competence and work environment together Has a positional and significant impact on employee's productivity [7, 9, 13, 14, 18, 19]. In this study it becomes increasingly strong towards the initial assessment which has a simultaneous effect on competence and work environment on employee work productivity.

Thus, theoretically and empirically evidence carried out in this study indicate that competence (X1) and work environment (X2) with the understanding that it has a positive and significant impact on employee work productivity (Y) employees in the production sector of PT. Inko Java Semarang.

5 Conclusion

The study aims to see the impact of competence and work environment on employee productivity at PT. Inko Java Semarang. Through the acquisition of analysis carried out on 32 employees in the production sector of PT. Inko Java Semarang, this study draws conclusions if competence partially has a positive and significant impact on employee work productivity at PT. Inko Java Semarang at 28.9% impact. However, the work environment partially has a positive and significant impact on the productivity of PT. Inko Java Semarang share production amounting to 45.9%. Obtained by the end of the analysis it is observed that competence and work environment simultaneously have a positive and significant impact on the productivity of employees in the production sector at PT. Inko Jawa Semarang is 65.4%, but 34.6% is due to other variables that have not been studied in this study.

The acquisition of this study contributes to the growth of theoretical insights, especially in the human resource management sector, because this study will apply strictly to valid initial studies on the impact of the company's work environment on employee productivity. It can be found used as a comparison material for all managers and rule setters in a public group and company to determine the best way to develop human resource

management tasked with increasing group efficiency and effectiveness company. However, as this research only discusses topics in the production division of a company, further research development can be carried out in other divisions, so that the conditions of each variable for other types of divisions can also be carried out effectively. Finally, because the current research uses a quantitative approach, it is interesting to conduct qualitative research that aims to explore the results of a more in- depth analysis and enrich the study of the topics that have been studied.

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The Antecedents of Employee Performance in Public Service Quality: Case Study in Local Government of Tangerang City

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Abstract. This paper aims to assess the impact of leadership style and competence on work satisfaction and their impact on employee performance. The data were obtained using questionnaires distributed to all researchers and staff at SKPD (local government agencies), with 170 samples taken. Structural Equation Modeling (SEM) analysis was used to as-certain the proposed relationship. The results of this study found that there was a significant influence between leadership style and work motivation, job satisfaction, and employee performance. In addition, work motivation also has a significant positive effect on job satisfaction. And finally, it was found that there was no positive and significant relationship between leadership style variables on employee performance and between work motivation and employee performance.

Keywords: leadership style · job satisfaction · work motivation · employee performance

1   Introduction

The quality of public services is determined by the services of state administrators/government agencies in providing services to the public. In addition, the level of community satisfaction is marked by an increase in community welfare. Public services are activities that fulfill service needs under statutory regulations for every citizen and resident for goods, services, and administrative services provided by public service providers (UU No. 25 of 2009). In conclusion, public service is a series of activities carried out by the government and its apparatus to help stakeholders realize an increase in the quality of life of stakeholders while simultaneously providing satisfaction to the stakeholders served. Public services organized by the government should include all stakeholders who need them.

On the other hand, stakeholders, as the main elements served, have not provided effective control to become driving elements in efforts to improve the quality of public services. On the contrary, they try to seduce the integrity of the government apparatus by taking shortcuts to established standard procedures. Therefore, it is necessary to carry out various strategies or ways to improve the quality of public services so that, in the end, the objectives of implementing public services can be achieved and provide a level of satisfaction to the stakeholders who receive them.

2 Literature Review

2.1 Leadership Style

[1], as a management expert, has defined leadership style as the process of a leader encouraging team members to do their best under the goals to get the best results. [2] in his research stated that the leadership style needed in the current era combines humility and strong professionalism. This theory is supported by the opinion of Daft (2010), which reveals that this Leadership Style is a leadership method that prioritizes the interests of the organization rather than the leader [3]. Meanwhile, Sengua (1997) in Kusumawati (2008:25) states that superiors in an organization can use transactional, transformational, Laissez-Faire, and situational leadership styles.

2.2 Work Motivation

[4] stated that motivation could be interpreted as a psychological force that creates complex thought and action processes. [5] also provides his views in the world of work that work motivation is a set of energy forces generated both within the individual and in their environment. This power elicits work-related behavior and determines its form, direction, intensity, and duration. According to [6], work motivation is divided into three parts: expectations, possibilities, and values.

2.3 Job Satisfaction

[9], in his book, writes that job satisfaction is a general behavior related to one's performance. In comparison, [10] define job satisfaction as employee satisfaction with their work. Therefore, companies with happier employees tend to be more effective and productive. In addition, highly satisfied employees have fewer fluctuations []. This job satisfaction in an organization is very important to achieve because employee job satisfaction greatly affects the performance of its employees.

2.4 Employee Performance

[11] states that employee performance is a group of people who have completed their respective powers and responsibilities. Because basically, every institution or company certainly needs employees as workers to improve the quality of products and services. So that employees are considered an important company asset in contributing to the company obtaining good performance. For this reason, several factors must be considered in evaluating employee performance: quantity and quality of work, planning activities, and understanding of work. The main purpose of performance measurement is to motivate employees to achieve goals and comply with predetermined standards of behavior to achieve the desired results [8].
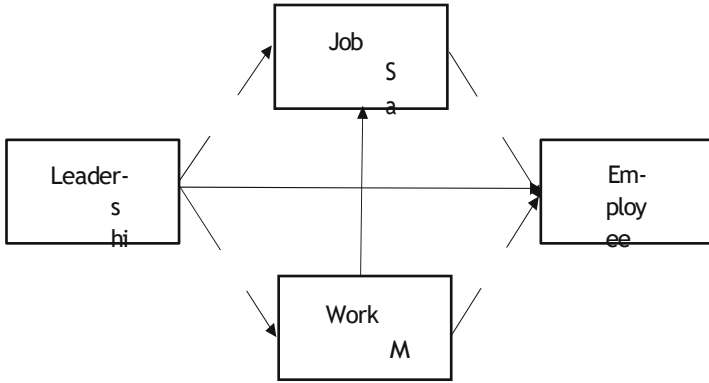
Fig. 1. Research Model

2.5   Hypothesis and Research Model

In developing the hypothesis in this study, the researcher divided it into six hypotheses: Hypothesis 1 Leadership style positively affects work motivation, Hypothesis 2. Leadership style has a positive effect on employee performance, Hypothesis 3 Leadership Style has a positive effect on job satisfaction, Hypothesis 4 Work Motivation has a positive effect on job satisfaction, Hypothesis 5 Job satisfaction has a positive effect on employee performance, and Hypothesis 6 Job satisfaction has a positive effect on employee performance.

3   Methodology

3.1   Research Purpose

This research is hypothesis testing research. This type of research describes a certain relationship between the dependent variable and the independent variable or other factors that influence one variable to another.

3.2   Population and Sampling

We conducted a survey among civil servants at the SKPD (local government agencies) located in the Tangerang City Government, Banten-Indonesia. At this institution, the research population was 304 employees, 170 of whom were taken as the sample.

3.3 Measurement

Researchers used a survey method in this study. In addition, researchers used SEM (Structural Equation Modeling) with SmartPLS 3 software in conducting data analysis.

4 Results

4.1 Path Analysis and Hypothesis Result

The hypothesis test results in Fig. 1 state that the relationship between LS to WM, LS to JS, WM to JS, and JS to EP has a positive and significant influence because it has a p-value coefficient of 0.000 or below <0.05. In contrast, the hypothesis between LS to EP and WM to EP does not have a positive and significant relationship because it has a p-value above 0.05. For that, it can be concluded that of the six hypotheses, two hypotheses are rejected (Table 1).

Table 1. Path Analysis and Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV	T Statistics	P Values
LS > WM	0,707	0,706	0,054	13,020	0,000
LS > EP	0,065	0,084	0,098	0,667	0,505
LS > JS	0,245	0,253	0,078	3,162	0,002
WM > JS	0,515	0,521	0,084	6,102	0,000
WM > EP	0,231	0,262	0,128	1,807	0,071
JS > EP	0,497	0,455	0,155	3,2067	0,001

Table 2. Outer Loadings Values.

Variable	Dimensions	Indicator	Loading Factor Value	Result
Leadership Style	Transformational	TF1	0.680	Valid
		TF2	0.837	Valid
		TF3	0.839	Valid
		TF4	0.654	Valid
	Transactional	TS1	0.846	Valid
		TS2	0.882	Valid

(*continued*)

Table 2. (*continued*)

Variable	Dimensions	Indicator	Loading Factor Value	Result
		TS3	0.812	Valid
		TS4	0.805	Valid
	Situational	ST1	0.647	Valid
		ST2	0.696	Valid
		ST3	0.650	Valid
		ST4	0.812	Valid
Work Motivation	Hope	HO1	0.742	Valid
		HO2	0.768	Valid
		HO3	0.756	Valid
	Possibility	PS1	0.755	Valid
		PS2	0.764	Valid
		PS3	0.819	Valid
	Values	VL1	0.674	Valid
		VL2	0.604	Valid
		VL3	0.618	Valid
Job Satisfaction	The Work Itself	WI1	0.675	Valid
		WI2	0.662	Valid
	Relationship with Supervisor	RS1	0.671	Valid
		RS2	0.763	Valid
	Relationship with CoWorkers	RC1	0.751	Valid
		RC2	0.771	Valid
	Career Development	CR1	0.791	Valid
	Opportunities	CR2	0.782	Valid
	Salary	SL1	0.550	Valid
		SL2	0.629	Valid
Employee Performance	Quality of Work	QW1	0.589	Valid
		QW2	0.841	Valid
		QW3	0.803	Valid
	Quantity of Work	QT1	0.583	Valid
		QT2	0.806	Valid
	Attendances	AT1	0.782	Valid
		AT2	0.817	Valid
		AT3	0.800	Valid

Based on Table 2, it can be seen that the results of all indicators for each variable are valid. This validity is measured from the outer loading value above > 0.40. This can be seen from each dimension of the variable that has been determined. Each indicator has a lowest and highest value.

4.2   Validity and Reliability Test

Table 3 shows that all results show an AVE value greater than 0.5 for all configurations included in the study model. The minimum value for AVE is 0.502 for the Job Satisfaction construct (Tables 4, 5, and 6).

a.   **SEM Analysis Result**

Table 3. Average Variance Extracted (AVE)

	AVE
LS	0.590
WM	0.526
JS	0.502
EP	0.576

Table 4. Reliability

	Composite Reliability
LS	0.945
WM	0.908
JS	0.909
EP	0.914

Table 5. Cronbach's Alpha

	AVE
LS	0.935
WM	0.886
JS	0.888
EP	0.891

Table 6. Model Fit

	Saturated Model	Estimated Model
SRMR	0,088	0,088
d_ULS	6,067	6,067
d_G	2,210	2,210
Chi-Square	2426,612	2426,612
NFI	0,654	0,654
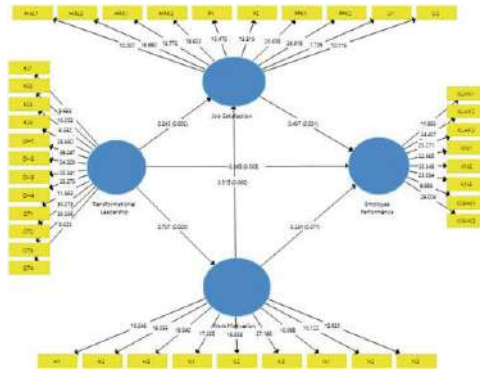
From the results of the SEM modeling, the following values can be seen: it can be seen that the SRMR value is 0.088 because 0.088 < 1.0; this is accepted as a fit model. While the Chi-Square Value is 2426.612. And NFI is 0.654. If the cutoff value is > 0.95, it will show a good match, then the NFI value here looks weak.

5   Discussion

From the results of hypothesis testing, two of the six hypotheses were rejected, namely the influence of leadership style on employee performance and between work motivation and employee performance. This happens empirically in the field that there is a difference with the previous theories implemented in public service employees. This may be due to the saturation of respondents in answering the questionnaire questions. In addition, the bureaucracy in the structure of public service institutions does not affect the leadership style of a superior.

The next hypothesis that was rejected was work motivation to employee performance. This happens because other dimensions, such as benefits and facilities obtained, influence the motivation for public service work. Meanwhile, the government regulated the benefits and facilities available in public services based on their work levels.

6 Conclusion

The results of this study indicate that leadership style greatly influences an employee's work motivation. To increase employee motivation, job satisfaction is also an important variable to be considered by organizations in public institutions. Meanwhile, other results show that leadership style does not significantly affect employee performance. This may have little influence on the employee's decision to stay under pressure or different leadership styles. While work motivation also does not have much effect on employee performance.

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Period of Pentahelix Collaborative Participation

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Abstract. With the Slum Area Arrangement, both the Central Government and the Tangerang City Government, it is not automatically accompanied by the independence of the local population. KOTAKU said that the slum area had increase to 105.31 hectares in 2021. This means that many new slum areas have emerged, through the Pentahelix model, which has been developed. Using the Sustainable Competitiveness Criteria, local community was examined. The results founds that most of local community unable to compete because they do not meet the criteria. So that they have more potential to make a new slum area in the future. This study conducts that Period of Pentahelix collaboration should not only be involved in the planning and construction period (external factor of the local community), but it is also integrated into all actors involved until the operation period of the new area (slum area arrangement) both systemically and scientifically (internal factor of the local community).

Keywords: Slum Area · Pentahelix · Period · Collaboration · Sustainable Competitiveness

1 Introduction

Pentahelix has been carried out in previous studies as a problem-solving [1] found that Pentahelix has five actors namely Government, Private, Society, Media, and Academics. This is in line with [2] and [3]. Pentahelix continues to be studied and used in case management. Such as handling the spread of COVID 19 [4] and post-disaster recovery from the Sinabung Volcano eruption in North Sumatra [5]. There are similar conditions in both cases, the Pentahelix becomes a model in the division of roles and responsibilities in any disaster management efforts undertaken. So collaborative action is taken after the disaster strikes. The collaboration between the five actors is indeed very important. This is especially true when it comes to activities that are large and have an impact on the community's economy, then efforts from community independence will be faster and more sustainable [4].

However, there are also differences in these two cases, where [5] involves the area at a macro level and has not involved the affected community in handling it. In this study, it is also suggested for future research that involving affected communities (internally) will be more influential and targeted [5].

In contrast to the two applications of the Pentahelix above, [3] implemented Pentahelix without being preceded by a disaster, but the Pentahelix collaboration was carried

out before a disaster (market competition) to make production more competitive in the business world. This will require more innovation because competition in the business world is tighter. This study states that the community does not play an important role, because it accepts and supports the existing program, according to him, it cannot change the existing product. Because steel products, according to him, do not have a direct impact on the local community.

[6] said that four important aspects must be considered in government collaboration, namely initial conditions, collaborative processes, institutional design, and facilitative leadership [6]. [7] used this concept in reviewing AMDAL in Cirebon. According to him, the collaboration in preparing the AMDAL study in Cirebon has not been maximized [7]. This is due to several factors. Although the initial conditions and the collaboration process were quite good, the institutional design and facilitating leadership were still obstacles. Therefore, institutional design involved to all Pentahelix actors and facilitating support from the government is necessary for successful collaboration.

There is something more challenging in the study of [3], where the community can become the main actor in steel production competition. Because the community as consumers or users is the ultimate goal of a business. So that Pentahelix in steel production can be directed at reading market desires [3].

In addition, Pentahelix is also directed as a preventive measure. In a study of the Pentahelix strategy in the arrangement of Kampung Bandar Pekanbaru City, community empowerment is needed to arrange slum areas more mature [8].

2   Method

The location of sample is in Kedaung Baru, Tangerang City. This study involved 5 actors related to Pentahelix. The resident of Slum area in Kedaung Baru was the main actor in the collaboration of participation towards slum area management. The local community was explored using the Criteria of Sustainable Competitiveness [3]. It has 4 elements such as social capital, natural capital, intellectual capital, and governance efficiency. The data primary data was collected by questionnaire and direct interview. While the secondary data was collected from Kota Tangerang's Documentary. By twenty questions, 70 respondents were asked how much their cost for monthly needs, how they struggle for their life and what they need to get a better life. Each respondents presented their family. The answer analyzed by descriptive charts.

3   Results

Of the approximately seventy residents of slum areas in Kedaung Baru, there is around 90 percent of slum areas resident get low income (below the minimum salary rate of Kota Tangerang Government). This means that they are still unable to fulfill their daily needs. Infrastructure improvements are simply physical improvements for them. Meanwhile, the need for food and clothing has not been resolved. Forward, they still funding for other needs such as health, residential renovation, cleanliness, and others. From the existing data, the community still pays for health services as much as 5 percent of their living costs. However, it should be noted that flooding is also a local community complaint.
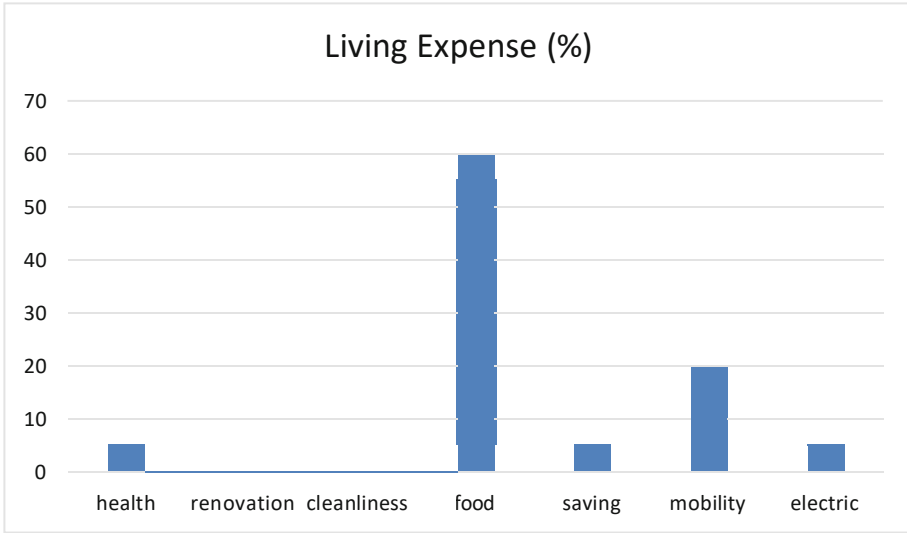
Fig. 1. Living Expense of Slum Area Resident at Kedaung Baru (Source: Processed Data)

Fig. 2. Model of Sustainable Competitiveness [3]

Floods always inundate the area for three hours every time it rains. Wastewater from the drainage canal enters their residence. It makes the high cost of their health (Fig. 1).

4   Discussion

Due to the lack of income for their daily needs, new infrastructure improvements save only 10 percent of their living expenses (monthly needs).The minimum salary rate can be achieved by adding 20 percent of their current income then they could upgrade their life to average level. To increase the competitiveness of people in slum areas people should have ability in four elements (Flores et.al, 2022) such as social capital, natural capital, intellectual capital, and governance efficiency (Fig. 2).

This study conducts that Pentahelix Collaboration needs to be carried out in three periods (Fig. 3), namely planning, construction and operation.

Fig. 3. Period of Pentahelix Collaboration towards Sustainable Competitiveness (Source: processed data)

After the Pentahelix collaboration was carried out in different locations, both for problem handling and problem prevention, there were still shortcomings in the application of Pentahelix. The example above can be concluded that there are differences in the period of Pentahelix collaboration, in the form of the period before the disaster (prevention) and after the disaster (handling). So, in this study, we will combine the two types of Pentahelix above, namely the Pentahelix collaboration carried out in three periods, including planning, construction, and operations.

The collaboration period becomes a variable to be considered because there are differences and how to handle a problem or condition. The difference between this study and previous studies involved three variables in the Pentahelix collaboration, namely, place, actor, and activity [1].

The period considered in this Pentahelix collaboration study is to complete an integrated problem-solving or problem-prevention action. Pentahelix collaboration cannot be done within a short distance [2]. It takes a longer time in structuring slum areas. Meanwhile, infrastructure improvement is not the only aspect that needs attention.

Along with these conditions, the Pentahelix collaboration carried out by the Tangerang City Government is still causing problems. After five years KOTAKU has carried out repairs to slum areas using the house renovation programs (Bedah Rumah) and flats (Rumah Susun) since 2016 (Fig. 4) with an area of 338 ha, there was still 28 ha in 2021 (Fig. 5). Then there is a new slum area of 76 ha which is in a different location.

It proves that Pentahelix collaboration cannot be done solely by planning and building infrastructure. However, collaboration must also be continued until the operational period of slum area arrangement and what needs to be done in the operational period is coaching by several actors to enrich the community's internal factors (mindset and intellectual ability) and compete to improve their standard of living sustainably. This step is expected so that the fostered community can meet their daily needs so as not to create new slum areas elsewhere.

The period of construction is the period when actors are involved in building the infrastructure for structuring slum areas and monitoring whether the spatial planning is in line with the planning for space requirements and the regulations in force in Tangerang
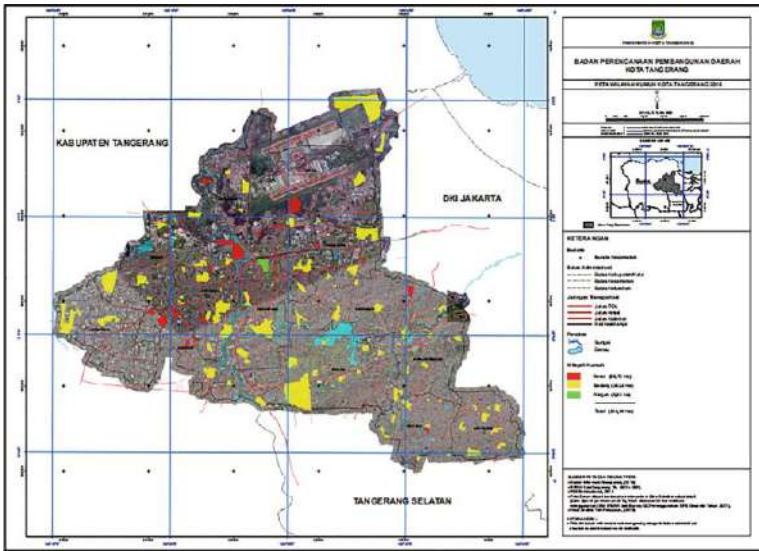
Fig. 4. Slum Area in 2016 *Source: Dokumen KOTAKU Kota Tangerang (2022)*
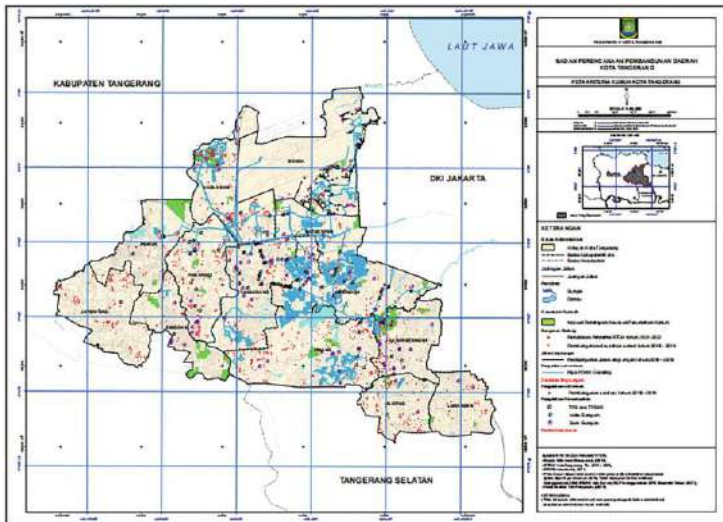
Fig. 5. Slum Area in 2021 *Sumber: Dokumen KOTAKU Kota Tangerang (2022)*

City. It is also necessary to review whether the improvement of the slum area infrastructure that is being built can solve environmental problems in terms of water, soil, air, lighting, and others.

The period of operation is the period in which actors are involved in operating a carefully planned program. In this period, the emphasis is on internal factors (coaching).

This coaching is not only to save expenses but also to increase income. Several things need to be done, such as how the community can implement a healthy life, maintain clean drainage, utilize the planned business space, and follow and develop business programs fostered by other Pentahelix actors. This third concept is in line with [8] that stated community empowerment is an important step in preventing slum settlements.

5   Conclusion

The result of this study finds that local community in Kedaung Baru is not enough to compete based on sustainable competitiveness criteria [3]. Then this study conducts a method of collaboration period to improve the ability of local people. The periode of Pentahelix collaboration must be thoroughly integrated by all actors of slum area from planning activities until the community becomes truly sufficient. This study has a limited number of community samples explored and focuses on one location that will be reorganized. It is recommended that future research to examine the significant level of willingness actors towards planning, construction and operational period of collaboration.

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The Influence of Leadership Style, Competence of the Employee, and the Application of E-Government on the Performance of the Employee in the Tangerang City Government

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Abstract. Every organization must have human resources, which is an essential asset in achieving the organization's goals. Without good human resources, an organization cannot perform well. Human resources are the only resources that cannot be imitated. Human has reasoning, feelings, desires, abilities, skills, knowledge, and creation. Improving employee performance will optimize the organization's performance. Therefore, the attempts to improve employee performance have become a challenge for the Tangerang City Government in maximizing the employees' performance because the success of achieving the organization's goals and sustainability depends on the quality of its resources. This study attempts to examine several factors that might influence the employee's performance, namely the leadership style, the competency of the employee, and the application of E-Government. This study is held in Tangerang Municipality. 969 respondents have been selected as samples using the Slovin method from a total of 7,569 employees. The sampling technique used is saturated sampling. The data is collected through questionnaires and analyzed using the descriptive analysis method. The study found that the entire hypothesis in this study has been significantly proven. Leadership style, Employee competency, and E-Government application substantially affect employee performance. In this study, all variables have an equally vital role in improving the employee's performance individually and in combination.

Keywords: Leadership Style · Work Competence · implementation of e-government · Employee Performance First Section

1 Introduction

Every government organization needs resources to achieve its goals. Human resources are considered the most important one because it plays the primary role as the driver and determinant of an organization's performance; starting from the planning to the evaluation stages, it can utilize other resources owned by the organization. Thus, human resources, a crucial asset of the organization, must be managed as well as possible to

make an optimal contribution. If it is not managed correctly, there will be an evitable problem of decreasing the employee's performance. The performance itself is defined as the result of employees' work that is assessed in terms of quality and quantity based on the standards determined by the organization. The optimal performance is considered good if it follows the organizational norms and supports the achievement of organizational goals [10]. An organization highly expects such an optimal performance. The more employees have high performance, the more the organization's productivity will increase.

Further, there are embedded factors that influence the employee's performance: leadership style, competency, and the application of E-Government. The leadership style applied in an organization will affect its overall performance. Meanwhile, in terms of competence, the application of E-Government by employees in an organization certainly impacts the organization's performance.

Leadership style is defined as a behavioural norm used by a person when that person attempts to influence the behaviour of others [14]. Leaders must have a flexible leadership style, which means being able to adjust or adapt to the environment of their subordinates [6] because a leader's attitude, style, and leadership behaviour considerably influence the performance of employees in the organization. An organization's performance requires a disciplined leader with a good personality, knowledge, and skills to set a good example for his employees. Leaders must pay more attention to the employees to increase employees' competency.

Moreover, the employee's competency is defined as the ability and the characteristic of a person in terms of knowledge, skills, and behavioural attitudes needed to do their job. An adequate level of competency is required to determine the expected employee's performance which can be divided into a good or average category.

E-Government is the abbreviation of Electronic-Government. E-Government is an effort to develop electronic-based governance. It is such an arrangement of management systems and work processes in the government institution by optimizing information and communication technology use. Based on the description above, research on the effect of leadership style, employee competency, and the application of e-government on employee performance in Tangerang Municipality is needed.

1.1   Research Questions

The research questions of the study are:

1. Does leadership style have a significant influence on the government employee's performance?
2. Does the employee's competency significantly influence the employee's performance?
3. Does the implementation of E-Government significantly influence the employee's performance?

1.2   The Importance of the Research

The results of this study are expected to contribute theoretically and empirically to the body of knowledge regarding Leadership Style, Government employee's competency,

and the Application of E-Government, as well as their influences on the performance of the Tangerang Municipality's employees.

This research is expected to provide insight, especially for the Mayor/Governor, regarding Leadership Style, Government employee competency, and the Application of E-Government, as well as their influences on the performance of the Tangerang Municipality's employees. This paper focuses on Leadership Style, Government employee competency, and the Application of E-Government, as well as their influences on the performance of the Tangerang Municipality's employees.

2   Literature Review

2.1   Leadership Style

Leadership style is defined as how a leader carries out his leadership functions and how they are seen by those they attempt to lead and by those who might look at him from outside the organization [17]. Leadership style is also defined as a behavioural norm used by a person to influence the behaviour of others or their subordinates [14].

2.2   EMployee's Competencies

Human competency is related to knowledge, skills, abilities, and personal characteristics that directly affect their performance.

2.3   Application of E-Goverment

E-Government uses information technology by governmental agencies such as Wide Area Networks (WAN), Internet, and Mobile Computing [15]. It can build relationships with the public, private parties, and other governmental agencies.

2.4   Performance

Performance is the result of work in terms of quality and quantity achieved by an employee in carrying out his duties based on his responsibilities [1].

2.5   The Influence of Leadership Style on Performance Achievement

Leadership style is how a leader carries out his leadership functions and how he is seen by those whom they attempt to lead and by those who might look at him from the outside of the organization [17].

2.6   The Effect of Competency on Employee's Performance

Competency shows skills or knowledge characterized by professionalism in a particular field. It is considered the essential part, a.k.a, the field's flagship.

2.7   The Effect of Application of E-Government on Employee's Performance

The trust and role of information technology in measuring citizens' satisfaction with E-Government and citizen trust in the government.

Conceptual Framework and Hypothesis. Based on the literature review above, the conceptual framework can be formulated between free and bound variables, namely the influence of leadership style, employee competency, and the application of E-Government on employee performance.

Hypothesis. Hypotheses are the quick answer to the problem. In this case, we determined the hypothesis value based on the Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform of the Republic of Indonesia No.14 of 2017 About The Guidelines for The Preparation of Public Service Unit Public Service Satisfaction Surveys (Table 1).

The hypothesis proposed is as follows:
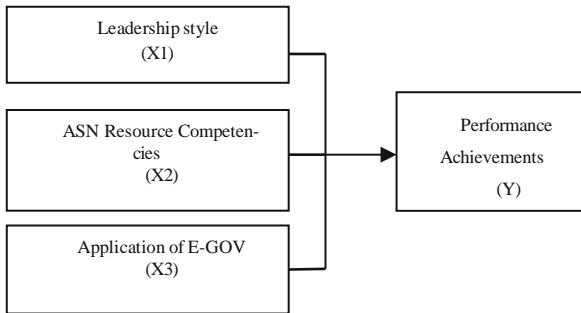
Fig. 1. Conceptual Framework.

Table 1. Elements of Community Satisfaction Survey

Not	Variables
1	Service Requirements
2	Systems, Mechanisms, Procedures
3	Service Time
4	Fees/Rates
5	Product Specification Type of Service
6	Competence of the Executor
7	Executor Behavior
8	Complaint Handling, Suggestions, and Input
9	Infrastructure

– Value 25.00–64.99 = Leadership Style, Government Employee's competency Application of E-Government has no positive and significant effect on the achievement of Government employee's performance
– Value 65.00–76.60 = Leadership Style, Government Employee's competency, Application of E-Government has a less positive and significant effect on the achievement of Government employee's performance.
– Value 76.61–88.30 = Leadership Style, Government Employee's competency, Application of E-Government has a positive and significant effect on the achievement of Government employee's performance.
– Value 88.31–100.00 = Leadership Style, Government Employee's competency, Application of E-Government has a very positive and significant effect on the achievement of Government employee's performance.

3 Research Methods

The population of this study is the 7,569 employees of the Tangerang City Government with a sample of 969 respondents selected based on the Slovin formula with fault tolerance (0.03). The data is collected through questionnaires, and the validity and reliability test of the questionnaire is run using IBM Statistics 26 for Windows (Table 2).

In addition, it is necessary to give an operational definition for this research. A working definition can be a tool for measuring a variable or the implementation instructions to measure a variable. Thus, the operation definition for this study can be seen in Table 3.

The validity and reliability test analyze the data in this study to measure the validity of the questionnaire and by IKM value of service units weighted by the average weight.

4 Result and Discussion

Based on the results of the data analysis done by SPPS for Windows version 26, the following results are obtained:

4.1 Validity and Reliability Test Results of the Leadership Style Questionnaire (X1)

From the results of the validity test, question item 1 (element 1), has a calculated r value of 0.894 while r table is 0.083 then 0.894 > 0.083, Similarly, question 2 (element 2),

Table 2. Slovin Formula for Calculating Sample Count

Formula	Description
$n = \dfrac{N}{1+(N \times e^2)}$	n = Number Of Samples
	N = Population
	e = Error Tolerance

has a calculated r value of 0.900 while r table is 0.083 then 0.900 > 0.083, Likewise question item 3 (element 3), has a calculated r value of 0.905 while r table is 0.083 then 0.905 > 0.083 and question item 4 (element 8), has a calculated r value of 0.895 while r table is 0.083 then 0.895 > 0.083 then it can be concluded that questions 1,2,3 and 4 are declared valid with two-star significance (**) or confidence level pointing to 1% significance.

From the results of the reliability test in Fig. 1, it can be conveyed that the leadership style variable (X1) is 0.841 > 0.60 of the 4 question items on the questionnaire given to the respondents; it can be concluded that from each indicator, the question is reliable or stable over time.

4.2 Validity and Reliability Test Results of the Employee's Competency Questionnaire (X2)

The results of the questionnaire validity test for the employee's competence from question item 1 (element 6) have a calculated r value of 0.942 while the table r is 0.083, then 0.942 > 0.083. Similarly, questions 2 (element 9) have a calculated r value of 0.940 while the table r is 0.083, then 0.940 > 0.083. It can be concluded that questions 1 and 2 are declared valid with two-two-star significance (two**) or show a level of confidence in the significance of 1%.

From the results of the reliability test, it can be conveyed that the Government employee's competency variable (X2) is 0.913 > 0.60 of the 2 question items on the questionnaire (questionnaire) given to the respondents; it can be concluded that from each indicator the question is reliable or stable over time.

4.3 Validity and Reliability Test Results of the E-Government Application Questionnaire (X3)

The results of the questionnaire validity test for the application of E-Government item 1 (element 4) have a calculated r value of 0.778 while the table r is 0.083, then 0.778 > 0.083. Similarly, question 2 (element 5), has a calculated r value of 0.947 while the table r is 0.083 then 0.947 > 0.083 and question 3 (unsure 7) has a calculated r value of 0.946 while r table is 0.083 0.946 > 0.083 then it can be concluded that questions 1.2 and 3 are declared valid with two-star significance (**) or indicate a confidence level in 1% significance.

From the results of the reliability test, it can be conveyed that the E-Government (X3) insertion variable is 0.921 > 0.60 of the 3 question items on the questionnaire (questionnaire) given to the respondents. It can be concluded that each question indicator is reliable or stable over time.

Table 3. Definition of Operational

No	Variable	Operational Definition
1	Leadership Style (X1)	An effective leadership style is a leadership style that can take advantage of the various potentials that exist around the organization so that effective results can be generated.
2	ASN Resource Competency (X2)	Work competency is the ability to carry out or perform a job or task based on skills and knowledge, and it is mainly supported by the attitude required at work. (Wibowo, 2007)
3	Application of E-Government (X3)	1. Content development 2. Competency-building training and development 3. Availability of communication infrastructure and information technology (connectivity) 4. Legal frameworks and tools (cyber laws); and 5. Interpublic linking (citizen interface)

4.4 The Results of the Score Calculation Are Based on the Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform of the Republic of Indonesia No.14 of 2017

There are three variables studied to determine their effect on the achievement of government employee performance, namely leadership style (X1), government employee's Competency (X2), and Application of E-Government (X3).

This questionnaire consists of 9 elements of questions that refer to the Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform of the Republic of Indonesia Number 14 of 2017 About The Guidelines for the Preparation of Public Satisfaction Surveys for Public Service Delivery Units. Nine elements of questions will represent the three variables tested. The relationship between the elements of the questionnaire question to variables can be seen in the Table 4.

Based on the analysis, the nine elements have good values, with a recapitulation of the average score of 3.42 or mouse results and an average index of 85.54. Then this means that the Leadership Style, Competency of the government employee, and the Application of E-Government affect The Performance of the Employees of the Tangerang City Government.

Table 4. Relationship Between the Elements of the Questionnaire Question to the Research Variables

No	Variable	Assessment Element	Rating Recapitulation			
			Respondent	Average Score	Index Results	Quality Aspect
1	Leaderships Style (X1)	**Terms of Service (U1)**		**3,47**	**86,87**	**B**
		Ease of requirements, services that are influenced by leadership style and its influence on the achievement of Tangerang City ASN performance	969	3,47	86,87	B
		System, Mechanism, Procedure (U2)		**3,41**	**85,24**	**B**
		Clarity of Systems, Mechanisms, Procedures that are influenced by leadership style and its influence on the achievement of ASN performance	969	3,41	85,24	B
		Service Time (U3)		**3,42**	**85,58**	**B**
		The quality of time given by the leadership and how the influence of work motivation on the achievement of ASN performance	969	3,42	85,58	B
		Handling of Complaints, Suggestions, and Feedback (U8)		**3,41**	**85,35**	**B**

Table 4. (*continued*)

No	Variable	Assessment Element	Rating Recapitulation			
			Respondent	Average Score	Index Results	Quality Aspect
		The influence of leadership style on the speed of Handling Complaints, Suggestions, and Feedback and its influence on the achievement of ASN performance	969	3,41	85,35	B
2	ASN Resource Competence (X2)	**Implementing Competence (U6)**		**3,40**	**85,06**	**B**
		The suitability of the significance of the influence of the competence of ASN Resources on the achievement of ASN performance	969	3,41	85,32	B
		Facilities and Infrastructure (U9)		**3,41**	**85,32**	**B**
		The relationship of renewability, security, facilities, and infrastructure to the competence of ASN Resources and their influence on the achievement of ASN performance	969	3,41	85,32	B

Table 4. (*continued*)

No	Variable	Assessment Element	Rating Recapitulation			
			Respondent	Average Score	Index Results	Quality Aspect
3	Application of E-Government (X3)	**Cost/Rate (U4)**		**3.44**	**85.94**	**B**
		The suitability of the significance of the influence of work motivation on the achievement of ASN performance without cost/tariff	969	3.44	85.94	B
		Product Specification Service Type (U5)		**3.40**	**85.06**	**B**
		Product suitability of Service Type Specifications on the significance of the effect of e-gov implementation on the achievement of ASN performance	969	3.40	85.06	B
		Implementing Behavior (U7)		**3.42**	**85.47**	**B**
		The significance of the influence of behavior on the implementation	969	3.42	85.47	B
TOTAL					**769.89**	
				3.42	**85.54**	B

5 Conclusion and Suggestion

5.1 Conclusion

1. Overall, from the assessment of the elements of the Influence of Leadership Style, Competency of Government Employee, and application of E-Government on the Performance of Employee in Tangerang City Government has a GOOD level of performance with an IKM of 3.42 or IKM conversion of 85.54 (Good Category).
2. From the results of the IKM, we can conclude that Leadership Style, Government Employee Competency, and Application of E-Government have a positive and significant effect on the Government Employee Performance

5.2 Suggestion

1. In applying E-Government, it is necessary to generate innovations that can encourage the performance of the government employee in Tangerang Municipality.
2. Government employee's competency is the most basic requirement besides the work's facilities and infrastructure that must be improved in terms of quality and quantity according to the needs of the local government. Last but not least, it is also necessary to carry out employee training.

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The Influence of Discipline, Motivation, and Leadership Style on the Performance of Employees of Perumda Tirta Benteng Tangerang City

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Abstract. This Study aims to determine and analyze the influence of work discipline, work motivation, and leadership style on the performance of Perumda Tirta Benteng Tangerang City employees. This research includes quantitative research because the Approach used for research proposals, processes, hypotheses, going to the field, data analysis, data conclusions to writing uses aspects of measurement, calculation, formulas, and numerical data certainty. The subjects of the Study were employees of Perumda Tirta Benteng Tangerang City. In this study, the population and sample were all Perumda Tirta Benteng Tangerang City employees, which amounted to 134. The data were analyzed using multiple linear regression formulas. The results showed that work discipline, Motivation, and leadership style did not significantly affect the performance of Perumda Tirta Benteng Tangerang City employees. Simultaneously, work discipline, work motivation, and leadership style have a significant effect on the performance of employees of Perumda Tirta Benteng Tangerang City. Through this design, it is hoped that it can be easier to trace and measure various indicators related to the studied variables.

Keywords: Discipline · Motivation · Leadership · Performance

1   Introduction

Changes in the direction of national development policies and the development of digital transformation today must be anticipated by all employees of Perumda Tirta Benteng Tangerang City correctly and quickly. Proper anticipation of all kinds of changes will give birth to a conducive climate because all Perumda Tirta Benteng Tangerang City employees can already be by the progress of the times. If this has been achieved, then the pace of development and development of Perumda Tirta Benteng Tangerang City will go well, and the goal of Perumda Tirta Benteng Tangerang City will be well achieved.

Based on this fact, Perumda Tirta Benteng Tangerang City has an enormous responsibility to foster and improve the performance of its employees. This company must be able to improve its employees' performance so that they can think about, plan and implement development by utilizing the existing potential.

One thing that needs to be noted is that Perumda Tirta Benteng Tangerang City's performance is much related to its employees' performance. In other words, the performance of Perumda Tirta Benteng Tangerang City can, of course, be improved by improving the performance of its employees well. It means that the performance of Perumda Tirta Benteng Tangerang City employees needs to be considered because it will be related to many of the company's overall performances. Based on the author's cursory observations, the improvement of the performance of employees of Perumda Tirta Benteng Tangerang City becomes significant and urgent to be implemented because:

a. A The level of discipline of employees has not shown the expected results.
b. The effectiveness of time in carrying out tasks is felt to be still lacking, and this can be seen from the fact that there are still employees who procrastinate work. The existing work accumulates and affects the quality of their work, ultimately hindering service to the service user.
c. Many employees still do not understand, understand and carry out their primary duties and functions.
d. A less conducive work climate where there is still ego and lack of cooperation between parts, lack of togetherness and familiarity between employees.

Today, the globalization of production and sales shows that the level of competition is getting higher, meaning more and more demands for improvement, reducing costs, increasing employee productivity, and doing better, cheaper things. For employees worldwide, the human resources function is crucial in helping companies achieve strategic goals [7].

2 Literature Review

2.1 Discipline

Alex S. Nitisemito (2006: 199) posits: "… Discipline is more appropriate if it is interpreted as an attitude, behavior, and actions that are by the company's regulations both written and unwritten"[1].

Then Moenir (2005: 181) gave the term discipline: "Discipline made to create conditions in an orderly, efficient and successful work environment through an appropriate regulatory system [2]."

Contrary to the description above, it can be argued that efforts to discipline employees are essential and substantial, so this needs to receive the serious attention of every organization leader. Therefore, the good factor is a mirror for all parties in an organization.

The factors that affect work discipline, namely as follows:

a. Basically, in terms of discipline, whatever the object is, there are 3 (three) factors that function to cultivate and further maintain the field: awareness, exemplary, and the existence of regulatory observance (law enforcement) [2].

b. From the overhead view, it can be stated that two factors affect implementing discipline: factors from within (internal) and outside (external). Internal factors are strongly influenced by the attitude of an employee's behavior which is a process of feeling (emotion) and thought processing (ratio) to what is seen, known, heard, or felt. According to the author, this depends on age, maturity, level of education, experience, satisfaction, economic conditions, beliefs, and others. Meanwhile, external factors depend on environmental conditions, culture/culture, moral rules, and norms that apply within the organization. External facto-factors are initially carried out with a feeling of compulsion, but over time it will become a habit because of the sense of awareness of each employee.

In any organization/company, what is desired is a type of discipline that arises from oneself based on willingness and awareness. Nevertheless, in reality, it always states that discipline is more due to outside coercion. Thus, if an organization wants to enforce discipline so that employees arrive on time, it should be sought for leaders to arrive on time. Especially the leaders who are directly in contact with employees. Based on such an example, it is hoped that employees will be more disciplined, not just afraid of punishment, but because they are reluctant or reluctant to their leaders who always come on time. It is time to establish a discipline in an organization, that is, to enter in time and instruct each head of the task force to come a quarter of an hour before starting work. This method turned out to have a positive effect on discipline. For this reason, the words "ing ngarso sing tulodo, ing madya mangun karso'.

2.2 Motivation

In leadership, work motivation is a source of driving closely related to work productivity and culture accompanied by work values in the organization. The leader must be able to encourage his members to carry out tasks, and it is necessary to master the ability to motivate.

The notion of motive and Motivation can be distinguished. Motive is an impulse in a person to do something, both in movement and speech. In comparison, Motivation is the follow-up of motives, namely actions or activities, whether in the form of address, actions, or behaviors in specific ways that a person does [4].

[16] 's thoughts on the human need for Motivation are a substantial contribution to the world of science. The theory of Motivation is rooted in needs arranged based on the priority of the forces of conditions that the human being has. [16] spoke of a situation where when the needs of the lower levels have been met, the human efBenteng to do something at a higher level is to meet higher requirements. In human life, Motivation can appear in two ways, namely:

1. Motivation arises because it is made, namely the activity to do something for others to motivate workers or employees.

2. Pure Motivation that arises in him are factors that encourage a person to do something which is an activity from within him is needed and can influence others to behave or move in the expected direction.

The relationship between the two methods above is very close so that it can form Motivation, namely the power to move people. Providing Motivation means making sure people move in the desired direction so that they want to do or move something. While the goal of Motivation is to achieve a sense of belonging to the plan by ensuring the wants and needs of the organization or individual are in balance and conformity. Motivation is a process or phenomenon that encourages the human being to act or do something in a certain way according to needs or goals [3]. In general, the definition and process of Motivation have several similarities that are characteristic of motivational symptoms, namely:

1. What forces drive a person's behavior? This concept is based on the repulsion of the synergistic influences of a person or individual, which encourages them to carry out certain activities or behaviors.
2. What directs and channels the behavior of the human being? This concept is oriented towards achieving one's goals; the behavior of individuals is controlled and channeled towards achieving specific goals.
3. How can the behavior be directed? This concept is based on a system consisting of the synergy contained in the individual human being, which exists in his environment and is the intensity of the impulse and directing the energy and synergy of the individual and can hinder/decrease the power of the Motivation contained in a person [4].

Motivating is a management process in which people's behavior is influenced based on knowledge of what causes people to do something [13]. It is said that Motivation is one of the crucial determinants for the display of employee performance because Motivation is a potential force that exists in a human being that can be developed by himself or developed by several outside pressures, which in essence range around monetary and nonmonetary rewards, which can affect his performance results positively or negatively, which depends on the situation and conditions faced by the person concerned [13].

Motivation in leadership dramatically affects the relationship between superiors and subordinates and other factors that affect the duties of a leader. One of its influences is a feeling of tranquillity, which creates harmonious relationships in the framework of achieving predetermined goals. Harmonious relations and good cooperation will give rise to forces that influence each other between leaders and subordinates, as well as between subordinates and peers, between leaders and higher leaders. The encouragement and strength from within a person can have a destructive impact on the organization's activities if not controlled by the knowledge possessed by someone, whether a leader or an employee; each party depends on others. What needs to be urgently sought is to create cooperation so that all of them work enthusiastically for the organization.

One of the functions of a leader is to direct the behavior of his subordinates to match the expectations of the leadership and staff in achieving goals. Steers [3] posits three elements of the motivational process that can be described as Fig. 1.

Expert opinions, such as Luthans [3], describe the process in Fig. 2.

Based on the two images, each element can be explained as follows:

1. Needs (needs) is a state of deficiency possessed by a person that arises due to physical and non-physical / psychic imbalances.

| The inner state of dise-quilibrium needs a desire for expectancy accompanied by anticipation. | → | *Behaviour of action* | → | *Incentive goals* |

Modification of Inner State
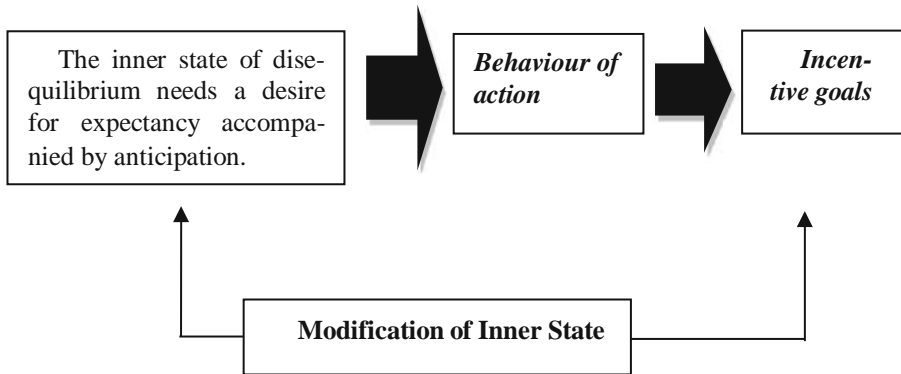
Fig. 1. The Three Elements of the Motivational Process That Exist in Man

| Needs (deprivation) | → | Drive (deprivation with direction) | → | Goals (reduction of drive) |

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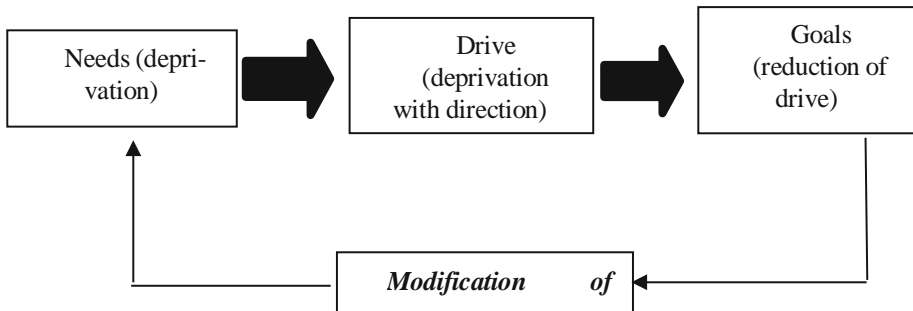
Fig. 2. Luthans Motivation Process

2. Drive (encouragement) is a state of deprivation that exists in man accompanied by the presence of direction. This impulse is oriented towards action to achieve the goal.
3. Goals are meant to meet needs and reduce the impulses that arise within a person. The achievement of goals will restore balance within a person.
4. Modification of needs is a process of feedback from Motivation. After the achievement of the goal, changes will reappear. Such is the process of continuing as long as man lives, for the need will always be present in every living human being.

Theoretically, the motivation process is simple and easy to understand, but human life is unpredictable and complex. It appears that human beings have various needs and expectations, both individual and group or organizational, but if you examine the source of their needs from individual humans.

2.3 Leadership

There are many limitations regarding leadership; in general, leadership is the nature of a leader in carrying out the role of a leader. In leadership, work motivation is a source of driving related to work productivity and culture accompanied by work values in the

organization. The leader must be able to encourage his members to carry out tasks, and it is necessary to master the ability to motivate.

If a person is appointed leader, then in himself it can be ensured to have the ability to lead. Leadership is the ability that exists in a leader to influence, mobilize, direct and motivate others to achieve his goals.

On this occasion, assessed that a good leader is a leader who is in line with the work system, environment, and interaction so that he can control his subordinates by following the goals that have been set [3].

On this side, what was stated by [8] regarding the effectiveness of the leader associated with his leadership style appears [8]. The theory he put forward is known as the theory of the three-dimensional leadership style. The theory of [8] regarding three-dimensional leadership style provides a complete picture of its application; not only is the practical and ineffective leadership style analyzed in theory but also provides the leadership style that exists between the two, namely the basic style that establishes how a leader behaves as measured by how much Task Orientation and Relationship Orientation (which is used in carrying out its duties). This is reinforced by opinion that the specific stimulus received by the leadership and the response to the trigger can be seen as effective and ineffective [12].

[8] raises four things regarding an effective leadership style:

a. Executive Leadership Style

   Namely, the leadership style tends to use the integration style in situations that want it to be so. A leader who applies this style is called a good motivator, uses appropriate participation, coordinates effectively, and uses the ability of teamwork in every decision-making.

b. Wise Autocrat Style

   It is a leadership style that tends to use bureaucracy in every situation that requires such behavior. Leaders with such a style pay great attention to the quality and quantity of their work, initiative, and energy, a solid commitment to results, and paying great attention to the cost sector used.

c. Coach Style

   It is a style of leadership that tends to use relationships in situations that require it. The leader will maintain good communication, deeply understand subordinates, provide practical support and cooperation in work, and trust subordinates.

d. Bureaucrat style

   This leader tends to use a different style in certain situations. Such leaders strictly obey the existing rules, are rational, have self-control and treat subordinates fairly.

Meanwhile, according to [8], ineffective leadership styles are:

a. Compromising style

It is a leadership model that tends to use a style of integration in situations that do not want to be so. This kind of leader overuses participation; his leadership is weak, untrustworthy, hesitant, and ambiguous in making decisions.

b. Autocratic Style

It is a leadership style that tends to use dedication in situations that do not want to be so. Such a leader model likes to criticize and threaten, demands obedience to his subordinates, one-way communication, and is feared but not liked by subordinates.

c. Missionary Style

It is a style that tends to use the relationship style in situations that do not want to be so. A well-behaved leader avoids conflicts, is playful, depends on subordinates, and pays little attention to work results.

d. Escape Style
e. Leader tends to use a different style in situations they do not want. They are leaders who work with minimal results and are often discouraged, avoiding involvement directly, being narrow-minded, and uncommunicative.

The other side of [8] also explained the basic style, which later developed into an effective leadership style, as follows:

a. Integrative style

It is an essential style with task orientation and relationship orientation above average, where the leader gains authority from the measured ideals and goals of the organization, integrates individuals with the organization, elevates participation with power that is not much different, and prioritizes common goals and responsibilities.

b. Dedication Style

It is an essential style with an above-average task orientation and relationship orientation, where the leader is aggressive and full of confidence, determines tasks and responsibilities individually, does not depend on subordinates, and uses punishments and rewards and supervision to implement work.

c. Relationship Style

it is an essential style with a task orientation and a below-average relationship orientation, where the leadership prioritizes the human factor, emphasizes the development of human resources, is silent and keeps a low profile, is friendly, and prioritizes a safe and relaxed atmosphere.

d. Separate Styles

It is a basic style with a task orientation and a below-average relationship orientation. The leader is conscientious in carrying out tasks, enjoys office work, sticks to the principles that apply, and is calm and straightforward.

Finally, the author concludes, based on the experts' opinions above, that leadership is a person's ability to influence, direct and motivate a person, group, or organization to be willing to follow and obey what has become a provision to achieve common goals.

2.4 Performance

Experts give many restrictions regarding performance terms. They all have somewhat different visions, but in principle, they agree that performance leads to an efBenteng to achieve better work performance.

[17] defines performance as formally defined as the quantity and quality of the achievement of tasks, whether performed by individuals, groups, or organizations. In contrast to the above opinion, Robbins (1994: 237) defines performance as measuring the results. It asks, "Did you get the job done ?"[6].

The performance appraisal system will work both when the formal objectives of the organization use performance appraisals consistent with the purposes of the assessment, including the appraiser and the assessee. According to [12] there are five popular performance appraisal criteria used with the definition of performance level:

1. Poor: Performance below minimum expectations and goals, as shown by comparing the results achieved during the assessment with the purposes set first.
2. Medium: The employee meets most of the minimum work expectations set for the individual.
3. Good: Satisfactory performance, having met essential requirements and achieving results that are considered reasonable and can be achieved by any employee with this length of service, experience, and training.
4. Excellent: Performance is above average, and achievements and results have exceeded expectations for a capable employee with the same work period, experience, and training.
5. Very Good: Excellent performance in all aspects. Usually through the expectations set for all and goals.

Performance evaluation measures work performance. The primary purpose of the evaluation is to inform the management to make decisions in formulating and implementing strategies [14]. It states that there are three main evaluation activities, including the following:

a. Research strategies formulation, whether the formulation of strategies is based on the results of internal and external environmental analysis or strategies formulated subjectively by top management.
b. Comparing work plans with (actual) performance
c. Making corrections for improved formulation and implementation [14].

From the various definitions put forward, it can be said that performance is an achievement achieved by a person in carrying out his tasks or work by the standards and work criteria established for the job.

According to experts, performance appraisals can be carried out by various parties, namely:

1. Immediate superior. The assessment of the immediate superior of his subordinates is the most widely implemented method in an organization. However, many organizations also feel that the review contains defects because direct seniors are reluctant to determine their subordinates' careers [5].
2. Co-workers. It is one of the most reliable sources of assessment data because the interaction causes colleagues to thoroughly know an employee's performance. Assessments from co-workers are often helpful for assessing the performance of professional employees such as nurses, lawyers, and professors [8, 9]. The weakness of these appraisers is that co-workers are unwilling to judge each other, and the results can be due to prejudice or friendly relations [5].
3. Yourself. Self-assessment tends to reduce the effectiveness of employees regarding the assessment process. The weakness of the way of self-assessment is that the results of a wildly exaggerated assessment and the effects of self-assessment with judgment by superiors are often unsuitable [5]. This assessment method is helpful as a part of performance counseling or feedback from superiors to subordinates, so it is more beneficial for development, not evaluative purposes [5, 8].
4. Direct subordinates. Evaluation of direct subsidiaries can provide precise and detailed information about a manager's behavior because the assessee has close contact with the assessee. The weakness of this way is the fear of subordinates towards retribution from the assessed superior [5].
5. 360-degree assessment. It is a comprehensive performance assessment from all directions so that an employee gets feedback from various sources, namely from direct superiors, colleagues, subordinates, self-assessment, and internal and external customers [8, 9].

The performance of employees in the Perumda Tirta Benteng Tangerang City environment is the extent of the employees' success in completing the work that has become their task by the established size. A job can be said to be successful if:
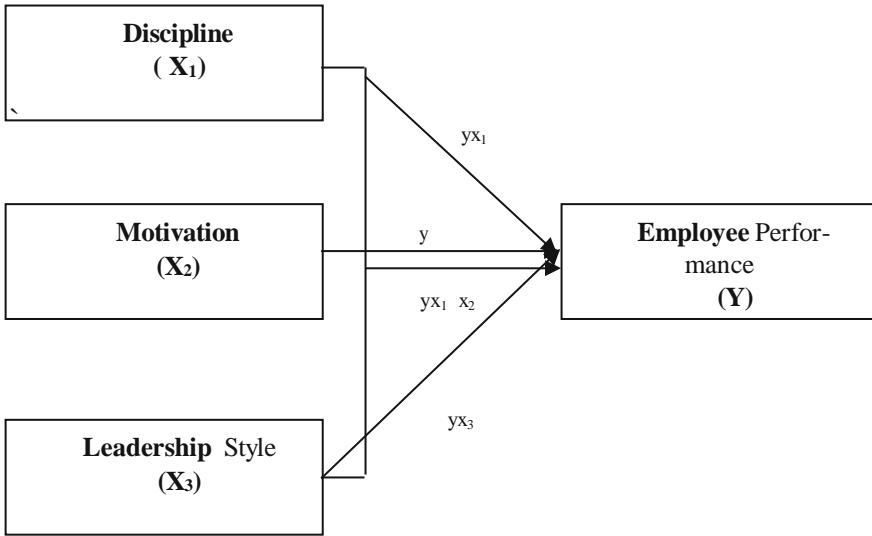
Fig. 3. The Thinking Framework Based on the Literature Review of the Four Research Variables

1. The result can be achieved according to a predetermined schedule
2. The available budget can be used optimally;
3. Achievement of goals by those that have been set;
4. There is solid and controlled teamwork;
5. There is a harmony of support from related parties

This means that the performance assessment does not only include measuring the results of employee work; it must also contain an overview of how employees perform their duties, as well as a comparison of the effects of these tasks with predetermined standards. From the various definitions stated above, the author concludes that performance is an achievement achieved by a person in carrying out his duties or work by following established standards and criteria.

2.5 Frame of Mind

Based on the literature review of the four research variables above, namely: Disciplinary Variables, Motivation variables, Leadership Style variables, and Employee Performance variables, the thinking framework used in this study can be described as Fig. 3.
'
Information:

– The magnitude of the influence of the variable x_1 on y
– The importance of the power of the variable x_2 on y
– The importance of the power of the variable x_3 on y
– The extent of the influence of variables x_1, x_2, and x_3 on y

2.6   Research Hypothesis

After studying the theoretical foundations and thinking framework as previously described, the hypotheses proposed in this Study are:

H_1: Discipline positively affects the performance of employees in Perumda Tirta Benteng Tangerang City.

H_2: Motivation positively affects the performance of employees in Perumda Tirta Benteng Tangerang City.

H_3: The leadership style positively affects the performance of employees, Perumda Tirta Benteng Tangerang City.

H_4:Discipline, Motivation, and leadership style simultaneously positively affect the performance of employees in Perumda Tirta Benteng Tangerang City.

3   Methodology

The design of this study is an analysis related to the purpose of the Study to determine the relationship of a variable to other variables, namely discipline, Motivation, and leadership style to employee performance at the Tirta Benteng Drinking Water Area Public Company, Tangerang City. Through this design, it is hoped that it can be easier to trace and measure various indicators related to the studied variables.

This type of research is explanatory research because this Study intends to explain the influence/relationship between free variables and bound variables.

The variables in the Study consisted of three free variables, namely discipline as a variable (X_1), Motivational a variable (X_2), Leadership Style as a variable (X_3), and one non-free variable, namely Employee Performance as a variable (Y).

This type of research will try to describe the actual situation in the field regarding a symptom or phenomenon based on statistically collected data so that a tendency is found based on the numbers used to describe the real problem.

This research is quantification research using the survey method, and this research will be used to analyze the research " The Influence of Discipline, Motivation and Leadership Style on the Performance of Employees Perumda Tirta Benteng Tangerang City. "

3.1   Population

The population is the whole subject of the Study [10]. In this study, what is meant by population is all employees who are officially registered with Perumda Tirta Benteng Tangerang City. The affordable population is a minimum of high school education. Based on the latest data obtained, the total number of employees is 160 people who have different traits or characteristics from each other. The Study's target population consisted of Managers, Assistant Managers, and Staff, as many as 134 people.

3.2   Sample

The sample is a portion or representative of the population studied [10]. Furthermore, posits that a model is a part of a population taken through specific means with specific, clear, and complete characteristics considered representative of the people [11].

The greater the number of samples approaching the population, the smaller the chance of generalization errors, and vice versa, the smaller the number of models staying away from the people, the greater the generalization errors [15].

In this study, the authors took a sample of all Perumda Tirta Benteng Tangerang City employees, namely 134.

3.3   Research Instruments

Research instruments are tools that researchers use in collecting data—research instruments used in research in the form of questionnaires. A questionnaire is several written questions used to obtain information from respondents [10].

The questionnaire is compiled and developed based on the description of the existing theory through question items regarding the characteristics of respondents and statements about the variables to be studied. To reveal the variables to be reviewed, the compiled questionnaire is adjusted to the research sub-variables and variable indicators that will be determined based on theoretical concepts so that the number of statements in the questionnaire is by the number of existing variables indicators.

To obtain data on competency, work motivation, and leadership styles through questionnaires using the Likert Scale.

3.4   Data Analysis Methods

Data analysis is used to determine whether or not there is an influence between free and non-free variables. Data analysis is an activity after data from all respondents or other data sources are collected.

Activities in data analysis are grouping data based on variables and types of respondents, tabulating data based on variables from all respondents, presenting data for each variable studied, doing to answer problem formulations, and conducting calculations testing hypotheses that have been carried out[10].

Research description and multiple linear regression methods were used to analyze the research problem.

4   Research Results

Testing the validity of instruments is used with the help of the Microsoft Excel 2007 program by utilizing the correlation formula Product Moment by Person [10]. To view the results of the validity test conducted, each variable with the help of Microsoft Excel 2007 with a significant level of 0.01 or r- table = 0.230. The validity test results of the variables discipline, Motivation, leadership style, and employee performance were carried out using the product moment correlation formula.

Based on the results of data processing, it is known that the values of the correlation coefficient for the validity test instrument of the disciplinary variable (X_1) obtained the number 0.275 – 0.669 or the average more significant than the r-table number 0.230, as many as 9 grains are said to be valid, and 1 grain is said to be invalid.

The values of the correlation coefficient from the results of the validity test for the motivation variable, then it is known that the importance of the correlation coefficient for the validity test instrument motivation variable (X_2), obtained the numbers 0.303 – 0.520 or an average more significant than the r-table number 0.230 and all instruments of 10 grains are said to be valid. The values of the correlation coefficient from the results of the validity test for the leadership style variable, it is known that the importance of the correlation coefficient for the leadership style variable instrument validity test (X_3), the numbers 0.363 – 0.539 or an average more significant than the r-table number 0.230, and all 10-item instruments are said to be valid.

The values of the correlation coefficient from the results of the validity test for employee performance variables, it can be seen that the importance of the correlation coefficient for the employee performance variable instrument validity test (Y) obtained the numbers 0.294 – 0.626 or an average more significant than the r-table number 0.230, as many as 7 grains are said to be valid. As many as three items are said to be invalid.

This reliability test is only carried out against valid items obtained through validity tests. Reliability or level of reliability, accuracy, and consistency is the ability of research instruments to collect data consistently from groups of individuals. Reliability testing was carried out with internal consistency with a split half technique which was analyzed by the Spearman-Brown formula [15].

Based on the processed questionnaire questions, the results were obtained that as many as nine disciplinary questionnaire questions were reliable with a significant 66.9%, the motivational questionnaire was dedicated with a significant 52%, the leadership style questionnaire was reliable with a significant 52.6%, the employee performance questionnaire is reliable with a significant 62.6%.

The average value of the variable variables of discipline, work Motivation, leadership style, and employee performance with a total of 134 respondents that the performance level of employees Perumda Tirta Benteng Tangerang City has an average score of 4.08 (High Category). Thus, it can be concluded that the performance of employees who work in Perumda Tirta Benteng Tangerang City is included in the high category.

The level of discipline in Perumda Tirta Benteng Tangerang City has an average score of 4.03 (High Category). Thus, it can be concluded that the field possessed by Perumda Tirta Benteng Tangerang City is included in the high category.

The motivation variable in Perumda Tirta Benteng Tangerang City has an average score of 4.06 (High Category). Thus, it can be concluded that the motivations possessed by Perumda Tirta Benteng Tangerang City are included in the strong category.

The variable leadership style in Perumda Tirta Benteng Tangerang City has an average score of 3.97 (High Category). Thus, it can be concluded that the leadership style of Perumda Tirta Benteng Tangerang City employees is included in the high category.

The author calculated a regression analysis to analyze the influence of discipline, Motivation, and leadership style on the performance of Perumda Tirta Benteng

Tangerang City. To analyze one-by-one free variables using simple regression analysis and three free variables simultaneously using multiple regression analysis.

The value of t in the t-student table with a free degree of 132 at a confidence level of 1 - = 99% or an error rate = 1% is 2.617. Since the absolute value of $t_{ha}t$ = 0.224 and the absolute value of t_b = 99.936 are more significant than the value of t-student (DB = 132, = 0.01) = 2.617. It can be concluded that both coefficients a and b are statistically significant at a confidence level of 99% or an error rate of 1%. This means showing an influence between discipline and employee performance and vice versa. a

The value of t in the t-student table with a complimentary degree of 132 at a confidence level of 1 - = 99% or an error rate = 1% is 2.617. Since the absolute value of $t_{ha}t$ = 0.4984 and the total value of t_b = 173.3198 are more significant than the value of t-student (DB = 132, = 0.01) = 2.617; it can be concluded that both coefficients a and b are statistically significant at a confidence level of 99% or an error rate of 1%. This means that it influences Motivation and employee performance and vice versa. a

The value of t in the t-student table with a free degree of 132 at a confidence level of 1- = 99% or an error rate = 1% is 2.617. Since the absolute value of $t_{ha}t$ = 0.548393 and the absolute value of t_b = 164.5403 are more significant than the value of t-student (DB = 132, = 0.01) = 2.617. It can be concluded that both coefficients a and b are statistically significant at a confidence level of 99% or an error rate of 1%. This means showing an influence between leadership style and employee performance and vice versa. a

The test results statistically show that the regression coefficient of motivation and leadership style is significant because the $_{calculated\ F\ is}$ more excellent than table F. While the coefficient of regression of discipline is insignificant because F_{counts} are smaller than the F of the $_{table}$. This shows that motivation and leadership style affect the performance of employees of drinking water companies and vice versa. Nevertheless, discipline does not affect employee performance; and the contrary, employee performance has no impact on the field in the company.

Furthermore, based on manual calculations with Doolittle logarithms, the regression equation of the Study is;

$$Y = 2.8255 + (-0.0500)\ X_1 + 0.0554\ X_2 + 0.9513\ X_3 \qquad (1)$$

Based on the regression equation above, it can be explained.

1. With a constant value (b_0) of 2.8255, it states that the employee performance value will remain at 2.8255 even though the variables of free Discipline, Motivation, and Leadership Style do not exist (0).
2. The value of b_1 is −0.0500, and this means that it shows that there is a negative and insignificant influence of the discipline variable on employee performance by −0.0500; if the value is negative, it means that if there is a decrease in the discipline of -0.0500, then employee performance will be reduced by −0.0500.
3. The value of b_2 of 0.0554 shows a positive and significant influence of Motivation on employee performance of 0.0554; if Motivation increases by 0.0554, then employee performance will also increase by the same amount, namely 0.0554.
4. The value of b_3 is 0.9513; this means that it shows a positive and significant influence of the leadership style variable on employee performance by -0.9513; if the leadership

style increases by 0.9513, then employee performance will also increase by the same amount, namely 0.9513.

Research regression equation $Y = 2.8255 + (-0-0500) X_1 + 0.0554 X_2 + 0.9513 X_3$, Explaining that a decrease in the discipline of -0.0500 will decrease the employee's employment rate by -0.0500 also vice versa motivation of 0.0554 will increase employee performance by 0.0554. An increase of 0.9513 in leadership style will increase employee performance by 0.9513, and increase leadership style variables by 0.9513 will improve the performance of Perumda Tirta Benteng Tangerang City.

5   Conclusion

Based on the analysis and discussion, it can be concluded that the magnitude of the influence of Discipline on Employee Work is not influential; based on the results of this study, it can be concluded that the research hypothesis states that the existence of discipline does not affect Employee Performance. The magnitude of the influence of Work Motivation on Employee Performance has a positive impact even though the level of relationship is low, and based on the results of this analysis; it can be concluded that the hypothesis of this Study states that the influence of work motivation on work motivation on employee performance is proven. The magnitude of the effect of Leadership Style on Employee Work is very close and high, based on this Study's results. It can be concluded that the research hypothesis that states the influence of Leadership Style on Employee Performance is proven. The contribution (contribution) of the value shows that discipline, work motivation, and leadership style are very influential on employee performance; other factors that are not included in the research concept can influence.

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Sustainable Mangrove Ecotourism Management Strategy in the Penta Helix Model (Literature Study) in Sorong City, West Papua Province

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Abstract. The Mangrove tourism area management strategy starts from environmental degradation and land use in the mangrove conservation forest of Sorong City which is closely related to irresponsible parties in responding to growing issues. The expected objectives are to analyze the role of stakeholders and community participation using the idea of Penta Helix with a literature study approach. The findings of this study show the mapping of stakeholder roles based on the Penta Helix Idea. Actors consisting of academics, researchers, government, media and communities have an important role to play in enforcing sustainable mangrove ecotourism management. State rules have shown inconsistency in their implementation, resulting in poor policy consequences and the private sector has only prepared more travel package offerings and has not been directly involved in the preservation of coastal areas. The research study advises the government to review binding rules and increase public participation in policies that have been made with the penta helix model. All made for the common good and the future.

Keywords: Penta helix model · sustainable ecotourism · mangrove tourism area in Sorong City · West Papua

1 Introduction

Indonesia is a country that holds the attraction of its natural beauty which makes Indonesia this condition very suitable for developing the tourism sector. One of the foundations of the Indonesian economy is that tourism is most ready to rise if the country is in a crisis phase. "This is what makes tourism can be said to be superior" [1].

Regional autonomy regulations provide freedom for each region to manage existing resources in the area, for example the development of natural resources and human resources [2]. Development planning can be started by identifying areas that will be used as tourism development sites. This is intended to improve the role and welfare of the wider community as well as the preparation of human resources who have competence in the field of tourism services.

Supporting continuous development plans and increasing understanding of global awareness of environmental importance, Indonesian tourism has also experienced a shift from mass-tourism oriented to environmental- and community-oriented. This is shown

by the increasing number of tourists visiting nature-based and cultural objects of the local population due to the saturation of tourists visiting artificial attractions. Based on the census of the Central Statistics Agency, Indonesia has 1,128 ethnic groups spread across a maritime country consisting of a series of about 17,000 islands. Indonesia's natural wealth, culture, and unique biodiversity have become a huge ecotourism capital. The shift in the concept of world tourism to ecotourism is a great opportunity for the State of Indonesia which has extraordinary potential [3].

The tourism sector isone of the most promising potentials to be managed and developed which is closely related to increasing funding related to a country's finances or economy, opening new jobs, and encouraging the development of an area [4].

In spurring economic growth in an area, one of the promising sectors to be developed is tourism as a strategic asset of an area that has natural resource potential. What makes tourism can be said to be influential if it is related to the opening of job opportunities for the community and concerns increasing local income and taxes. [5] Tourism development in each region is able to open up new opportunities, both in terms of employment, community economic activities through local community efforts to improve the community's economy. Areas that have tourism potential can revive the economic activities of their communities terms of employment, community economic activities through local community efforts to improve the community's economy. Areas that have tourism potential can revive the economic activities of their communities with the emergence of small and medium-sized enterprises that if developed can provide significant benefits for income [6].

The important role of policymakers in local governments must certainly support success in carrying out national tourism governance. Tourism progress needs to predict growth and development and its track record accompanied by it carrying capacity.

Good management can contribute to tourism development, considering that donations to the local area will spur growth with the existence of the tourist area.

The progress and development of tourism in the regions lie in the emphasis on development policies based on regional characteristics related to the utilization of the potential of human resources, institutions and physical resources locally.

One of the developments of tourist parks such as the Klawaru Mangrove Forest, East Sorong Regency, Sorong City really needs to get greater attention from the government by getting closer to the local community and involving them in managing mangrove forest tourism. The government needs to think about how this mangrove forest can attract local and foreign tourists while maintaining the sustainability of mangrove forests by conducting various trainings and guidance in developing the creativity of residents in managing mangrove forest tourism sites and maintaining their sustainability, such as providing directions for limiting mangrove logging, as well as understanding the importance of ecotourism for life (Fig. 1).

However, it can be said that the tourism object has not developed optimally, both related to development of mangrove tourism parks, namely the community there is less involved in its development because the government as a dynamic still needs to build cooperation with the community. The relationship of integrity of facilitators and motivators related to society is not well established.
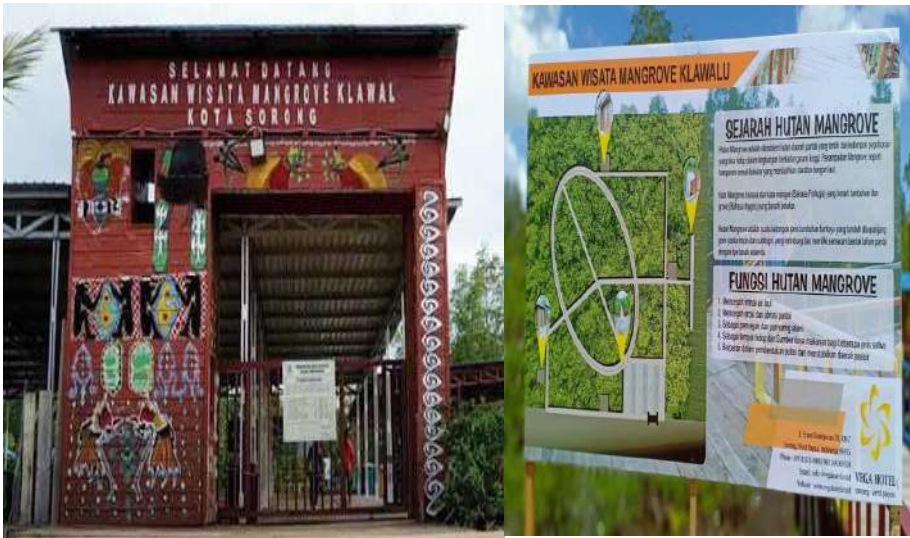
Fig. 1. The Klawalu Mangrove Tourism Area, Sorong City.

Synergy between the government and the community is needed as the holder of government power has a role as a facilitator and as mandate to develop facilities so that tourist can travel comfortably so as to create a good impression in tourism, by cooperating with the surrounding community and the community related to the development of the Klawaru Mangrove Forest tourist park destination, as well as being able to increase Regional Native Income (PAD).

This Research is follow-up research that has been written by Rahel Yuliana Yawan "with the title development of Mangrove Tourism Parks in Klawaru Village, East Sorong Regency, Sorong City, West Papua Province" [7]. The author tries to complement the research with different by using Penta Helix Model Literature Study in assessing community participation in developing Mangrove Tourism Parks in Sorong City.

1.1 Literature Review

Coorperation and Collaboration at Penta Helix, Collaborative governance, according to [8] "a collaboration process that is an element of dynamic interaction consisting of: first, principal attachment, that is, the process of some things such as face-to-face dialogue, or through technology. Interrelationships that form the unity of general principles in an achievement; second, shared motivation, namely uniformity of commitment in a process such as feeling interested and caring for the group and seeing the collaboration process as a process of legitimacy; and third, the capacity to take on shared roles that require planning and the resources necessary to support actions such as facilities, leadership", Another opinion was expressed according to [9] "Collaborative governance has four main variables consisting of initial conditions, institutional design, leadership, and collaborative processes". According to [10] "Most collaborative leadership emerges

Fig. 2. Penta Helix Scheme

from business groups and the public to address regulatory uncertainty. This is the result of a cultural mindset rather than a legalistic approach to doing business".

In the study [11] "states in its study that collaborative governance is used to create concepts that occur during adaptation interactions and how collective thinking can be channeled to be applied to organizational or group participation" (Fig. 2).

Sustainable Coastal Mangrove Forest Management Based on Penta Helix, The development of coastal areas of mangrove forest in a practical sustainable perspective can refer to a combination of principles of sustainable development in an area [12]. Argues that sustainable development has three main pillars/dimensions: economic, ecological, and social pillar. The foundations of the economy emphasize on increasing income based on the efficient use of resources. In the ecological proximity emphasizes the importance of protecting biodiversity that will contribute to the balance of the world's ecosystems. Meanwhile, the social approach emphasizes maintaining the stability of the socio-cultural system, including handling conflicts between generations and within a generation. Serageldin also explained that the sustainability of economic aspects includes economic growth, capital maintenance and efficient use of resources and capital. Ecological sustainability includes ecosystem integrity, carrying capacity, and protection of species diversity and natural resources. Meanwhile, the aspects of social sustainability include aspects of equity, empowerment, participation and institutions.

The penta helix model has become an important aspect needed to support sustainable development where the concept was originally developed from triple helix and quadruple helix. This theory is a refinement of many previous theories. Stakeholders in the management of coastal mangrove forest areas in Sorong City have collaboration as a joint action. This is in accordance with John-want to (2008) [13] theory which states

that collaborative processes involve various actors, individuals, and stakeholders working together to achieve their goals. The concept of penta helix involves a new actor, namely the mass media. Thus, these actors include the government, the business world, academia, non-governmental organizations, and the mass media.

To meet the challenges of multi-stakeholder needs, in accordance with [14], it is necessary to focus on addressing complex interparty problems through experimental research, and alternative policies in cities or regions. The Penta helix model is very suitable for answering multi-actor problems where stakeholders represent various interests in one location [8]. There are five stakeholder elements involved: Government, Private Sector, Academia, NGOs, and the Media, which can directly influence policy planning so that they can interact with each other. Sustainable coastal area management in the perspective of multi-stakeholder collaboration is shown by implementing integrated coastal area management policies that support three dimensions of sustainability, namely the economic, social, and ecological dimensions [15]. To answer the problems caused, a strategy is needed to produce sustainable use of mangrove ecosystems [16]. The strategy made must have a program that will be implemented with the aim of answering problems that occur in the mangrove ecosystem. The strategy can be seen in Table 1.

2 Method

The research approach used is qualitative. If youlook at the type, this research is categorized into types of literature research. The data in this study is secondary to sources from national scientific journals and international journals accessed both through crossrif, scopus, googel cholar, books, magazines and various sources that support this research. Especially for previous research data, the publication year is limited, namely the last 10 years or publications in 2010–2021. Dataderived from textbooks or literary books is not subject to restrictions on the year of publication. The data collection technique used is the documentation technique. In literacy studies and previous research, the main topic is the development of sustainable ecotourism based on community participation by collaborating penta helix. The method of analysis used is descriptive qualitative which is felt to be appropriate in making analogies and exploring the sustainability of the mangrove ecosystem in Sorong City, West Papua Province.

3 Result

Referring to the regulation of the regional government of West Papua Province [17] "About the Regional Spatial Plan of West Papua Province 2013–2033 and the Zoning Plan for the Regions and Small Islands of West Papua Province 2019–2039", becomes the basis for guidelines in management in realizing community welfare, with the issuance of local government regulations in [18] implementation of emphasis on city and district areas in carrying out coastal area governance, this is a confusion in the management system of coastal area management.

This situation affects the governance of coastal areas will have a direct impact on cities and districts as a basis for law enforcement in their respective regional areas.

Table 1. Mangrove Ecosystem Management Strategy

No.	Dimension	Attribute	Problem	Actor
1	Ecology	Mangrove forest	The destruction of mangrove land is caused by the high level of exploitation of mangrove wood.	Government
			Abrasion and changes in physical function	Community Government
2	Socio- economic	Education	The low level of education causes public knowledge about the function of the mangrove ecosystem to decrease	Government NGO
		Work	Limited job opportunities	Government NGO
		Community Understanding	Participation of local communities in rehabilitation activities is not optimal	Government NGO Community
		Economic Condition	Most of the conditions of the community around the mangrove ecosystem are still poor	Government
		Population growth	Population and economic growth trigger land conversion and damage to mangrove ecosystems	Government
3	Institutional	Land	Recognition of ownership of mangrove land	Government
		Rule	There is no PERDA that regulates the use of mangrove forests	Government
		Correlation	Coordination between relevant agencies in mangrove ecosystem governance has not been connected to one another.	Government NGO Community
		Data	Mangrove ecosystem data is not yet integrated	Government NGO Community

This condition can illustrate sectoral egos in stakeholders in making decisions in sustainable ecotourism environmental governance, this will cause confusion in community participation in ecotourism areas in mangrove forest areas.

It is hoped that in the implementation of penta helix collaboration in five elements as actors will be able to play a role in developing mangrove ecotourism.

3.1 Coorperation and Collaborative Governance to Create Ecotourism Fo Sustainable Mangrove Forest Areas

Governance in sustainable mangrove ecosystems when viewed from the point of view of simultaneous cooperation and collaboration is characterized by integrated implications seen in the social, economic and ecological dimensions, which are characterized in governance policies in coastal areas in an integrated and sustainable manner.

3.2 Government

In the book implementation of Regional Autonomy [19]. "the Republic of Indonesia as a unitary state adheres to the principle of decentralization in the implementation of government, by providing opportunities and flexibility to regions to implement regional autonomy". Decentralization is delegation of authority from the central government to regional heads whose implementation is limited to cities and districts, limited authority which includes powers that are not or have not been exercised by the city/regency area. The stakeholders who are charged are the government, namely the regional head of west papua province is the governor, and the ranks include the community tourism office, the industry and trade office, the planning and development agency, the health office, the social and manpower office, the central statistical agency.

The government's function is to overcome in ecological measure the government's task in overcoming the damage to mangrove land due to the high level of exploitation of mangrove wood. According to the studies conducted. In research [20], Research shows that the mangrove forest area in Desa Gamlamo experienced significant changes in 2012 the mangrove forest area has an area of about 40 ha, but there was a change until 2019 the area of mangrove forest left 13.67 ha of which 26.33 ha was lost. This is due to the opening of shrimp ponds in the mangrove area, the expansion of settlements, excessive taking of firewood and the creation of household waste disposal by residents around the mangrove area. Management strategies carried out (1) Empowering coastal communities, both directly and indirectly involved in mangrove ecosystem management. (2) Development of alternative livelihoods. (3) Increase awareness and responsibility of coastal area communities and officials in the management of mangrove ecosystem resources.

The function of the government in overcoming abrasion and changes in the physical function of mangrove land studies conducted by [21], "the results of his research The effectiveness of BPBD's performance in tackling abrasion on the coast of the Talaud Islands Regency has been running well so that BPBD's performance is considered quite effective, this situation can be seen from the achievement of the abrasion prevention program by building a communication network from BPBD with the District/Kelurahan as well as with the community". Management policy schemes carried out (1) Restore

the function of mangroves to prevent abrasion by planting mangrove in coastal areas (2) Create wave barriers for critical areas adjacent to residential areas and government infrastructure.

The role of the government is the low level of education, causing public knowledge about the functioning of mangrove ecosystems to decrease. In research [22]. The results showed that mangrove conservation efforts in Timbul Sloko village were well understood by respondents with a score of 3; whose activities include mangrove maintenance, preparation of mangrove management activity plans and willingness to use land for mangrove planting and reforestation. The relationship between participation and conservation efforts is not very close, where the values of r and R^2 for fishermen are −0.310 and 9.61%; for the self-employed by −0.247 and 6.101%; and 0.005 and 0.003% for farmers. This is due to the lack of knowledge, low level of education and lack of public awareness in maintaining the natural environment and participating in activities organized by management groups. Government management strategy with NGOs. (1) Socialize to the community about the function of mangrove forests and the impacts that can be caused if the mangrove ecosystem is good or if the mangrove ecosystem is damaged. (2) Create a simple reading house that collects all information about the mangrove ecosystem and photos that contain the impact of damage or goodness produced if the mangrove ecosystem area is managed properly. (3) Increase the number and quality of diverse human resources within the institution through formal and informal recruitment, training, and education.

The function of the government in limited employment opportunities, in research [23], "The results of the study show that in the development and management of mangrove forest tourism, the government prioritizes community involvement in tourism activities by taking advantage of existing opportunities such as the establishment of cooperation between the Tourism Office and the Community in managing Mangrove Forest (Lantebung) tourism objects using a business sector approach, the non- business sector, and the government sector."This tourism development is an event to improve the community's economy, so as to create a tourism industry that involves the community in managing and developing Mangrove Forest tourism. Government and NGO management strategies carried out Provide training so that communities can make something that can increase income for both individuals and families so that they do not only depend on the use of wood and corals in mangrove ecosystems.

The government's function in understanding the participation of the community and local communities in rehabilitation activities has not been optimal, according to [24]. "The results of the research on the condition of mangrove forests on Panjang Island, Serang Regency are currently in an alarming condition, many of them have died and are in poor condition, this situation has resulted in Panjang Island often being exposed to abrasion and tidal floods that enter residential areas. The cause of this condition is the logging of mangrove forests by the surrounding community. That the lack of community empathy for mangrove forests in the area is due to the need for mangrove wood and the mindset about the benefits of mangroves". The author sees that this problem requires a breakthrough in the community in order to have a sense of belonging to mangroves and want to continue to maintain the preservation of the existence of mangroves in their environment. The breakthrough is in the form of providing incentives for communities

that conserve mangroves. Mangrove conservation provisions have been regulated by positive laws, including in Regional Regulations in Serang Regency, however, Serang Regency has not implemented regulations or provisions regarding the provision of mangrove conservation incentives so that people tend to see that in general mangroves do not provide benefits for them. The management strategy is carried out. (1) Joint mangrove planting activities between the government, the community, NGOs and private agencies. (2) Joint monitoring of mangrove ecosystem areas between the government, communities and NGOs. (3) Increase community participation in activities related to mangrove ecosystem management efforts.

The role of the government in economic conditions Most of the conditions of the communities around the mangrove ecosystem are still poor, according to research Some households living close to mangrove forests in Sidodadi Village (45%) are still classified as poor [25]. Poverty is not affected by age, type of work, health, ethnicity/ethnicity and housing conditions. The characteristics of households that affect poverty in Sidodadi Village are education, income, the number of working family members and housing facilities. Households do not have many alternative sources of income due to the low knowledge of the community about the use of non-timber forest products from mangrove forests. Strategies carried out by managers: Conducting training to the community to make food products that can be produced from raw materials obtained from mangrove forests.

The role of the government in population and economic growth triggers land transformation and damage to mangrove ecosystems, according to research [26] "The findings of this study identify that population growth and the degree of land productivity play an important role in accelerating the transformation of urban land functions in the Marisa City area, Pohuwato Regency". This effort is made by the manager. (1) Restrict or prohibit the clearing of mangrove land to be used as residential land (2) Guide development carried out without the approval of the relevant government.

The government's function in the recognition of the institutional ownership of mangrove land has become a conflict in the community, according to the community's ignorance of [27] "on Basic Regulations on Agrarian Principles" and [28], "on the Management of Coastal Areas and Small Islands", resulting in consequences for unfounded land ownership and land use that damages the environment". Research [29]. "The space of the coastal region is the territorial space between the land space and the ocean bordering each other". Based on the carrying capacity and capacity of renewal (assimilative capacity), as well as the suitability of its use, coastal areas and mangrove forests are targeted for natural resource exploitation and environmental pollution due to development demands that tend to focus more on the economic sector. The more economic benefits/benefits obtained, the heavier the burden of environmental/ecological damage it causes. And vice versa, if there are fewer economic benefits/benefits, the less environmental damage it will cause. Strategy carried out by the manager: Make a map of the mangrove area and its distribution according to its designation.

The role of the government in making regional regulations that regulate the use of mangrove forests. Written research [30]. The support from the manager is highly expected by various interrelated parties to provide expertise and attention so that the sustainability of ecotourism in West Oesapa Village can run according to dreams. The

strategy carried out by the manager is. (1) Make local regulations governing the use of mangrove wood in infrastructure and industrial development. (2) Increase the effectiveness of law enforcement on various activities that result in the degradation of mangrove ecosystems. (3) Disseminate information on laws and regulations related to mangrove ecosystem management efforts.

The role of government in coordination between relevant institutions in the governance of mangrove organic communities has not been synergistic. In research [31] "The research findings show that the sustainability index value of all dimensions of 63.5% is included in the continuation category, meaning that there must be management, care and preservation of mangrove forests, so that these values can survive or even increase. (1) from the ecological dimension by conserving mangrove ecosystems including monitoring, maintaining and increasing mangrove diversity". (2) from the economic dimension is to optimize and develop the potential of mangrove resources, including utilizing existing natural resources and expanding accessibility to mangrove locations. (3) from the social dimension, namely increasing community participation, including increasing counseling about the benefits of mangroves and actively involving the community in mangrove care. (4) from the economic dimension is to optimize and develop the potential of mangrove resources, including improving coordination between the government, community institutions and the community and establishing a special group of mangrove supervisors". The efforts made to manage the management strategy are. (1) create community groups in monitoring mangrove ecosystems. (2) The provision of mangrove ecosystem governance budgets in state and local budgets and non-binding funds. (3) Pursue non-binding sources of foreign funds.

The role of government in integrating mangrove ecosystem data, according to research [32]. "Based on the results of the study, the community's point of view on the implementation of the mangrove ecotourism CSR program is very supportive because from one side mangroves have a variety of benefits, especially areas adjacent to the company are very suitable for mangrove breeding in order to prevent and naturally handle activities business entities. as a protector of beaches and abrasion on the other hand can function as a mangrove ecotourism area, so that the community responds positively in running and managing this mangrove forest area, especially in its implementation to get special assistance from the company through its own CSR program worth 80 million both in physical and non-physical forms. As for community participation, starting from participation in planning, participation in implementation, participation in the utilization of results, and participation in evaluation. Management strategies carried out (1) Provide financial assistance to relevant agencies for the ecological data collection process. (2) Provide financial support to any student or NGO who wants to conduct research on mangrove ecosystem areas.

3.3 Private Sector

According to, page 164 [33] "The actors involved in every domain of government, namely the state, the informal sector involves private business entities involving political institutions as well as public institutions. Social interactions accurs in society both as a group and individually both in organizations and not in economic, social and political environments with formal and informal rules.

According to [34] "The research findings on the role of the community in tourism promotion in Singkawang City can be identified as follows: 1) managing tourist attractions; 2) managing information media; 3) creating and maintaining a conducive social climate; and 4) promoting through social media. To maximize the role of the community, it is hoped that the government will be more proactive in embracing activists and the general public involved in promoting tourism in Singkawang City".

The tourism business sector is strongly influenced by the role of social media in promoting tourist destinations, this can certainly be felt by local people who do business can benefit. Local products that will be offered from tourist objects from the transportation sector (tour & travel, airline ticket providers, vehicle rental / transportation providers), travel guides can provide job opportunities for the surrounding community, and the community can offer culinary businesses, cendarmata, as well as lodging houses and accommodation desired by tourists. In Sorong City there are businesses related to tourism including Raja Empat, PT Kuwera Jaya Tour & Travel, Farinda Inn & Travel, Anak Papua Tour Raja Ampat, Tour & Travel, People's Harbor Pier, People's Harbor Pier, Nadiva Travel Umrah, raja Ampat Conversation and Tourism Center, Oasis Raja Ampat.com.

3.4 Civil Society

There is a definition of civil society that emphasizes space, namely the existence of individuals and groups in society who can interact with each other with the spirit of tolerance. Ideally, the interweaving between people as citizens is synergistic, collaborative, and participatory. Based on the principles of freedom, justice and equal rights. In discussing the model of NGO relations with the Government, James V. Ryker in, p:208 [35].

The role of society in assisting the government in overcoming abrasion and changes in physical functioning in research [36]. The research findings show that the interactions that occur in the community are intertwined in the governance of coastal areas that occur in the city of Semarang more effectively and efficiently which are carried out every day by community groups in making nurseries and also planting mangroves and making breakwaters (APO) for the daily needs of the community. Other researchers [37]:The findings of this research plan say that the function of the community and government policies in mangrove conservation in dealing with the prevention of tidal waves and banjr, including providing information, community participation is an effort to maintain mangrove coastal areas in tourist attractions, this is shown by planting mangrove seedlings directly in the ground or they use this collaboration gabion technique is shown directly by community participation in governance. Mangrove ecosystems and improving the welfare of local communities and efforts to prevent natural disasters that occur".

Research on local community efforts in rehabilitation activities has not been optimal, conducted by [38] "Mangrove planting activities carried out in the planting event received the support of community residents very supportive of this activity seen along the shoreline which occurred abrasion after planting looks good on the coast and in accordance with the plan according to this activity plan".

In carrying out rehabilitation activities, training and assistance are needed in accordance with [39] The findings show that efforts to manage production forest areas in Maros Regency in developing the potential of mangrove forest resources that are of economic value and sustainable and of economic value with environmentally friendly aquaculture and fisheries programs. The function and role of NGOs in mangrove governance is to provide an understanding of community awareness and provide knowledge of fishermen and farmer groups on a home industry scale counseling and training made by NGOs is crab cultivation and assistance for women farmers/fishermen in utilizing natural resources from mangrove forests.

The research was conducted by [40]. "The findings obtained that Eat Mayang Village carries out coastal economic empowerment through the use of mangrove crab cultivation by creating ponds in mangrove forest areas by conducting training by the government the use is very appropriate for mud crabs adapted to mangrove crab habitat so that a crab cultivation group is formed as a form of government efforts.

Another study conducted [41]. "Tourism involves the community and local wisdom five governance strategies related to zoning in waste management in reducing pollution and conducting environmental counseling education for the community as well as the carrying capacity and carrying capacity for the community carried out in Bali. For this effort requires funds in the mangrove area".

Community efforts in consolidating mangrove ecosystem data have not received community support in research [42]. "Governance findings on mangrove forestresource management and determination of conservation, rehabilitation, cultivation zones so that mangrove forest areas and their resources can be maintained and sustainable. Destruction of coastal mangrove forests. In developing the conversion of mangrove forests into cultivated areas and hit by large waves in Pinrang Regency and Suppa Regency. Communities along the coast will play an active role in the management of mangrove forest areas, starting from the monitoring planning stage, to the stage of maintaining and preserving mangrove forest resources. Mangrove forest resource management has not involved many coastal communities so far, especially at the planning stage and up to the maintenance stage and the community wants to form a farmer/fishermen group.

3.5   Non-Governmental Organizations (NGOs)

Nongovernmental Organizations (NGOs) have an important position in the social life of civil society that is strong and has a function in fighting for the rights of people who have not yet been conveyed. Nongovernmental Organizations (NGOs) are established by individuals or groups on a voluntary basis whose basic purpose is to support and promote the public interest without seeking financial gain. Nongovernmental Organizations (NGOs) are legal institutions and work independently without relying on the government [43].

The function of LSM the lowest level of education causes people's knowledge about the function of mangrove ecosystems to decrease. According to research [44] The results showed that the district government's policies did not work well and effectively, when entrepreneurs were able to turn mangroves into intensive shrimp ponds. NGOs and communities are trying to gather strength to prevent the conversion of the remaining mangroves, but they are not strong enough to confront entrepreneurs' access. Therefore,

it is necessary to develop a wider network through collaboration in order to encourage district government policies that are more in favor of sustainable mangrove management. Management strategies carried out, (1) Socializing to the community about the function of mangrove forests and the impacts that can be caused if the mangrove ecosystem is good or if the mangrove ecosystem is damaged (2) Create a simple reading house that collects all information about the mangrove ecosystem and photos containing the impact of damage or beauty produced if the mangrove ecosystem area is managed properly.

The role of NGOs in the participation of local communities in rehabilitation activities has not been optimal, according to research [45]. Hasil research in carrying out rehabilitation the main actors are sustainable coastal farmer groups in planning as facilitators and key information for stakeholders in connecting roles and individuals and presenting in understandable fromat so that sustainable community participation is needed and government policies are needed to support mangrove management and rehabilitation to be sustainable. Management strategyefforts made (1). Joint mangrove planting activities between the government, the community, NGOs and private agencies. (2) Joint supervision of mangrove ecosystem areas between the government, communities and NGOs. (3) Increase community participation in activities related to mangrove ecosystem management efforts.

The role of NGOs in coordination between relevant institutions in mangrove ecosystem management has not been synergistic, according to research [46], "Research findings suggest that the role of NGOs and Research Institutions needs to increase their role from Crowd to Context Setter which has a great influence in policy making. In order for mangroves to continue, it is necessary to improve the function of the community which was originally only a subject to become a key actor through community empowerment activities. It is necessary to form a coordination group of key actors, namely parties who have authority in mangrove management have not made an integrated plan for mangrove forest management as a result of the lack of synergy in the activities carried out by the manager. Efforts and strategies for Mangrove Ecosystem Management at the provincial and city/district levels to synchronize mangrove ecosystem management policies and activities. Empowerment activities need to be carried out seriously to encourage changes in the role of mangrove management, the achievement is: looking for non-binding sources of foreign funds.

The function of NGOs in mangrove ecosystem data that are not integrated, research conducted [47]. "The research findings are that there are four non-governmental organizations that are the focus of the fisheries sector, namely the Coastal and Marine Environmental Management NGO (MLPK), the Wahana Lestari NGO, the Main Indian Ocean NGO, and the DPC HNSI Central Tapanuli NGO. Non- Governmental Organizations conduct fisheries training activities specifically for fishermen, fishermen's wives, communities, and educated groups. Non-Governmental Organizations' funding sources come from power agencies, donors, and cooperation or contract ties. The role of Fisheries Non-Governmental Organizations in fisheries activities is as initiators, facilitators, supervisors, mentors and instructors".

3.6 Academicians

In research [48]. "Countries are currently strategically pursuing regional development and economic diversification to compete in the world market. Higher Education Institutions (HEIs) are at the heart of this political strategy. The objectives of HEIs can promote regional socio-economic growth and development through research innovation and entrepreneurship".

The actor actor is the University of Muhammadiyah Sorong is one of the private universities besides that, Victory University and Bukit Olive High School, etc. In realizing the implementation of the tri dharma of university universities and in line with sustainable development, one of them focuses on improving nature and sustainable environmental management. This situation is in line with the Cooperation and collaboration between institutions at the conference in Rio de Janeiro whose achievements galvanized the commitment of higher education institutions to teach and encourage research on sustainable development, greening campuses and supporting local efforts [49].

One of the community services [50] "This community service is to provide understanding to coastal communities in the Kbalinain Village area, Aimas District, Sorong Regency who are directly involved in the use of mangrove ecosystems and efforts to conserve mangrove ecosystems through awareness of coastal communities". Other research, [51] "Applied remote sensing findings, which are used to identify, model, and predict land changes that occur in the Sorong City area, with ArcGIS 10.8 software used for spatial processing and analysis and TERRSET 2020 to predict regional development". [52] tangible evidence of the existence of academia.

3.7 Media

The press is a social institution and a vehicle for mass communication that carries out journalistic activities including seeking, obtaining, possessing, storing processing and conveying information both in the form of writing, sound, images and data and graphics as well as in other forms using print media, electronic media and all types of available channels [53]. Acts as social control and is also the implementation of real meaning in supporting democracy in which elements of social supervision, social support and social responsibility are contained in supporting journalistic activities. Local media that exist and carry out their activities in Sorong City, which always reports on tourism media and its development, for example Radar Sorong, Fajar Papua Publik Daily, Suara Papua, Cendrawasih Pos, Tabloid Jubi, Radio Dian Mandiri, Coastal Radio Station, etc.

In penta helix, pern media is needed as a means of voicing various aspirations with the aim of being a tool for monitoring the policies made by both the central and regional governments in relation to community activities in advancing the mangrove tourism area of Sorong City, cooperation, training, and the formation of tourism management groups. In this perspective, journalism is required to provide accurate and accountable information.

Pentahelix cooperation in tourism development in Sorong City can be described in Fig. 3.
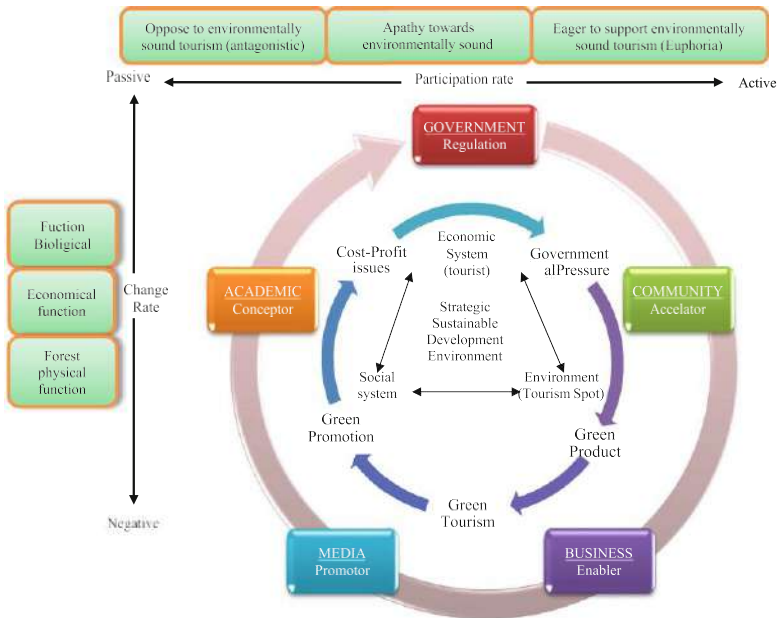
Fig. 3. Penta Helix Collaboration in Community-Based Tourism Development

4 Discussion

Based on previous research developed by the main author, he found obstacles to the development of this mangrove tourism area where the facilities owned by the government in an effort to develop this tourist area are still relatively few or inadequate so that the development process is also hampered. In addition, the level of awareness possessed by the communities around mangrove forests is very low and is classified as indifferent to environmental conservation, so it has been found several times that mangrove forests are not beautiful or damaged due to people who do not care.

5 Conclusion

It can be concluded that cooperation and collaboration can be well established by conducting better and coordinated communication among stakeholders in carrying out mangrove ecotourism governance, by not looking at the differences in contributions and functions in the mangrove forest area or area in Sorong City, West Papua Province. It is hoped that this pentahelix model can unravel the various problems that have occurred so far and provide solutions for stacholders in making wise decisions by looking at various elements of interest with the aim of prospering the community in West Papua Province, especially Sorong City.

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The Effect of Leadership Style and Motivation on the Performance of Medical Staff in Buton Regency General Hospital

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Abstract. Managing medical staff in remote and underdeveloped area is a challenge. Small budget and limited skilled medical labor are some of the contributing factors. In order to manage these challenges, this research aims to find out the extent of leadership style and motivation effect on the performance of medical staff in Buton Regency General Hospital. The research used quantitative approach. The population was medical staff (doctors and nurses) in Buton Regency General Hospital. The data was collected through observation, documentation and questionnaire. The sampling process used saturation sampling. Data processing and analysis were completed using version 21 of SPSS (Statistical Product and Service Solution). The results showed that (1) there was a positive and not significant influence of leadership style on performance of medical staff and (2) there was a positive and significant influence of motivation on performance of medical staff. The leader is suggested to maintain his leadership style and motivation towards his staffs since it gives a positive influence on his staff performance.

Keywords: Leadership Style · Motivation · Medical Staff Performance

1   Introduction

The success of an organization to achieve its goals is determined from the performance of the staff because staff performance is an important factor in running an organization. If the staff performance is high, the organization must be in the good position. Otherwise, if the staff performance is low, the organization must be in a crisis. According to [1], performance is the result of work in terms of quality and quantity achieved by the employee in carrying out their job based on the responsibility given to them [1].

One factor that influences performance is leadership style. Organization leader plays an important role in improving employee performance. Leadership is the ability to influence other people, subordinate or group, to guide subordinate or group behavior, to have a specific ability in the field his/her group desired hence they can achieve their goals [2]. According to [3], leadership style is a specific approach used by a leader to interact with his/her subordinate [3].

Another factor that influences performance is motivation. Motivation is an important thing that drives employee to give their best performance. Motivation stimulates from

Table 1. Top 10 Most Found Diseases in Buton Regency

No	Disease Name	Number of Cases		
		2015	2016	2017
1	Acute Respiratory Infection (AIR)	18.335	19.801	14.661
2	Peptic Ulcer	3.673	1.219	–
3	Disease of muscular and binding tissue system	3.277	4.960	–
4	Skin allergy	3.125	1.461	–
5	High blood pressure	2.601	4.524	4.494
6	Diarrhea	2.269	1.930	1.971
7	Skin infection	2.026	3.103	–
8	Febris	1.670	1.195	–
9	Dyspepsia	1.372	2.084	1.837
10	Velnus	1.333	830	22.763
Total		39.681	41.110	45.526

Source: Statistics Agency of Buton in 2018

Table 2. Number of Medical Specialist, General Practitioners, and Dentist

No	Type of Doctor	Number of Doctor		
		2015	2016	2017
1	Medical Specialist	4	7	2
2	General Practitioners	7	5	11
3	Dentist	2	2	2

Source: Statistics Agency of Buton in 2018

inside and outside of human being. This stimulation will drive someone to pursue a specific activity [4].

Buton Regency General Hospital is a general hospital prepared by the government of Buton Regency to serve the community in the field of health. This is also the only hospital located in Buton Regency thus the hospital becomes the only support for community health recovery process. Even though the hospital only ranks C, public still put high hopes to this hospital so that it can give the best services.

Based on Table 1 of most found disease in Buton Regency, in three years, number of patients in Buton increased. Even though the number of patients in one disease decreased, there were a significant raise of patients in other diseases. It was only number for the top 10 of most found disease in the regency; other cases had not been mentioned yet.

Table 2 shows number of doctors in Buton Regency General Hospital. Number of medical specialists in 2017 according to the data from the statistics agency was only 2 while in the previous year there were 7 and there were only 4 in the 2015. Numbers of

Table 3. Number of Medical Staff and Facility of Buton Regency General Hospital in 2018

No	Name	Total
1	Medical Specialist	6 persons
2	General Practitioners	4 persons
3	Dentist	2 persons
4	Specialist Dentist	0
4	Pharmacy	5 persons
5	Nurse	35 persons
6	Bed	65 bed

Source: Ministry of Health of the Republic of Indonesia 2018

Table 4. The Requirement for Medical Staff in Buton Regency Geberal Hospital

No	Name	Requirement	Available
1	Medical Specialist	10	6
2	General Practitioners	9	4
3	Dentist	2	2
4	Specialist Dentist	1	0
5	Nurse	44	35
6	Pharmacy	8	5

Source: Ministry of Health of the Republic of Indonesia 201

general practitioners in 2015 were 7, decreased to 5 in 2016, and became 11 in 2017. Lastly, the numbers of dentist from 2015 to 2017 were still 2 (Table 3).

The Regulation of Minister of Health of the Republic of Indonesia Number 56 of 2014 about Hospital Classification and Licensing chapter V article 43 paragraph 2 says that medical staff of grade C general hospital consists of at least 9 general practitioners, 2 dentist, 2 medical specialist for basic medical service, 1 medical specialist for development specialist medical service, and 1 specialist dentist. Article 43 paragraph 3 says that the pharmaceutical staff at least consists of 1 pharmacist as the head of pharmacy department, 2 pharmacists for inpatient care and at least helped 4 pharmaceutical technical staffs, 4 pharmacists for inpatient care and helped by 8 pharmaceutical technical staffs, and 1 pharmacist as reception coordinator. Article 44 says that the nursing staff is calculated with the ratio of 2 nurses to 3 beds.

Referring to the latest data of medical staff in Buton Regency General Hospital in 2018 and the Minister of Health Regulation Number 56 of 2014, the number of medical staff does not meet the minimal qualification suggested by the ministry of health regulation.

The number of medical specialists in the hospital is only 6 while the regulation suggesting at least 10. The general practitioners have to be at least 9 but only 4 available. Moreover, there is no any specialist dentist available. The pharmaceutical staff is only available 5 while the hospital needs at least 8. With the regulation, the hospital requires least 44 nurses for 65 beds available (Table 4).

With such a number of medical staff, it will be difficult to handle the increasing number of patient from year to year. Therefore, the medical staffs in the hospital need a good leadership style and motivation so they can carry out their duties properly.

2   Methodology

2.1   Research Location and Design

This research was finished in Buton Regency General Hospital located in Protokol Street of Laburunci Village, Pasarwajo District, Buton Regency, Southeast Sulawesi Province. This research was initiated by doing pre observation and literature study from previous research, documentation and data analysis related to leadership style and motivation on performance. This research used quantitative method. Quantitative method aims to examine in detail about background, nature, and character of related cases using number tabulation and statistics formulas.

2.2   Population and Sample

[5] describes population as generalization area that consist of object with specific quality and characteristics determined by the researcher to be studied and drawn a conclusion. The population of this research was the total of 69 medical staffs of Buton Regency General Hospital. This research used saturation sampling technique, which means all population is used as sample. This technique was used because the number of population is less than 100 persons.

2.3   Data Collection Method

The data was collected through observation, documentation, and questionnaire. Observation was through by watching directly the research object especially the leadership style and motivation towards performance applied in Buton Regency General Hospital. The documentation was done by collecting documents, literature, or archives that related to leadership style and motivation on staff performance. Questionnaire was finished by gathering respondent written answer for structured question given to them.

The data was analyzed through these following methods:

1. Research instrument test

Table 5. Regression Analysis Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	10.568	1.701		6.212	.000
1	x1	.113	.046	.215	2.456	.017
	x2	.285	.039	.643	7.335	.000

[a] Dependent Variable: y1

    a. Validity test is the ability of indicators to measure the accuracy of a concept which means whether the concept is valid or not. A good instrument is a valid instrument. It is valid when the instrument is able to measure what the researcher wants to measure and high validity instrument requires minor error.

    b. Reliability test is an index that shows that an instrument can be trusted and dependable. Reliability shows the consistency of an instrument in measuring similar phenomenon on several times of measurements done by *cronbach alpha* technique in SPSS. The instrument is reliable if the *cronbach alpha* > 0.60.

2. Hypothesis test

    This stage examines the effect of every independent variable in the model formed to know whether or not every independent variable in the model has significant contribution to the model individually. If the calculation shows that the probability value (P *value* < alpha 0.05, Ho is rejected and H1 is accepted. Therefore, the independent variable is able to describe its dependent variable partially.

3. Determination coefficient

    Determination coefficient test is prepared to identify the percentage of independent variable influence contribution to the dependent variable simultaneously. This coefficient illustrates the number of independent variable variation percentage used in the model to describe the dependent variable variation.

3 Results

3.1 Results

After finishing analyzing the data, the effect of leadership style and motivation on staff performance test was done. This test used regression analysis of SPSS 21.

3.2 Prerequisite Test

Instrument test in this research was classified into two namely validity and reliability test.

    a. Validity Test

Table 6. Validity Test for Leadership Style.

Statement	Correlation	Information
Statement 1	.836	r value > 0.30 valid
Statement 2	.890	r value > 0.30 valid
Statement 3	.852	r value > 0.30 valid
Statement 4	.863	r value > 0.30 valid
Statement 5	.837	r value > 0.30 valid
Statement 6	.852	r value > 0.30 valid
Statement 7	.819	r value > 0.30 valid

Table 7. Validity Test for Motivation.

Statement	Correlation	Information
Statement 1	.550	r value > 0.30 valid
Statement 2	.748	r value > 0.30 valid
Statement 3	.704	r value > 0.30 valid
Statement 4	.831	r value > 0.30 valid
Statement 5	.826	r value > 0.30 valid
Statement 6	.795	r value > 0.30 valid
Statement 7	.648	r value > 0.30 valid
Statement 8	.733	r value > 0.30 valid
Statement 9	.715	r value > 0.30 valid
Statement 10	.761	r value > 0.30 valid

Table 8. Validity Test for Performance.

Statement	Correlation	Information
Statement 1	.630	r value > 0.30 valid
Statement 2	.826	r value > 0.30 valid
Statement 3	.777	r value > 0.30 valid
Statement 4	.717	r value > 0.30 valid
Statement 5	.752	r value > 0.30 valid
Statement 6	.831	r value > 0.30 valid

Table 9. Reliability Test.

Variable	Number of Statement	Reliability Coefficient	Information
Leadership Style	7	.935	Reliable
Motivation	10	.900	Reliable
Performance	6	.847	Reliable

Validity test is the ability of indicators to measure the accuracy of a concept which means whether the concept is valid or not. A good instrument is a valid instrument. It is valid when the instrument is able to measure what the researcher wants to measure and high validity instrument requires minor error (Tables 6, 7, and 8).

The result of validity test showed that every statement for leadership style, motivation, and performance were valid and can be included to reliability test.

b. Reliability Test

Reliability test is an index that shows that an instrument can be trusted and dependable. Reliability shows the consistency of an instrument in measuring similar phenomenon on several times of measurements done by cronbach alpha technique in SPSS. The instrument is reliable if the cronbach alpha > 0.60.

Table 9 points out that the cronbach's alpha value for every variables is reliable or giving relative constant if calculated several times. This is shown through the result of reliability coefficient > a 0.60.

4 Discussion

The Effect of Leadership Style on Performance Table 5 displayed that the value of leadership style effect on performance is 0.215. The value shows that leadership style has a positive effect on staff performance. It means that if leadership style is applied, the staff will achieve a good performance on work. The significance value of leadership style is 0.017 > 0.05. This indicates that the leadership style has a positive effect and not significant on medical staff performance in Buton Regency General Hospital.

The observation and interview reveal that the leader of the hospital is quite strict to general procedure and rule used in the hospital. The leader does not want to violate any either hospital rules or national rules of hospital service standard. Furthermore, the leader explains to the staff about their duties and what they have to accomplish. The staffs believe that their leader carries out his duty very well even though the leader does not really accept his subordinate suggestion. His strictness to rules makes the medical staff performance of Buton Regency General Hospital improves.

The Effect of Motivation on Performance Table 5 discloses that coefficient track for the effect of motivation on medical staff performance is 0.643. This indicates that motivation positively influences staff performance. If motivation is applied, the staff will accomplish better performance. The significance value of motivation is 0.000 < 0.05.

It means the hypothesis is accepted or motivation has a positive effect and significant on medical staff performance in Buton Regency General Hospital. The observation and interview expose that the staffs are able to catch on motivation given to them by the organization.

The interns make reasonable salary for their performance even though the salary does not meet their expectation. Their salary is better than other institutions. They also get paid on time. Contract staffs get paid based on the applicable rules thus the staffs are motivated. The leader also has a good communication with his staff hence the staffs are motivated by it.

5   Conclusion

This research aims to find out the effect of leadership style and motivation on medical staff performance through intervening organizational citizenship behavior. Based on collected data and hypothesis test using SPSS program, it can be concluded that there is a positive and not significant influence of leadership style on staff performance & there is a positive and significant motivation on staff performance. The more leadership style and motivation are applied, the more positive the effect to the medical staff performance. The leader is suggested to maintain his leadership style and motivation towards his staffs since it gives a positive influence on his staff performance.

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Constraints of Participation in Social Security Program for Workers in the Informal Sector a Case Study in the City of Sorong

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Abstract. Social security is the right of citizens, including workers. However, in reality not all workers are touched in Indonesia's social security program. This paper will explain why the social security program has not been successful for participatory workers in Indonesia. This research approach uses a desk literature review and a survey approach located in informal sector workers' settlements in Sorong City, which is focused in Sorong City. The analysis uses a descriptive method that discusses how the implementation of the social security program is carried out by government policies. This study finds that the implementation of social security has not been followed by most of the informal sector workers, considering that this literature has been widely adopted from articles because the data for Sorong City is still very minimal which is a limitation of this paper. This paper raises this topic due to several obstacles, such as, the workers still do not understand about the Jamsostek program; they have not yet gained access to this program. Another factor is the low level of education of workers, its effect on their lower knowledge. Therefore, this situation causes less access to program information by informal workers.

Keywords: the social security program · the informal sector workers · information access

1 Introduction

The form of labor protection in Indonesia must be implemented by every entrepreneur or company that employs workers not only formal but also informal workers. The form of labor protection in this case is about maintenance and improvement of welfare in the form of general labor social security. Social security for informal workers must be conducted based on joint effort, kinship, and mutual cooperation as stated in The Pancasila and 1945 Constitution.

The labor social security is created for workers, particularly in the company in the terms of implementation, protection which has mutually beneficial work interaction between workers and company [5]. Basically, Social security can be influenced by population conditions that affect population development [7, 13]. Every worker's needs social security to guarantee their life, however not all of them have it. Generally, the

population situation of developing countries is characterized by high population growth rates, high birth rates, decreasing mortality rates, and increasing life expectancy. These factors greatly affect the need for social protection and the operation of the social security program in which having the right of social security is part of human rights.

Health care security is a health prevention and solution guarantee that needs examination, medication and treatment including pregnancy and childbirth. Health solidarity, a thought that is very necessary considering the interdependence of humans in social life Jean Louis Vives on [12]. Until now, the understanding between social security, social aid, and insurance is still ambiguous. In general, people assume that social security provided for free. According to the descriptions above, the issue that will be researched is how the practice of national social security program, particularly for workers who work in informal economic sector, and also they are indicated as poor workers. Thus, this paper also aims to reveal describe about the constraints of social labor security for informal workers in urban areas, particularly in Sorong city, Papua Barat Province.

2   Methodology

This study attempts to describe the constraints of social security programs for informal workers. The data derived through literature studies and field surveys. Literature studies gained by conducting desk review and online browsing. The references derived from books, documents, and other references that relate to the issue. The survey approach conducted field research in urban areas, particularly in the location of the distribution informal workers sector in Sorong city.

The population of informal workers of Sorong City is located in 7 sub districts, namely: Sorong Barat, Sorong Manoi, Sorong Kepulauan, Maladumes, Sorong Timur, Sorong Kota, and Malaimsimsa. However, the respondents were selected according to the area considered the poorest in the sub-district based on the village administration. The respondents were selected according to the quota sampling involving 90 respondents, considering that one location and another were quite far from the unpaved road. Descriptive data analysis is based on the results of research in the field, combined with the results of searching documents or literature.

3   Results and Discussion

3.1   Legal Basic and the Contradiction of Social Security Implementation

According to The Law number 40 of 2004 social security System is a form of social protection to ensure that all people can meet their basic needs for a decent life. Social security is a component of social protection, besides social aid. In Indonesia, there have been regulations regarding the obligation of the government (as a state administrator) to implement social protection programs [8]. The policy structure for the implementation of the social security program is regulated by the national social Security System Law (UU SJSN), and The Law on The Social Security Administering Body (UU BPJS).

The Insurance system is a form of release of government responsibility in providing services to the community [17]. Although, at the normative level as explained in the

constitution, all social security is the responsibility of the state. However, the social security system implemented in other countries is a fully funded system, namely the existence of joint contribution between government and participation, in this case the people. However, until now the state has not been able to fully meet the social security, so the private sectors are involved.

As happened in social labor security, in which state as the regulator or facilitator by establishing a BUMN called JAMSOSTEK, while employers and workers are obliged to pay the insurance premiums. Observing the implementation of the provisions in The JAMSOSTEK Program, it is possible that the social security that will be applied will adopt the same thing. Some of the guarantee funds derives from APBD funds. The interesting thing is how to align if the national social security program has been implemented with the program that has been conducted by the local government.

Therefore, it is necessary to unify perceptions regarding the coverage of the area served and the source of funds for the national social security program so that small communities such as workers can get certainty in getting this national social security program.

This JAMSOSTEK program was issued in accordance with The Law No. 3 of 1992. This program reaches out workers, particularly informal workers that is supported by PERMEN no.40 of 2006.In the meantime, The existing programs of JAMSOSTEK are Work accident insurance (JKK), Death Insurance (JK), Old age Insurance (JHT), and Health care Insurance (JPK). As time goes by, this program has not been able to reach all workers in the formal sectors. There are around 30% workers who participate in The JAMSOSTEK Program from the total of the workers in Sorong city.

The number of Population of Sorong City who are registered and have health insurance is shown in Table 1.

Table 1. The Residents of Sorong city who have Health insurance (Percent) 2016–2019.

Types of Health Security			
	2016	2017	2019
Not Registered	25.40	28.56	26.99
Company	0.61	4.23	2.11
Private Insurance	0.47	1.30	0.75
Jamkesda	0.54	4.87	0.78
Jamkesmas	27.04	–	–
Askes/Asabri/Jamsostek	9.46	–	–
BPJS Ketenagakerjaan	6.65	19.70	–
BPJS Kesehatan	31.93	39.69	–
BPJS PBI	–	–	46.32
BPJS Non PBI	–	–	23.19

Source: BPS Kota Sorong

According to Table 1, the level of participation of workers in the labor social security program has developed significantly from year to year. It grew by 46.32% as the recipients assistance between 2016–2019. This is very ironic because the social security for workers, which is intended for workers, was not developing. Thus, the obligation to pay insurance premium is identified as a problem. Until now, The social security program has only been able to serve 46.32% of the total number of workers. This illustrates that The JAMSOSTEK program that has been running from 2016 has not been able to cover all the workers so that the National social security program needs to synergize with various elements in developing programs.

According to Table 1, it is very obvious that the labor social security model that involves worker and employer contributions has not been able to provide an illustration that the Indonesian people are able to meet the national social security contributions. This figure does not include the number of informal sector workers participating in The JAMSOSTEK Program. If the overall percentage of workers who participate in JAMSOSTEK is combined, it will decrease. This occurs due to some factors, such as income, knowledge, and education.

In the meantime, based on The ILO Study [11], on the expansion of social security in the informal sector in Indonesia obtained the data that explains 22.04% workers in informal sector are willing to pay social security premiums, 8.07% said that The national social security premiums are the responsibility of employers, 34.39% said it is the responsibility of the state, and the rest around 18.86% think that paying social security premiums is the responsibility of workers, employers, and the government [4]. According to the study, it is obvious that most workers who work in the informal sector consider that social security is the state's responsibility.

3.2   Social Characteristics as well as National Social Security Constraints Knowledge and Education Factors

The role of workers in supporting the national economy is undeniable. Therefore, guarantees or protection for workers and their families are needed to meet the minimum needs [15]. The minimum need is to describe a person's status as being above the poverty line, which may be tolerated by policy. However, the implementation of wage decisions is still far from expectations, for instance the number of families is not one of the considerations in applying the minimum wage limit. The implementation of a social security system with an insurance scheme will experience various obstacles, including: education, poverty, and access to information. The social security system that requires the community to pay a contribution, such as the spirit of the community to save the money.

In its implementation, it should be explored more deeply whether this system is feasible to apply throughout Indonesia because it is undeniable that Indonesian people who are scattered in remote areas still have different knowledge. Meanwhile. The fee system will have consequences for the community to familiarize themselves with the culture of saving. A possible solution is that the government at an early stage needs to inject funds through The APBN which is managed by The National Social Security Administration (BPJS). The Implementation of fee system which is an inducement program to be followed by saving by workforce. So far, the culture of saving related to financial institutions such as banks which can only be experienced by urban communities and the

Table 2. The Resident's knowledge of The National Social Security law

No.	The Knowledge of The National Social Security law (SJSN)	Percentage
1	Know	76,15%
2	Do not know	23.85%
	Total of Respondent 90	100.00%

Source: Primer data, processed in 2019

middle class, while people in remote areas of the country have not been able to fully access this public service. Thus, hard work is needed in socializing the applied social security scheme.

Related to the social security program, many people do not understand the benefits of the program. This issue can be found in Sorong City, and the findings are presented in Table 2.

According to the result of the study, more than 23.85% workers, particularly in the informal sector in Sorong city, did not know the National social security system law. This describes that the population in urban areas is not fully aware of the national Social Security system, including the procedures and how it is implemented. Education level also affects access of communication, and knowledge of the workers to national security. The macro level shows that the education level of the Indonesian population who graduated from elementary school was 20.02% in 2010 [3]. The UNDP noted that based on world rank, last year Indonesia's education ranking was in 124th position below The Philippines, while the previous year they were ranked 108th.

The condition of our education level has the potential to be a factor inhibiting the success of a policy, including national social security because a person's education background is an aspect that affects the knowledge level of a person, while knowledge is a prerequisite in carrying out a program mission.

In the meantime, knowledge itself is usually obtained from the school education process, the environment and forms of socialization. Thus, socialization from various parties on social security needs to be conducted intensively, particularly for those who have low education level, including informal workers. Therefore, socialization plays an important role in social security policy. The data proves that there is a close correlation between the level of education and the participation of workers in the social security program as was the case found in the study in Sorong City, where generally they have a low education level.

The characteristic of workers can be seen in Table 3.

According to Table 3, more than 6.41% of informal sector workers have a primary education level. The low level of education of informal sector workers has the potential to be an obstacle in the implementation of social security. This occurs due to lack of access to various programs that relate to employment because they have low education levels and come from poor communities. This condition causes them to have less knowledge, and it also contributes to their performance in the workplace.

Table 3. Sorong City's Informal sector workers based on education level

	Education Level	%
Never Join to Elementary School	9,181	6.71%
Elementary School	8,778	6.41%
Junior High School	29,028	21.21%
Senior High School	74,752	54.62%
Diploma I/II/III/Academy/University	15,127	11.05%
Total	136,866	100.00%

Source: BPS Sorong City

3.3 Economic Poverty

The income is very influential on the participation of workers in social security. This is related to the ability to contribute to the program itself, and this is a direct factor. Discussing about the income of workers, it is necessary to know the wage standard in the area concerned. Regarding to the wage standard is described in The Decision of The Joint Decree (SKB) of 4 Ministers in October 2008 concerning, maintaining the momentum of National economic Growth in Anticipating global economic development, which one of the content stated that the increase in the minimum wage for the working class should not exceed the grow rate of national economy [2]. Another thing to consider is the inflation rate(especially in a crisis situation). Its provisions require that the increase in the wages of the working class must be below the average inflation rate [6]. Therefore, in determining the payment of the national social security program, it is necessary to pay attention to the economic conditions and the living needs of workers.Moreover, the position of workers is always weak in bargaining positions against employers.

According to the theory, one of the factors that has a very strong influence on the determination of wages is the attraction between the demand and supply of labor [1]. On the other hand, the level of wages (income) of workers in the informal sector is very low based on the research result of informal sector workers in Sorong City that 72.00% of workers in the informal sector have an income of less than Rp 1.500.000 and this is lower than the Sorong City minimum wage in 2019 of Rp 2.934.5000.This low income has an impact on the participation of workers in social security, if the system is used with a contribution system. Furthermore, only 22% of workers have income above Rp. 1.500.000.

According to their income, they are only less than 2.500.000, considering that their income is not fixed. Only 6% of informal workers can afford to be equal to the minimum wage. This illustrates that income in the informal sector has not been able to match even below the regional minimum wage (Table 4).

As has been explained, wages greatly affect workers' participation in social security programs, of course the type and form can be insurance. This is because wages become bargaining power if you want to join insurance. Therefore, it is necessary to develop insurance that covers all cross-sectoral workers so that wages become variations to show the level of welfare of the workers. For instance, in determining provincial minimum

Table 4. Informal sector Workers (based on income) in Sorong City

Income (thousand rupiah)	Frequent	(%)
Rp 600–3.000	65.0	72%
Rp 3.100–5.000	20.0	22%
Rp 5.100–10.000	5.0	6%
Total	90.0	100%

Source: Primer data, Processed in 2019

Table 5. Informal Sector workers In Sorong City (based on Type of Profession)

Main Employment Sector (labor)	F	%
Agriculture, Plantation, Forestry, Hunting	6	6.7%
Processing Industry	8	8.9%
Great Traders, retails, Restaurants, Hotel	27	30.0%
Community Services	22	24.4%
Others	27	30.0%
Total	90	100.0%

Source: Primer data, Processed in 2019

wage (UMP), there is a clear trade-off between employers and workers although in practice is determined by governor through the wage council at the provincial level. In fact, until now social protection has only been enjoyed by a handful of residents because the government of Indonesia has not been able to meet the basic needs of the entire community as stated in 1945 constitution. Likewise, the access of workers in social security programs such as JAMSOSTEK which until now only about 26.99% of workers are able to take advantage of the program.

In addition, collaboration between workers and employers has always reflected a relationship of ups and downs. This can be observed at the end of each year in various demonstration areas regarding the determination of The Minimum wage (UMP). From one aspect, it can be seen that the welfare of workers is not yet prosperous so that social security is expected to be able to be protector to overcome economic difficulties, particularly for workers in informal sector. With the type of work that is not protected, it will add to the burden of dealing with many issues.

One's income level is related to one's profession. The higher level of profession usually will have a good income. However, the variation of employment in the informal sector appears as an activity that lacks prospects as shown in Table 5.

According to Table 5, the type of trade profession has the highest proportion that reaches 30%. This number indicates that trading is the easiest way to earn a living [10]. The level of poverty is no longer just a matter of lack of food. For certain people, they even reached extreme level of poverty which indicates by run out of meals. The portrait

of poverty is in stark contrast because some people live in abundance, while others live in poverty. The level of inequality is extraordinary and relatively dangerous. The substance of the gap is inequality in access to economic resources. The problem of inequality is a problem of justice which is related to social problems, for instance, poverty.

Trading in the informal sector does not require too much capital. Then, the type retailer profession has a proportion of 30% and occupies the second position. In general, This profession is a job that relies on physical strength, and the workers can apply and resign easily. Other types of profession. Such as laborers, drivers, and construction workers have varying percentages. These all are professions that rely on physical strength without higher education. The main demand is a certain ability and tenacity with the limitations of the technology used. The description above is in the operational work group which is categorized as manual labor.

3.4 Institutional

The implementation of social security is still experiencing obstacles. The third obstacle is the bureaucracy. The complicated and inefficient bureaucracy has slowed down the national social security service. This case is found in JAMKESMAS: various administrative requirements cause people to be reluctant to take advantage of JAMKESMAS [16]. In various government policies, the government is unable to break the complicated bureaucratic barriers into practical and fast ones. Therefore, the national social security system needs a practical system. Until now, health insurance participants still seem to have problems in managing insurance related to health programs, particularly ordinary people who still use JAMKESKIN and JAMKESMAS. Thus, a clear instrument is needed in implementing the national social security system and not only for the consumption of urban communities, particularly the upper middle class because this system is intended for the entire population of Indonesia. In addition, we must involves related dimensions and point of views in studying social issues [14].

The national social security System (SJSN) Law of 2002 until now has not been able to provide positive results even in the organizing board. To deal with this, the author reveals that in the development of the national social security program it is necessary to pay attention to various aspects. However, the interaction is not limited to individuals but also exist between groups, institutions, communities, and international organizations. In order to operate the system, we must pay attention to four aspects, namely adaptation, purpose, integration, and maintenance [9].

Aspects of adaptation include the culture of the community, the work system of the organizing body, and the government. In this aspect, the government and the national social security protection agency need to pay attention to the aspirations of the people. In addition to the community, the organizing body must also be able to adapt to the work patterns that have been promulgated. The next step is the objective aspect. The social security administering body must have clear goals and targets.

After both aspects are met, the next step is integration. There are inter-system linkages that apply. Integration in this case is not only at the level of legislation but also in policy implementation. All elements related to the national social security implementing agency with the ministries and government agencies are able to synergize and integrate to the

success of the implementation of the national social security program because without integration the system built does not work [14].

In order to run and synergize this program, the system must be maintained. Meanwhile, maintenance of the running system includes the following aspects: evaluation and communication between related agencies. The valuation aspect has an important meaning to find out the weakness and strengths of the system that has been implemented. From the results of this evaluation, it can be seen that various targets have been met as well as various inputs in policy making for future programs. Then the socialization aspect is able to maintain a working system. Even functionalist view socialization as a form "mighty" society to impose values, attitudes, habits and beliefs on individuals. Based on the simple steps above, it is very clear that the description of the model for the implementation of national social security must be able to accommodate the four elements above in on a national social security system [9].

In the meantime, the system that has been running so far has not been able to communicate in a series of information so that information from the center as the product maker can be absorbed and accessed by the community and implemented by local government. This is to strengthen the role that there is community sensitivity to help other communities. In addition, the existence of state subsidies will be enjoyed by the poor such as workers in the informal and formal sectors who have wages below standard. The implementation of social security also needs supervision so that in its implementation it does not harm all parties so that a sense of belonging and mutual trust is built.

4   Conclusion

The majority of informal workers have not been touched by the employment social security program. This is not only due to the lack of program organizers but also to various social constraints that come from within the characteristics of the workers themselves. Downward factors such as low levels of economy, education, and knowledge as aspects that have an important role. Meanwhile, from the external aspect is the handling of the bureaucracy, as a result the number of workers who are able to be reached by social security workers is not much.

As an effort to expand participation in labor protection, of course the government needs to reform the bureaucracy related to encouraging the small business sector which is close to the informal sector. Beside that, it is necessary to increase knowledge in the field of education and information through The Kelurahan regional Government. Thus, various knowledge transformations, economic distributions or cross subsidies are needed as well as socialization of the national social security program so that the implementation of national social security can improve the nation's economy, particularly the workers.

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The Importance of Social Media in Improving SMEs Performance

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Abstract. Adoption of technology such as social media and e-commerce has a posi-tive impact on Small and medium-sized enterprises (SMEs), supported by external and internal factors, one of the external factors that predict SMEs wanting to use social media is during the COVID-19 pandemic, was when customers prefeed to do online purchasing activities during teh pandemic. This study aims to examine the benefits of social media for SMEs that im-plement and the factors involved in the adoption of social media. The re-search method is a systematic literature review (SLR) that collects research results in the form of 19 journal articles published from various sources be-tween 2019–2022 that examine social media with the performance of SMEs. The results show that the adoption of social media has a positive effect on the performance of SMEs, both directly and indirectly. This study suggests that SMEs operating in developing countries need to adopt SM as it provides several new ways of doing business, thereby sharing and maintaining innovation skills.

Keywords: Social Media · SMEs · Performance

1 Introduction

SMEs are said to be the main economic driving factor. The ability of SMEs to increase profits is highly expected. Hence, many parties are interested in opening their businesses. However, in the last two years, SMEs have decreased in sales or even closed due to the pandemic resulting in losses and no profit. Rahman (2022) in his research found that 37,000 SMEs in Indonesia experienced a decline in performance due to the Covid-19 pandemic. The decline occurred in sales by 56%, pendants by 22%, distribution of goods by 15%, and access to raw materials by 4%. However, this is a trigger for SMEs of marketing and sales. Empirical evidence states that SMEs' that use social media in terms of marketing and sales continue to survive and profit. This has resulted in many SMEs being tempted to use social media marketing. This study presents a literature review from the last five years, proving that social media marketing can improve business performance.

With globalization, SMEs face stiff competition from multinational companies. Entrepreneurs who own small businesses have fewer resources but need to improve

their organizational performance. Technology adoption helps small business owners follow in the footsteps of multinational corporations. In this post, the authors discuss whether adopting online resources (social media, e-commerce, technology 4.0) raises the bar for marketing for small businesses. Small businesses can achieve economies of scale through the use of prominent technologies. The output of this document will help small business owners/managers in India understand how online resources can be used to enhance marketing on a budget. COVID-19 is also forcing all organizations to use technology. Whether big or small, using technology resources for marketing in this digital age cannot be ignored [1].

2   Method

This research method is a literature review study, which presents several studies that prove that social media marketing can improve the performance of SMEs'. Research on the impact of social media use on small businesses is not new. Several previous studies have examined the factors that influence the use of social media in small businesses and how successful small businesses are in using social media for business advantage. However, there are no in-depth studies that examine current evidence on the impact of small business social media. The purpose of this study is to answer the research question, "How important is social media in improving the performance of SMEs?".

The method used in this literature review is a systematic literature review (SLR). The first thing to do with this SLR is to collect the previous research literature, which is the source of the research results.

The first step is to look for journals related to using or utilizing social media to improve the performance of MSMEs published in the last 5 years. The second step is to sort the journals by year of publication and then see the research result. This can be seen in Table 1.

3   Result

The results of the literature review provide much evidence that the influence of social media on improving the performance of the MSME sector is very active in fighting, especially during the Covid-19 epidemic, which was the trigger. Social media has a direct or indirect effect as a moderation on business performance, but all show that it will have a positive influence on increasing sales and business performance. One of the interesting studies, which examined 104 MSME owners in Jakarta, found that perceived benefits and the external environment influenced social media adoption but not the characteristics of their knowledge and skills in information technology [2].

Social media platforms are a very important part of marketing-related activities and are more convenient for SMEs due to their cost-effective nature as a way to compete, with limited resources, against large organizations. Social media can also help SMEs to create more knowledge about their products or services, which will convince their potential customers and ultimately improve organizational performance [3].

Table 1. Previous Literatures on The Utilization of Social Media to Improve MSME's Performance

No.	Publication Year	Researcher Name	Result
1	2019	Mahliza, F. [2]	The adoption of e-commerce has also been shown to affect the business performance of micro-enterprises positively.
2	2019	Wardati, N. K., & Er, M [3]	Using social media in the MSME sales process improves customer relationships, cost-effectively improves marketing, gathers feedback and ideas from stakeholders to improve information accessibility, and improves business performance.
3	2019	Arianty, Nel., & Julita [5]	The results show that customer relationship management, and market access, have a significant effect on the progress of SMEs
4	2019	Salam, S., & Hoque, A. S [6]	Social media affects the effectiveness of relational marketing strategies to improve the performance of SMEs.
5	2019	Ahmad, S. Z., Abu Bakar, A. R., & Ahmad, N [7]	The technology adopted by the organization supports the efficiency of the organization or internal processes.
6	2019	C, Gekombe., et al.	The use of social media, on the other hand, has a significant influence on the growth of SMEs
7	2021	Alkateeb., Maan Ali & Rania Ahmad Abdalla [9]	The results reveal a significant effect of social media adoption on the performance of SMEs.
8	2021	Sudirman, A. Sherly, S. [10]	The results show that social media has a positive and significant effect on business performance.

(continued)

Table 1. (*continued*)

No.	Publication Year	Researcher Name	Result
9	2021	Trawnih, A., Yaseen, H., Al-Adwan, A. S., Alsoud, A. R., & Jaber, O. A [11]	The survey results show that all factors greatly influence small business social media acceptance. Environmental context is the most important predictor of social media adoption among these factors during the Covid-19 pandemic crisis.
10	2021	Firdaus, F., & Fahrizal, F. [12]	The role of social media has a positive and significant effect on the performance of SMEs in Jambi City.
11	2021	Fang, G. G., Qalati, S. A., Ostic, D., Shah, S. M. M., & Mirani, M. A. [13]	The results of this study suggest that SMEs would benefit not only from greater adoption and use of entrepreneurial SMs, but also from understanding what it means for SMs to remain competitive in the marketplace.
12	2021	Kumar, A., Syed, A. A., & Pandey, A. [1]	Adoption of technology helps small business owners stay ahead by expanding the reach and improving the overall performance of multinational companies.
13	2021	Fan, M., Qalati, S. A., Khan, M. A. S., Shah, S. M. M., Ramzan, M., & Khan, R. S. [4]	The results of this study indicate that SMEs operating in developing countries need to adopt SM as it provides several new ways of doing business, thereby developing and maintaining innovation skills.
14	2021	Hanifawati, T., & Listyaningrum, R. S. [14]	As a result, we found that our MSMEs partners' knowledge and skills in the area of production and marketing have increased, the number of assets and the 15number of product flavors has increased, and the sales trend has begun to increase.

Table 1. (*continued*)

No.	Publication Year	Researcher Name	Result
15	2021	Belás, J., Amoah, J., Dvorsky´, J., & Šulerˇ, P. [19]	The survey found significant differences in the attitudes of respondents across V4 countries. The results also show that the attitudes of SMEs are changing in the new macroeconomic environment. While social media use is relatively low during the profitable phase of the economic cycle, the role of social media has increased significantly during the COVID-19 pandemic.
16	2022	Chatterjee, S., & Kumar Kar, A. [15]	This research study has theorize five factors PEU, PEOU, COM, FCO,and COS that influence SMEs to use QMS. The use of this QMS will generate a net profit for SMEs.
17	2022	Qalati, S. A., Ostic, D., Sulaiman, M. A. B. A., Gopang, A. A., & Khan, A. [16]	This study also deepens our understanding of this phenomenon by showing the impact of social media adoption on small business performance. This is in terms of increasing customer loyalty and retention, sales volume, number of customers, accessibility of information, improving customer service and relationships, and reducing marketing, and it will cost money.
18	2022	L.Ayokunmi, N.Aslinda, A.Seman *et al.* [17]	This study finds that social media marketing greatly affects the performance of SMEs worldwide and particularly in Nigeria.

Table 1. (*continued*)

No.	Publication Year	Researcher Name	Result
19	2022	G bandi, E. C., & Iyamu, G. O. [18]	Research shows that social media marketing is strongly associated with small business growth in Benin City, with social media marketing accounting for 84.6% of small business growth. So encourage small businesses to use social media marketing to help them compete in the global marketplace. Small business owners need to update their social media accounts with materials to inform, educate and persuade customers to buy their products.

The Literature Review examines not only Indonesia but various countries. The results show the importance of social media adoption in increasing sales and performance of MSMEs [2].

SMEs operating in developing countries need to adopt social media as it provides several new ways of doing business, thereby developing and maintaining innovation skills [4].

4   Conclusion

The adoption of e-commerce has also been shown to have a positively effect on the performance of micro business businesses. The use of social media in the sales process for SMEs can increase customer interaction, expand marketing using low portfolios, increase accessibility of facts by receiving feedback & inspiration according to stakeholders, and can increase company performance. The technology adopted by the organization supports the efficiency of the organization or internal processes. The results of this study suggest that SMEs operating in developing countries need to adopt SM as it provides several new ways of doing business, thereby sharing and maintaining innovation skills. This study also deepens our understanding of this reality by examining the impact of social media adoption on small business performance. This is in terms of increasing customer loyalty & retention, sales volume, number of customers, accessibility of facts, service improvement, customer interaction, and marketing reduction.

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Analysis the Effect of Internal Control and Whistleblowing System in Fraud Prevention with Ethical Climate as Moderator

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Abstract. The goal of this study is to know how internal control and whistleblowing system influence fraud prevention moderated by an ethical climate. The object of the research is the Local Government Unit (LGU) in Soppeng Municipality. The study included 135 respondents from 27 LGUs. The primary data from the questionnaire were used in this study, which makes use of purposive sampling. Using the moderated regression analysis (MRA), the data were analyzed. The outcomes showed that the internal control and whistleblowing system had a positive and significant effect on fraud prevention. An ethical climate can strengthen the influence of internal control and whistleblowing systems in preventing fraud. The novelty of this research is the existence of ethical climates as a moderator that provides confidence about the right form of behavior in an organization. This research is important because it can help local governments to fight fraud and can increase public trust.

Keywords: internal control · whistleblowing system · ethical climate · fraud prevention

1 Introduction

The regional autonomy system given by the central government to regional governments to manage their regions provides a large enough opportunity for corruption or fraud to occur. Regional autonomy is granted to regions to enable local governments to improve their efficiency, effectiveness, and accountability [20]. However, according to Rinaldi et al. (2007), since 2001, when regional autonomy was implemented under Law No. 22 of 1999, there has been an increasing trend of corruption in local governments [25]. Indonesian Corruption Watch (ICW) stated that local governments are the second most corrupt institution with 95 cases in 2019 and 62 cases in 2020 which cost the state up to Rp 6.1 trillion.

Due to budget management flaws, local government units are a segment of the public sector that is frequently on the focus of attention. This is evidenced by several misuses of the budget. Cases of concern in Soppeng Municipality include the corruption case of the routine road rehabilitation or maintenance project for the 2012 fiscal year by the Head

of Department and Head of the Public Works Department with a state loss of Rp 618 billion [22], the case of embezzlement of salaries committed by the Head of Soppeng Municipality Agriculture Service with a state loss of IDR 215 million [13]. In addition, there are cases of fake Covid- 19 suits carried out by the Director of the Latemmamala Soppeng Hospital and cases of the Cabbenge market development project carried out by PT Pelita Griya Asrimuda as a developer who received development funds of Rp. 8 billion more from Soppeng Municipality Government without going through a tender process [8].

The public sector has been criticized for high levels of corruption. Bribery, corruption, "ghost worker" issues, recruitment of unqualified staff, mismanagement of funds, and absenteeism are commonplace in the public sector [30]. The regional autonomy system given by the central government to regional governments to manage their regions provides a large enough opportunity for corruption or fraud to occur.

The impact of the many cases of fraud is a decrease in the level of public trust in the government, therefore the government must make efforts to overcome this, namely by strengthening and tightening supervision through internal control and providing a system that can accommodate reports or public complaints against the use of public funds in local governments or what is known as the whistleblowing system.

Internal control is a fairly important variable considering that various secular financial scandals have created the need for an effective internal control mechanism even though the organizational motive is not for profit [2]. The common symptoms of fraud is due to inadequate internal control [4]. This is consistent with Tuanakotta, (2010) [31], who states that preventing fraud begins with internal controls. Internal controls contribute to operational efficiency and effectiveness [9]. This internal control will produce information and reports that are free from misstatement [6]. Fraud prevention involved a good division of responsibilities, staff supervision, performance monitoring and also establishing measures to ensure that the system is accessed with proper controls (Kimani, 2011), so this internal control becomes interesting to study [17].

To prevent fraud, an anti-fraud environment is needed, one of which is by implementing a whistleblowing policy with several strategies. A strong ethical environment and good corporate governance (GCG) can improve the company's whistleblowing system (Lee & Fargher, 2013) thus enabling fraud prevention to be carried out better [18]. Taiwo & Polytechnic (2015) in their research recommends that public organizations should promote a whistleblowing culture widely and need to be supported and implemented throughout the organization [30].

Schultz & Harutyunyan (2015) state that whistleblowing is seen as a tool to uncover and eradicate fraud [27]. Whistleblowing can be interpreted as the act of exposing fraud, illegal, immoral, or illegal practices by one member of the organization to another party [12]. Several studies on whistleblowing have also been carried out and proven effective. As in the research of Johansson & Carey (2016), the company can use the existence of a whistleblowing policy to identify and prevent fraud [15].

Principal-agent and ethical climate theory will be utilized in this study. Ethical climate as a moderating variable, the ethical climate has been studied in the organizational behavior and business literature for over two decades [34]. Ethical climate is a belief about things that include good behavior in an organization, so it can provide behavioral

guidelines for the worker [21]. Therefore, in this study, the ethical climate is expected to moderate the whistleblowing system and internal control that can contribute to fraud prevention.

The novelty of this study is the use of ethical climate moderation to describe the values within an organization and how workers should be held accountable for ethical or unethical behavior within an organization, using three philosophical dimensions: egoism, benevolence, and principles [29]. This study aims to determine how an ethical climate, combined with internal control and a whistleblowing system will affect fraud prevention. The main contribution of the research is to assist local governments in analyzing internal controls and whistleblowing systems to determine policies to combat fraud to increase public trust in the government.

2   Literature Review

2.1   Principal Agent Theory

Principal agent theory discusses the relationship between parties who work together. An agent is a party that performs a service or task on behalf of a principal [11]. The originator of agency theory in 1976, namely Jensen and Meckling explained that there is a bond between management (agent) and the owner (principal) that can trigger conflict. These conflicts occur because there are differences in interests.

2.2   Ethical Climate Theory

Victor and Cullen first proposed this theory in 1988 [34]. Ethical climate explains the values within an organization and how workers are responsible for their ethical or unethical behavior [29]. Originally, Victor & Cullen (1988) compose a framework with philosophical dimension of ethics includes three criteria: egoism, benevolence, and principle [34].

2.3   Conceptual Framework and Hypothesis Development

In accordance with the principal-agent theory that the government must be responsible for the management of funds entrusted by the community by showing that the reports produced are of good quality and useful. So, it is appropriate for the government to make efforts to achieve this, one of which is to establish good internal controls in preventing fraud. The internal control in the research of Doig (2014) have a positive impact on the tendency of fraud, while in the research of Alli et al. (2020) and Herawaty & Hernando (2021) found that internal controls have no significant impact on fraud prevention [1, 5, 10, 14]. The following is a possible formulation of the research's hypothesis, which is based on the preceding explanation (Fig. 1):

H1: Internal Control has a positive effect on fraud prevention.
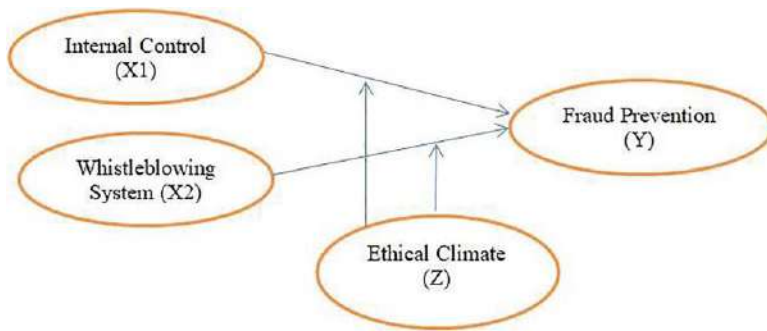
Fig. 1. Conceptual Framework

According to agency theory, good governance can be achieved [33]. Good governance and implementing a system that can be a means of reporting violations or acts of fraud, namely the whistleblowing system. These efforts are aimed at increasing public confidence in the control of funds by local governments. The study conducted by Shonhadji & Maulidi (2021) found that the whistleblowing system can prevent potential fraud [28]. This is supported by the research by Widiyarta et al. (2017) and Atmadja et al. (2019) [7, 35]. However, this study's findings differ from Johansson and Carey's (2016) study [15]. The following is a possible formulation of the research's hypothesis, which is based on the preceding explanation:

H2: Whistleblowing System has a positive effect on fraud prevention.

As a management tool, internal controls have long been recognized as an essential component of GCG for preventing fraud. They argue that additional research is required to develop internal control strategies to detect and prevent fraud and to better comprehend the ethical climate and environment of internal control [26]. In ethical climate theory, in a certain ethical climate, an interaction arises between humans or among its members in a certain way, so that their activities must always be controlled. To successfully manage the risk of unethical and illegal actions by employees, organizations must learn how to build and maintain an ethical climate/environment, one that minimizes the possibility of fraud, corruption and an environment that guides and supports ethical decision making [16]. The following is a possible formulation of the research's hypothesis, which is based on the preceding explanation:

H3: Ethical Climate can moderate the influence of Internal Control on fraud prevention.

In ethical climate theory, the ethical climate can be interpreted as the organizational environmental conditions that result in the perception and response of the members of an organization to an event [19]. Ahmad et al. (2014) stated that ethical climate theory can be used to demonstrate how the reporting intentions can be influenced by organizational climate in relation to whistleblowing behavior [3]. He used ethical climate work theory which is described through his research on whistleblowing behavior, which links that

organizations have different ethical climates that will affect individual intentions to take whistleblowing actions. This research supports the improvement of the rule of law in Malaysia which was carried out at the Malaysian Institute of Internal Auditors (IIA Malaysia). The consequences of his exploration demonstrate that the moral environment rule is huge in anticipating the internal whistleblowing intentions. The ethical climate principle is the belief about what is right and what is wrong based on the application of rules, laws, and standards. Additionally, Raharjo (2015) in his findings revealed that the ethical climate has an impact on whistleblower intentions to stop fraud [23]. The following is a possible formulation of the research's hypothesis based on the preceding explanation:

H4: Ethical Climate can moderate the effect of the Whistleblowing System on fraud prevention.

3   Methodology

The Local Government Unit (LGU) in Soppeng Municipality was the location of this study. The research time is from May to July 2022. The population in this study is LGU in Soppeng Municipality. The total population consisted of 27 LGU samples amounting to approximately 135 people, using questionnaires. The method that used for data analysis is moderated regression analysis (MRA).

The formula for the analysis test is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \tag{1}$$

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_1 Z + \beta_4 X_2 Z + \varepsilon \tag{2}$$

Information:
Y = Fraud prevention
α = Constant
β = Regression Coefficient
X1 = Internal Control
X2 = Whistleblowing System
Z = Ethical Climate
E = Standard Error

4   Results

4.1   Multiple Linear Regression Analysis (Hypothesis Testing)

R square's determinant coefficient has a value of 0.423 or 42.3%. The internal control and whistleblowing system has a 42.3% influence on the fraud prevention variable, according to these findings. Beyond the scope of this study, additional variables have an impact on the remaining 57%. In the meantime, the f count > f table (23.806 > 2.444). This indicates that the both internal control and the whistleblowing system has a significant

Table 1. Multiple Linear Regression Analysis Result (Without Moderating Variable)

Model	Unstd. Coefficients		Std. Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	4,056	3,323		1,221	0,224
X1	0,482	0,079	0,488	6,081	0,000
X2	0,104	0,043	0,201	2,424	0,017
Z	−0,048	0,051	−0,071	−0,938	0,350
Adjusted R Square	0,423				
F table	23,806				

(Processed Data, 2022)

impact on fraud prevention. The following formula can be derived from the results of the aforementioned regression tests:

$$Y = 4.056 + 0.482\ X2 + 0.104\ X3$$

The results are as follows, as shown by the tests in Table 1.

a. H1: Internal Control (X_1) has a positive effect on Fraud Prevention (Y)
    The internal control variable (X1) has a partially significant effect on the fraud prevention variable (Y) because the probability value is below 5% ($0.000 < 0.050$). The first hypothesis is therefore accepted.
b. H2: Whistleblowing system (X_2) has a positive effect on fraud prevention (Y)
    The probability value of the whistleblowing system variable (X2) is 0.017 and it less than 5% ($0.017 < 0.050$), the fraud prevention variable (Y) is significantly affected. As a result, the second hypothesis is accepted.

4.2   Moderated Regression Analysis (Hypothesis Testing)

R square's determinant coefficient has a value of 0.458, or 45.80 percent. After interacting with the ethical climate variable (Z), it indicates that the internal control and whistleblowing system has a 45.80% impact on the fraud prevention variable (Y). Other factors outside of this study have an impact on the remaining 54.20 percent. In the meantime, the f count is greater than the f table ($15.348 > 2.444$). It means that internal control and whistleblowing system variable, together will significantly affected the fraud prevention after there is a moderating of ethical climate.

From the regression test results, the following formula can be obtained.

$$Y = 70.523 + 0.015\ X_1 \cdot Z + 0.024\ X_2 \cdot Z$$

From the tests in Table 2, it can be seen as follows:

c. H3: Ethical Climate Moderates the Effect of Internal Control (X_1) on Fraud Prevention (Y)

Table 2. Multiple Linear Regression Analysis Result (With Moderating Variable)

Model	Unstd. Coefficients		Std. Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	70,523	28,749		2,453	0,016
X1	0,342	0,113	0,346	3,037	0,003
X2	−0,465	0,387	−0,896	−1,201	0,232
Z	−1,414	0,584	−2,087	−2,419	0,017
X1. Z	0,015	0,005	1,397	2,759	0,018
X2. Z	0,024	0,008	3,511	3,219	0,002
Adjusted R Square	0,458				
F table	15,348				

(Processed Data, 2022)

So, it is known that the internal control variable after interacting with the ethical climate gets a value of 0.018 which is lower than 0.050 significance. And the t-count value is 2.759 > 1.977 (t table). Thus, the third hypothesis is accepted.

d. H4: Ethical Climate Moderates the Effect of Whistleblowing System (X_2) on Fraud Prevention (Y)

From Table 2, it is known that the whistleblowing system variable interacting with ethical climate has a value of 0.002 below the standard value of 0.050 significance. And the t-value is 3.219 > 1.977 (t table). Thus, the fourth hypothesis is accepted.

5   Discussion

5.1   Internal Control has a Positive Effect on Fraud Prevention

In the Soppeng Municipality Government, particularly in the Local Government Unit, the hypothesis that internal control has a positive and significant effect on fraud prevention can be empirically demonstrated. It is known that an institution or organization's ability to prevent fraud improves with improved internal control. Conversely, if the internal control of an institution or organization is not good, fraud prevention will be difficult.

Supported by the principal-agent theory. The principal-agent theory can support internal control in preventing fraud, namely with the formation of good and adequate internal controls. The responsibility given by the principal to the agent can be carried out properly because of the control that can oversee the running of the government so that it can give confidence to the people of Soppeng Municipality as a principle that local government financial management has been effective and produces reliable financial reports in accordance with applicable regulations. The study's finding are consistent with the opinions of Doig (2014), and Adetiloye et al. (2016) [1, 10]. However, the it is in contrast to the research of Ali et al. (2020) and Herawaty & Hernando (2021) [5, 14].

5.2   Whistleblowing System has a Positive Effect on Fraud Prevention

The hypothesis state that whistleblowing system has a positive and significant effect on fraud prevention can be empirically demonstrated in the Local Government Unit of Soppeng Municipality Government. This means that an organization's ability to stop fraud will improve when it has an effective whistleblowing system.

The whistleblowing system is used by someone to report and disclose the occurrence of fraud in local governments. The principal-agent theory lends credence to the findings of this study. Agency theory is a solution to agency problems in local government financial management, so that financial goals in local governments can be used according to community needs. A system is needed to prevent the personal desires of local governments which lead to fraudulent actions. This system is called the whistleblowing system. The existence of this system will make fellow local government officials and local government officials with the community monitor each other so they are afraid to commit fraud because it will be reported.

The utilization of the whistleblowing system properly will make the responsibilities given by the principal to the agent be carried out properly because there is a system that can accommodate reports of violations that occur in local governments. In this case, the Soppeng Municipality Government uses LAPOR! An application that aims to make government administration able to provide access to public participation, both the community or employees in the Local Government Unit and the community in general in submitting aspirations and complaints online and it will improve the quality of public services. This study agrees with the research by Shonhadji & Maulidi (2021), and Widiyarta et al. (2017) [28, 35]. However, its different with the results from Johansson & Carey (2016) and Atmadja et al. (2019) [7, 15].

5.3   Ethical Climate Strengthens the Influence of Internal Control on Fraud Prevention

The results of the hypothesis test show that Ethical Climate strengthens influence of Internal Control on fraud prevention and can be proven empirically in the Soppeng Municipality Government, especially in the Local Government Unit in Soppeng. Supported by ethical climate theory, which discusses a set of ideas on moral philosophy that shows whether organizations have the ethical awareness to solve problems. The ethical climate that has the most influence on the object of research is the ethical climate- principle. On the ethical climate principle, if you want to make decisions and take action, you must comply with applicable laws, regulations, codes, and procedures.

The next influential ethical climate is the ethical climate-benevolence. Ethical climate-benevolence is based on concern for others. Organizations with strong benevolent characteristics will tend to implement internal control as well as possible. Soppeng Municipality Government applies a climate-benevolent ethic, so it can be said that it has implemented internal control as much as possible. Egoism is the ethical climate that has no significant impact on the subject of research. The ethical climate-egoism is the climate where members of the organization are given the freedom to determine how members of the organization prioritize their personal interests above the interests of the

organization. Soppeng Municipality Government does not prioritize its own interests but prioritizes the public interest, so that internal control can be carried out properly.

Therefore, Soppeng Municipality Government, which has a dominant in ethical climate-principal, will try to make decisions and actions so that applicable regulations or laws can be complied with, namely by establishing internal controls that can oversee the running of an organization so the fraud can be prevented. This study's results are consistent with the research of Ruck & Welch (2012) and Kazemian et al. (2019) [16, 26]. However, it is not in line with the research of Tuti & Mulyani (2021) [32].

5.4 Ethical Climate Strengthens the Influence of the Whistleblowing System on Fraud Prevention

The results of the hypothesis test show that ethical climate strengthens the impact of the Whistleblowing System on fraud prevention which can be empirically demonstrated in the Soppeng Municipality, especially in the Local Government Unit in Soppeng. The findings are supported by an ethical climate theory that focuses on organizational values and how workers are responsible for ethical or unethical behavior within an organization.

The ethical climate that plays the most role in the object of research is the ethical climate-principles. Ethical climate - principles are based on the belief that there are rules, laws, and standards as a universal principle. If members of the organization engage in unethical behavior, other members must have different opinions so that compliance with the law is a factor that must be considered for everyone in deciding, determining, and choosing ethical dilemmas. When an organization develops an ethical climate-principles, members of the organization will tend to do whistleblowing. If members of the organization use the whistleblowing system to report violations, they can prevent fraud by reducing the public's desire to commit fraud because it will be reported through the whistleblowing system. Because the Soppeng Municipality Government adheres to the ethical climate principle more than any other, there will be a greater propensity to use the whistleblowing system in an ethical manner.

The ethical climate existent through an organization will influence organizational members to make ethical decisions in conflict management. The existence of an ethical climate will encourage every individual in an organization/institution to report any violations that can harm the organization on preventing fraud. This result is consistent with the research by Ahmad et al. (2014), Reshie et al. (2020), and Raharjo (2015) [3, 23, 24]. However, it is not in line with the research from Lestari & Yaya (2017) [19].

6 Conclusion

The system for whistleblowing and internal control has a significant impact on fraud prevention. The likelihood of fraud is lower when the government's internal control system is better. The system make government officials and the public monitor each other so they feel reluctant to commit fraud. An Ethical Climate can moderate internal control towards fraud prevention and Ethical Climate can moderate the whistleblowing system for fraud prevention.

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The Effect of *Financial Distress* and Free Cash Flow on *Earnings Management* with Quality of Audit as a Moderator

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Abstract. This study aims to provide empirical evidence of the relationship between *financial distress* with modified Altman z-score model and *free cash flow* on *earnings management* with audit quality as moderating. This study uses a sample of manufacturing companies listed on the Indonesia Stock Exchange in 2016–2020. The results showed that *financial distress* with the modified Altman z-score model had a negative effect on accrual earnings management. This implies that companies experiencing *financial distress* will perform accrual earnings management. The hypothesis that *free cash flow* has a negative effect on earnings management is supported which provides evidence that large *free cash flows* will tend to reduce accrual earnings management in fulfilling contractual commitments with company owners. Meanwhile, the hypothesis of audit quality moderating the relationship between *financial distress* and *free cash flow* on earnings management is supported. This shows that a quality audit will be able to reduce accrual earnings management in the company.

Keywords: Financial Distress · Free Cash Flow · Audit Quality and Earnings Management

1 Introduction

Financial statements, especially income statements and cash flow reports presented by a company, are the main source of information for company stakeholders to obtain information regarding the performance and financial condition of a company. One of the most important information in a financial report is profit information. The company's external parties will use earnings information to assess the company's performance and then provide appropriate rewards for management. This reward motivation encourages management to display profits in accordance with the expectations of the company's external parties so that earnings management is chosen by managers to do [1]. The general view regarding earnings management is fraudulent financial reporting by management. However, earnings management is not fraud or fraud but only managerial engineering [2].

This earnings management action has led to several cases in accounting reporting that are widely known, such as PT Kimia Farma Tbk, PT Katarina Utama Tbk, and

PT Garuda Indonesia Tbk. The case of earnings management does not only occur in Indonesia but also in other countries. Like the case of Enron and Toshiba. Earnings management practices will inevitably harm both internally and externally. Earnings management practices will affect *going concern* and will also harm investors and the government in general. The practice of earnings management in the long term will result in the company going bankrupt [3].

In public companies, the termination of stock trading by the regulator gives an indication of the bankruptcy of a company which will then be delisted from the stock exchange. Companies that are delisted from the stock exchange are companies that have been abolished or excluded from the list of companies whose shares are traded on the stock exchange. Meanwhile for companies that do not go public, bankruptcy is marked by the company's failure to pay off or pay the company's obligations. The risk of the bankruptcy of a company, whether it is a public company or a company that does not go public, will be borne by investors and creditors. So that investors and creditors will make predictions regarding the possibility of a company going bankrupt.

Various models have been developed for bankruptcy prediction purposes such as Altman Z-Score, Zmijewski, Grover and Springate. This model has been tested by research to test the accuracy of each of these models. However, there is no single model that can accurately predict the bankruptcy of a company. In addition, research is also conducted to assess the behavior of company managers who experience financial distress or *financial distress*. Managers in companies experiencing financial distress will practice earnings management through income-decreasing compared to healthy companies [4]. Types of earnings management policies by managers when experiencing financial difficulties tend to use real earnings management more often than accrual earnings management [5, 6]. However, management in companies experiencing financial problems actually managed accrual earnings compared to real earnings management [7].

In addition to the *financial distress* that the company faces, which makes management perform *earnings management*, another factor that has been researched and shows inconsistent results is *free cash flow (FCF)*. FCF or free cash flow is cash flow generated by the company from the normal operations of the company and is free to be used to pay dividends or shareholders without affecting the company's operations. FCF is a factor that influences the behavior of corporate earnings management because one of the performance measures other than profit is often used by investors and creditors. *FCF* has a positive effect on earnings management [8, 9] but FCF can reduce earnings management behavior [1, 10].

Earnings management behavior carried out by management can be done by choosing accounting policies or procedures that are in accordance with their expectations, known as *discretionary accruals*. In addition, managers can also manage real profits by manipulating the company's real activities such as sales and production. The ability of users of external financial statements to detect this behavior is very limited, so an auditor's services are needed to ensure that managers do not carry out earnings management in the preparation of financial reports presented to users of financial statements. Auditor reputation has a negative effect on earnings management behavior [11]. While Firm size cannot reduce accrual earnings management but reduces real earnings management behavior [12]. However, Big4 clients actually record higher real and accrual earnings

management [13]. Meanwhile, audit quality is negatively related to earnings management [14]. Conducted a study to test whether audit quality can be a moderating variable and the results of their research cannot prove that audit quality is a moderating variable on earnings management [15].

Based on the description above, it is deemed necessary to determine whether the condition of *financial distress* and *free cash flow* can affect the behavior of accrual earnings management with audit quality as a moderating variable. It is important to provide empirical evidence, especially audit quality as a moderating variable to reduce *earnings management* in the company's financial statements.

2   Literature Review

2.1   Agency Theory

Agency theory was first proposed by [16]. This theory discusses the relationship or contract between shareholders and managers. The main principle of this theory states that there is a working relationship between the party giving the authority, namely the shareholder, and the party receiving the authority, namely the manager, in the form of a cooperation contract. Agency theory has the assumption that each individual is solely motivated by his own interests, thus creating a conflict of interest between managers and shareholders. This is due to the separation of ownership and control of the company. Agency theory develops into two streams in subsequent research. Include: (1) Positive Theory of Agency, the focus of this theory is the identification of situations when conflicts occur between shareholders and managers and there are government mechanisms that can limit self-saving in managers. (2) Principal Agent Literature, the main focus of this principle is the relationship between managers and shareholders in an effort to optimize contracts in terms of behavior and results [16].

Management seeks to obtain maximum welfare by reducing various agency costs. These costs arise in agency relationships because of information asymmetry between the principal and the agent. Managers or agents as managers and report makers have various choices of accounting policies and procedures in presenting financial reports. This causes efficient contracts to occur so that the relationship between agents and principals is always based on information asymmetry. Verification of the information presented by the agent is very difficult to do so that the agent's behavior is very difficult to observe. Thus, the opportunity for agents to maximize their own interests or their wealth by carrying out actions that are not in accordance with the contract.

The role of the external auditor (public accountant) as an independent party is needed to reduce the agency relationship conflict between the principal and the agent. The external auditor examines the company's financial statements to assess the fairness of management's performance whether it is in accordance with the contract agreed between the manager and the shareholders. Shareholders and potential investors expect the external auditor to provide early warning regarding the condition of the company, especially regarding business continuity. Audits conducted by public accountants with unqualified opinions will increase the confidence of investors and other users of financial statements in the company' financial statements presented by management [17].

2.2   Financial Distress

Financial distress is a condition of the company's inability to provide working capital or cash to operate normally so that it affects the continuity of the company's business. This condition is one of the factors that causes a company to go bankrupt. The company's inability to carry out normal company operations thereby reducing the ability to generate profits is an early indication of bankruptcy for a company. Bankruptcy is also often called company liquidation or company closure or insolvency. Define bankruptcy as a failure in several senses [18]:

a. Economic failure (*economic failure*). This means the company failed in investment. Investments, generally financed by loans, are expected to increase the company's profits and cash inflows. However, the investment was not able to generate the expected profit and cash flow. The income is much less than the operating costs incurred to get that income. Likewise, the expected cash flow is less than the obligations to be paid. This condition results in the company experiencing financial losses and failure to pay its obligations. The main factor is the failure of investments made by the company where the results of the investment are not as expected.
b. Financial Failure is interpreted as insolvency which differentiates between cash flow basis and stock basis. There are two forms of insolvency on the basis of cash flows, namely:

   1. Technical insolvency, namely a company can be considered a failure if the company cannot fulfill its obligations when they fall due. Even though total assets exceed total debt, financial failure will occur if the company is unable to fulfill the provisions in its debt contracts such as the current ratio or debt to equity ratio that has been set or required.
   2. Insolvency in terms of bankruptcy is defined as negative net worth or negative equity in the company's statement of financial position or cash flow that is smaller than liabilities.

A more accurate bankruptcy prediction will benefit many parties, especially creditors and investors. Bankruptcy analysis is a way to provide early warnings of bankruptcy (early signs of bankruptcy). Early bankruptcy prediction will benefit management because it will provide opportunities to make improvements earlier. For creditors and shareholders, early bankruptcy prediction will give them time to make preparations to deal with various bad possibilities [19].

2.3   Free Cash Flow

Free cash flow (FCF) is cash available in the company that can be used to pay dividends or pay interest on loans. FCF is important because it is one of the indicators to assess the company's performance by external parties. Conflicts of interest between managers and shareholders often occur in the use of this FCF. The management tends to want to use FCF for investment in business development, but shareholders tend to want this FCF to

be distributed in the form of dividends so that it will improve the welfare of shareholders [20].

A large FCF in a company will create a moral hazard for management to use in activities that benefit them. In addition, a large FCF without supervision in the use of investment by management can result in losses for the company. Many cases have been evidence of how the wrong investment will result in the bankruptcy of a company like the one experienced by the PT Teh Sosro. The use of company cash is expected to increase company profit but in reality the use of cash does not have effect that is in accordance with expectations so that management needs to manipulate profit (earnings management) to meet these expectations.

The use of FCF is very important because it has implications for the company's ability to maintain operations or to grow and investors' trust. The use of FCF that is too large for investment will increase the company's ability to grow in the future but will reduce investor confidence. Conversely, the use of large FCFs to pay dividends will reduce the company's ability to maintain operations or to grow in the face of competition. Kodriyah and Fitri (2017) *Free cash flow* must also always be available to be paid to all investors after the company has placed all its investments, both fixed assets, new products, and working capital needed to maintain ongoing operations. However, companies that are able to distribute higher dividends will increase their share prices because they are seen by investors as companies that have excess cash. Companies that hold their excess cash (not distribute it as dividends) actually tend to lower their stock prices because investors think that the excess funds will be used to finance investments that are less profitable. A company manager will maintain and increase free cash flow because free cash flow is one of the important indicators used by investors in determining the value (stock price) of a company [1].

2.4   Earning Management

Earnings management as a means by which managers can choose accounting policies from a set of policies with which they can maximize their own utility or the market value of their company [21]. From this definition, it can be interpreted that earnings management is a choice of accounting policy by managers with the aim of maximizing their personal interests or company value. So basically, the accounting policy chosen by the manager is not for the benefit of the owner of the company but for the benefit of the manager. Managers can enjoy direct benefits from earnings management in the form of bonuses from the company or indirectly benefit from the increase in the value of the company's shares so that managers who own shares will increase their wealth.

Earnings management as an intervention by managers with a specific purpose in the process of preparing financial reports to maximize the interests of managers [22]. In other words, earnings management practices are opportunistic behavior of managers to maximize their wealth. So this definition shows that earnings management behavior is an action planned by managers by influencing the process of preparing financial statements or intervention. Interventions can be with changes in accounting policies or methods used or with changes in accounting estimates in financial reporting.

Earnings management practices by managers can be in the form of increasing or decreasing profits by changing accounting policies. Managers' accrual policies are

related to incentives to report income from their bonus payment contracts and changes in accounting policies that managers make [23]. This is related to the payment limit for adopting or modifying their bonus plan. Through this article, Paul M Healy shows with a simulation that managers who are not able to reach the income limit to get bonuses, they will tend to reduce reported profits with the aim that the following year they will enjoy a take a bath or in other words will enjoy abundant income this year. Next. The same thing will be done by the manager if the profit before earnings management is already above the bonus calculation limit, the manager will reduce the profit close to the bonus payment limit profit if there is no bonus payment for the reported excess revenue.

2.5   Audit Quality

Research on audit quality has been carried out by many researchers. Audit as an activity to reduce the information gap between internal and external parties of the company which is carried out by an independent party that provides an assessment of the fairness of a financial report [24]. A quality audit is expected to detect fraud and errors in financial reports. So that audit quality is one important factor in improving the quality of a company's financial reporting. Therefore, a quality audit process in a company will make investors more confident in the company's financial reports.

Audit quality is the central point of external control which is one of the key factors in earnings management. High audit quality is considered to be able to limit the opportunistic behavior of earnings management by managers. Based on agency theory, earnings management practice is triggered by information asymmetry. Managers as agents have more information than shareholders, because as managers of companies, managers know more about the real situation. The misalignment of information between agents and principals can be reduced by external supervision by qualified auditors [9].

So that in a company it is necessary to have an active role of an auditor to produce reliable financial reports. An auditor must have its own qualifications when conducting an audit of the financial statements or activities of a company. A quality audit process in auditing financial statements will also produce higher quality information when compared to information produced by an audit process that is not of high quality. A quality audit process is of course carried out by a qualified auditor as well. The more qualified an auditor, the action to carry out earnings management will not occur in a company. The Public Accounting Firm is a proxy for reputation to measure audit quality, because we can assume that the reputation of the firm will affect the results of an audit conducted by an auditor [25].

Audit opinions issued by Public Accounting Firms that increase the reliability of the company's financial statements indicate high audit quality. The quality of the opinion issued by the firm is influenced by the quality control system in a Public Accounting Firm. The size of the Public Accounting Firm will guarantee that the quality control system runs effectively. In addition, large public accounting firms have many clients and large fees so that they are able to maintain a high level of independence so that they are able to detect earnings management behavior by managers. Big four (Big4) as an international Public Accounting Firm which has an extensive network in many countries in the world is believed to have a more perfect quality control system compared to non-big

four Public Accounting Firms. Audit quality can reduce earnings management behavior [26].

2.6 Relationship of Financial Distress with Earnings Management

The bankruptcy prediction model is widely used by capital market analysts to analyze financial statements, especially regarding the potential for bankruptcy of a company. As stated that information about the bankruptcy of a company if it is known early will provide an opportunity for management to make improvements [19]. Not only that, it is also useful for investors to prevent losses on their investment. In addition, *financial distress conditions* also encourage managers to manage earnings. Management performs earnings management to fulfill contracts with principals and avoid problems with creditors.

Financial distress has no effect on the behavior of accrual earnings management but conversely financial distress can affect real earnings management [5]. This shows that in conditions of financial difficulty, management will not engineer financial statements but rather on engineering real activities such as sales and production. Management chooses real income management for the purpose of improving operations and ultimately improving the appearance of financial statements.

Financial distress provides incentives for directors to manipulate earnings [4]. Management will perform real earnings management when experiencing *financial distress* compared to accrual earnings management [6]. However, Research in China showing different results, namely managers will carry out accrual earnings management in *financial distress conditions.* This shows that the direction of the influence of earnings management has not been consistent. FCF can reduce earnings management behavior [1, 10]. Based on the explanation above, the first hypothesis in this study is:

H_1: *Financial distress* has a negative effect on earnings management.

2.7 Relationship Free Cash Flow and Earnings Management

Free cash flow (FCF) is assumed to be flexible in the company's finances, and can also be a picture of cash in the company that can be allocated to creditors or shareholders, and the cash is of course cash that is not intended for working capital or investment in fixed assets. Free cash flow is cash that is not used in company operations or working capital or is used for investment in assets to increase the company's ability so that it can be distributed to shareholders and investors [20]. So that the existence of the cash will cause conflict in its use between management and shareholders. Management prefers the cash to be reinvested in projects that can generate profits, because this policy will increase their wealth. On the other hand, shareholders expect the remaining funds to be distributed so that it will increase their welfare.

FCF which is an indicator of manager performance appraisal, thereby providing motivation for managers to carry out earnings management to meet the expectations of external parties. A low FCF will motivate management to carry out earnings management to increase FCF and vice versa a large FCF makes management unnecessary to carry out earnings management to meet shareholder expectations. The earnings management

option that the manager will choose to meet the expectations of external parties when the FCF condition is low is accrual earnings management. However, in conditions of excess FCF, managers will carry out real earnings management to maximize their personal profits.

Another goal is for managers to practice earnings management when the company is in surplus cash flow will take the maximum profit for their personal needs [27]. Managers prefer that these funds be reinvested in profitable projects, because this alternative will increase the incentives they receive.

A high company FCF requires strict or adequate supervision to prevent managers from making investments that are not optimal for company growth. When the use of FCF is not efficient and effective, so that the FCF becomes down, it will provide incentives for managers to manage accrual earnings to cover this. Based on this, the second hypothesis in this study is

H_2: *Free cash flow* has a negative effect on earnings management

2.8 Moderating Variable (Audit Quality)

To increase the trust of users of financial statements, good audit quality is highly expected. However, it cannot be denied that the quality of auditors is not the same for all so that the quality of the audited company's financial statements is not always at a high level. In this case, high-quality auditing is a variable that can prevent effective earnings management, because earnings manipulation found by auditors will damage management's reputation and can reduce company value. Even the most perfect earnings management practices will be detected by the implementation of high quality auditors.

Research related to audit quality uses various proxies to measure the effect of audit quality. Auditor reputation can reduce earnings management behavior [11]. Whereas the size of a Public Accounting Firm does not affect the behavior of accrual earnings management but can reduce the behavior of real earnings management [12]. However, Big 4 clients actually record higher real and accrual earnings management [13]. Meanwhile, A quality audit can reduce earnings management behavior [14]. Audit quality can moderate the earnings management relationship and their research results cannot prove that a quality audit can affect the relationship of other variables with earnings management [15]. Based on this, the third and fourth hypotheses in this study are

H3: The relationship between financial distress and earnings management can be moderated by audit quality
H4: The relationship between free cash flow and earnings management can be moderated by audit quality

3 Research Methods

3.1 Population and Sample

The population in this study are all manufacturing companies listed on the IDX. While the sample in this study is a manufacturing company listed on the IDX based on certain criteria as follows:

a. Manufacturing companies listed on the IDX in 2016 – 2020.
b. Companies that are not *delisted* during the observation period.

3.2 Data Source

The data used is data on the annual financial reports of public companies (manufacturing) from 2016 to 2020 available on the Indonesian Capital Market Directory (ICMD) and the official IDX website at www.idx.co.id or each company.

3.3 Hypothesis Test

Multiple regression analysis is used to examine the relationship or influence of the independent variables on the dependent variable. The formula for testing the relationship and influence of the independent variables on the dependent variable is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \tag{1}$$

Information:
Y= Earnings management
α= Constant
X_1= *Financial Distress*
X_2= *Free cash flow*
$\beta_1 - \beta_2$= Multiple regression coefficient
ε= Error *term*
Linear regression is used specifically to determine the relationship between the two variables that are influenced by the third variable, so a moderation regression analysis is used. The moderating variable is an independent variable that influences the relationship between other independent variables and other dependent variables, either strengthening or weakening the relationship. Testing the moderating variable can be done in three ways, namely; interaction test, absolute difference value test and residual test.

This study uses the absolute difference value test, with the following equation:

$$Y = \alpha + \beta_1 ZX_1 + \beta_2 ZX_2 + \beta_3 ZX_3 + \beta_4 [ZX_1 - ZX_3] + \beta_5 [ZX_2 - ZX_3] + \varepsilon \tag{2}$$

Information:
Y: Earnings Management
α: Konstanta
ZX_1: Standardized *Financial Distress*
ZX_2: Standardized *free cash flow*
ZX_3: Standardized Quality audit
$[ZX_1–ZX_3]$: The interaction between ZX1 and ZX3 is measured by the difference in absolute values
$[ZX_2–ZX_3]$: The interaction between ZX1 and ZX3 is measured by the difference in absolute values
$\beta_1–\beta_5$_: Regression coefficient
ε: Error *term*

3.4 Operational Definition of Variables and Measurement

Independent Variable

1. *Financial distress* is a financial condition in a company that shows a problematic financial condition and indicates bankruptcy. The model used in this study is the Modified Altman Z-Score model, namely:

$$Z = 6.56X_1 + 3.26X_2 + 6.72X_3 + 1.05X_4$$

   Information:
   Z: score of financial distress if $Z < 1.23$ means experiencing financial distress or bankruptcy, $1.23 < Z < 2.9$ means gray area company and $Z > 2.9$ does not experience financial distress or bankruptcy
   X_1: Ratio of working capital to total assets (Current Assets – current liabilities/Total assets)
   X_2 : Retained Earnings/Total Assets
   X_3 : EBIT/Total Assets
   X_4 : Book value of equity/total book value of liabilities
   This variable is measured using a dummy variable

2. Free Cash Flow

   The scale of measurement of free cash flow uses the measure proposed by Rahdal. 2017 is:

$$FCF = \frac{CFO - NetCapitalExpenditure - NetBorrowing}{Equity}$$

Dependent Variable
Accrual earnings management variable as measured using the modified Jones method:

a. Calculating total accruals

   $$TAC\ it = NI\ it - CFO\ it$$

b. Calculating the accruals value using a simple regression equation

   $$TAC_{it}/TA_{it\text{-}1} = 1(1/TA\ it\text{-}1) + 2(\Delta Rev\ it/TA\ it\text{-}1 + 3(PPE\ it/TA\ it\text{-}1) + \varepsilon$$

c. Menghitung *non discresionary accrual*

   $$NDA\ it = \beta 1\ (1/TA\ it\text{-}1) + \beta 2\ (\Delta Rev\ it - \Delta Rec\ it)/TA\ it\text{-}1 + \beta 3\ (PPE\ t/TA\ it\text{-}1)$$

d. Menghitung *discresionary accrual*

DA it = TAC it/TA it – NDA it
Keterangan:
DA it: *Discresionary Accruals* company i pada periode t
NDA it: *Non Discreionary Accruals* company i pada periode t
TAC it: *Total Accruals* company i pada periode t
NI it: *Net Income* company i pada periode t
CFO it : *Cash Flow Operating* company i in period t
TA it : *Total Assets* of company i in period t
REV it : Change in income of firm i in period t
REC it : Changes in accounts receivable of company i in period t
PPA it : Total fixed assets of company i in period t
ε: error

Moderating Variables
The moderating variable is audit quality as measured using a dummy variable, namely
1 for Big4 public accounting firm auditors and 0 for non-Big4.

4   Result

4.1   Descriptive Statistic

The following are the results of descriptive statistical tests using SPSS version 22 which
are presented in Table 1.

Table 1 presents descriptive statistics for each research variable. Financial distress
variable shows a minimum value of 0.83 and a maximum of 13.21 with a mean of 5.77
and a standard deviation of 3.079. The free cash flow variable shows results with a
minimum value of −0.58 and a maximum of 0.40 with a mean of 0.048 and a standard

Table 1. Descriptive Statistic

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Financial Distress	−,002	,013		−,191	,849
Free Cash Flow	−,025	,008	−,358	−3,283	,002
Audit Quality	−,047	,006	−,674	−8,304	,000
Earnings Management	,001	,006	,012	,137	,891
Valid N (listwise)	,021	,009	,258	2,446	,017*
	−,015	,008	−,156	−1,893	,062**

deviation of 0.19. The audit quality variable with results with a minimum value of 0.00 and a maximum of 1.00 with a mean of 0.4 and a standard deviation of 0.492. While the earnings management variable shows results with a minimum value of −0.14 and a maximum of 0.28 with a mean of 0.01 and a standard deviation of 0.07.

4.2 Partial Regression Test (t Test)

The following is a partial regression test in Table 2.
   Based on Table 2, the estimation model is as follows

$$Y = 0.046 - 0.004X_1 - 0.249X_2 + \varepsilon \qquad (3)$$

   Based on Table 2, the research hypotheses, namely H1 and H2, can be interpreted for the financial distress variable to have an *unstandardized beta* coefficient of −0.004 and a significance level of 0.024 which is smaller than 0.05, so it can be concluded that H1 is supported. Meanwhile, the free cash flow variable has an *unstandardized beta coefficient* of −0.249 and a significance level of 0.00 which is smaller than 0.05, so it can be concluded that H2 is supported.

   Based on the results of the absolute difference test presented in Table 3, the hypotheses H_3 and H_4 can be interpreted that audit quality is a moderating variable with pure moderation type. For hypothesis 3 (H_3) shows level significance of 0.017 which means it is smaller than 0.05, it can be concluded that H3 is supported. While H_4 witha significance level of 0.062 is greater than 0.05 but smaller than 0.10, it can be concluded that H_4 is supported at the 10% level.

5 Discussion

5.1 Financial Distress

Based on Table 2, which shows that the *financial distress variable* with the Altman z-score model has a negative and significant effect on earnings management. These results provide evidence that managers will reduce accrual earnings management if the company experiences financial distress. The negative relationship indicates that the more severe the financial distress experienced by the company, the manager will reduce accrual

Table 2. Partial Regression Test Results (t Test)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	,046	,012		3,927	,000
1 Financial Distress	−,004	,002	−,183	−2,299	,024
Free Cash Flow	−,249	,029	−,676	−8,509	,000

a. Dependent Variable: Earnings Management

earnings management. Based on the results of the study, it is suspected that real earnings management will tend to be used by company managers experiencing financial distress compared to accrual earnings management [5, 6].

5.2   Free Cash Flow

Based on Table 2 which proves that the free cash flow variable reduces or has a negative effect on earnings management. These results provide evidence that if a company has a large free cash flow, the manager has no incentive or motivation to manipulate accrual earnings. This negative relationship indicates that the greater the free cash flow owned by the company, the manager reduces or does not carry out accrual earnings management. Based on the results of this study, which state that free cash flow has a negative effect on earnings management [1, 10]. This provides empirical evidence that managers will try to fulfill agency contracts by conducting earnings management when the company's free cash flow is low because free cash flow is one measure of manager performance.

5.3   Audit Quality

Based on Table 3, it provides empirical evidence that audit quality is a moderating variable on financial distress and free cash flow on earnings management. Audit quality becomes a moderating variable by strengthening the relationship between financial distress and earnings management. This shows that if the audit is of high quality, the accrual earnings management will be reduced when the company is in financial distress. While free cash flow shows different results, audit quality is a moderating variable but weakens the relationship between free cash flow and earnings management. These results

Table 3. Moderated Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	−,002	,013		−,191	,849
Zcore: Financial Distress	−,025	,008	−,358	−3,283	,002
1 Zcore: Free Cash Flow	−,047	,006	−,674	−8,304	,000
Zcore: Audit Quality	,001	,006	,012	,137	,891
X1_M	,021	,009	,258	2,446	,017*
X2_M	−,015	,008	−,156	−1,893	,062**

a. Dependent Variable: Eranings Management
b. * signifikan at level 5%
c. ** signifikan at level 10%

do not support the research which states that audit quality is not a moderating variable between managerial ownership, leverage, profitability and dividend policy on earnings management [15].

6 Conclusion and Limitations of the Study

The results of this study provide evidence and it can be concluded that:

1. The financial condition of companies experiencing *financial distress* has a negative effect on earnings management.
2. The condition of the company's free cash flow has a negative effect on earnings management.
3. Audit Quality moderates by strengthening the relationship of *financial distress* to earnings management.
4. Audit Quality moderates by weakening the relationship of *free cash flow* to earnings management.

Limitations in this study are the number of samples used only for manufacturing companies listed on the IDX from 2016 to 2020 and earnings management used only discretionary accruals. It is recommended for further research to use two measures of earnings management, namely discretionary accruals and real earnings management.

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Makassar Industrial Estate Transformation in Developing South Sulawesi's Industrial and Economy

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Abstract. Industrial estates have become hallmark and are considered as powerful content in the context of development and growth of industrialization, economy, and regional competitiveness. In line with industry growth, the needs and demands for improving the quality of services for logistics facilities, energy, water and environmental safety in industrial estates have also increased. This study aims to analyze Makassar Industrial Estate's internal and external environment and develop strategies that support any industrial activities. Through explanatory research, data in this study are in the form of words, pictures and a few numbers which collected from company. The results show that Makassar Industrial Park has a competitive advantage and is in grow, invest, and build position to become center of industrial and economic growth in South Sulawesi. This study also finds that to ensure business sustainability, the Makassar Industrial Estate needs to provide services and facilities that can support any business activities in the area and attract potential investors.

Keywords: Business · Strategy · Transformation · Industry · Industrial Estate

1 Introduction

Industrial estates are areas that are categorized and planned for the purpose of industrial development. In the Government Regulation of the Republic of Indonesia No. 24 of 2009, stated that industrial estates are areas where industrial activities are concentrated, equipped with supporting facilities as well as infrastructure developed and managed by industrial estate companies which already have an industrial estate business permit. United Nations Industrial Development Organization defined industrial estate as developed land and divided into plots according to a comprehensive plan with the provision of roads, transportation and public utilities for use by a group of producers [11].

Industrial estate usually dominated by industrial activity and has facilities consisting of industrial plants, research and laboratories for development, office buildings, banks, and other infrastructure such as social and public facilities which include offices, housing area, schools, worship places, open public space and others [1].

The Government Regulation of the Republic of Indonesia No. 24 of 2009 stated that the development of industrial estates intended to control space utilization, increase efforts

to develop environmentally sound industries, accelerate industrial growth in the regions, increase industrial and investment competitiveness, and provide location certainty in infrastructure planning and development, which coordination between related sectors. The main reason for setting up industrial estates is to allow industry to settle and develop in specific locations that are planned and scaled up to that effect [4].

Industrial parks are currently a point of economic growth for the region which also serves to attract direct investment in the area [5]. The main competitive advantages of such locations for resident companies include the possibility of reducing time and financial costs for organizing production, favorable location in relation to transportation routes, markets for raw materials and finished goods, as well as targeted support for residents of industrial parks by state [8].

Increasing number of industrial areas, urbanization and the growth of residential and multi-purpose areas, needs of better management of environmental externalities in recent years, and digital transformation related to Industry 4.0, have shaped not only opportunities but also challenges for the future of industrial estates [11]. The Industrial Revolution 4.0 is a big leap for the modern industrial sector or where information and communication technology is fully utilized, not only in the production process, but also throughout the industrial value chain so as to give birth to a new business model with a digital basis in order to achieve high efficiency and better-quality products and services [4].

Those trends also affect the growth of industrial estate business in Indonesia, however poor planning and weak policy implementation have led to policy problems, administrative inefficiency, poor infrastructure, antagonistic labor relations, and limited incentives [7]. Moreover, the development of industrial estates is also faced with the issue of limited land at an expensive price, the dominance of the private sector in the development of industrial estates and the lack of government involvement have resulted in soaring industrial land prices, which makes investment in industrial estates more expensive than in neighboring countries.

In 2014, Makassar Industrial Estate took the second position as the "Best Industrial Area Outside Java", however, currently the development of Makassar Industrial Estate is experiencing obstacles while industrial growth continues to increase. Based on the Central Statistics Agency of South Sulawesi, the growth rate of large and medium manufacturing industries in the fourth quarter of 2019 increased by 9.91% compared to the third quarter of 2019 and exceeded the national growth rate of only 4.01%.

Available land area for the Makassar Industrial Estate is getting smaller, from the previous 338 Ha to 28.4 Ha (2020). In addition, the remaining land area is also not all in one stretch, the land that is ready to be managed covering an area only 6.5 hectares (2021) and that is very limited compared to industrial growth in South Sulawesi.

Therefore, it is important for the Makassar Industrial Estate to formulate a sustainable strategy. The development of industrial parks requires careful planning and supervision. The principle stages in industrial park planning include: business case formulation, pre-feasibility studies; pre-identification of a short list of suitable regional sites; detailed feasibility analysis of the selected site; and financial arrangements and agreements with financial backers [11].

Therefore, this research seeks to analyze Makassar Industrial Estate environments and investigate customer needs which are the basis for planning the development and carrying out its business activities, the company must also formulate a business model that is in accordance with the existing business competition conditions. However, the need to follow established standards while creating a competitive advantage escalate the complexity of formulating industrial estate development strategies.

2   Methodology

This research is an explanatory design, applied research without any hypothesis-test with a focus on analyzing Makassar Industrial environment, provide an overview of its business process, and formulating alternatives to a much broader business scope that can be implemented. This study utilizes primary and secondary data such as individual responses, descriptive conclusions, or both that can be transferred to certain situations that shares characteristics.

Data collection techniques are carried out in natural settings, primary data sources, and data collection techniques are mostly on observation, questionnaire, interviews, and documentation. The data were analyzed using three main performance indicators of industrial estates according to the United Nations Industrial Development Organization (UNIDO) and General Electric (G.E.) Analysis.

3   Results

This study measures the performance of the Makassar Industrial Estate based on 3 (three) main performance indicators of industrial estates according to the United Nations Industrial Development Organization (UNIDO); (i) Economic Performance Indicators concerning Good Economic Governance, areas, infrastructure and services that have economic value; (ii) Social Performance Indicators regarding the suitability of the location and social infrastructure, quality of social management systems and services, occupational health and safety (K3) as well as work relations and welfare; and (iii) Environmental Performance Indicators regarding the suitability of the location with the environment, environmentally friendly infrastructure and systems, as well as measuring the efficiency of production, emissions, and waste management.

This performance measurement was carried out using a questionnaire distributed to the leaders and managers of the Makassar Industrial Estate (Fig. 1).

Based on the chart above, the results of the overall performance evaluation of the Makassar Industrial Estate are still below optimal results. Therefore, it is very important to formulate a more comprehensive strategy to improve its performance while making Makassar Industrial Estate a driver of industrial and economic growth in South Sulawesi.

The General Electric matrix uses two factors, industrial attractiveness and competitive strength [6]. In the following, General Electric's matrix data of industrial attractiveness and competitive strength factors of Makassar Industrial Estate is presented (Table 1).

Based on the index of the two factors, Makassar Industrial Estate is in a position that shows the possibility of a 'Grow, Invest and Build' strategy, which means the company
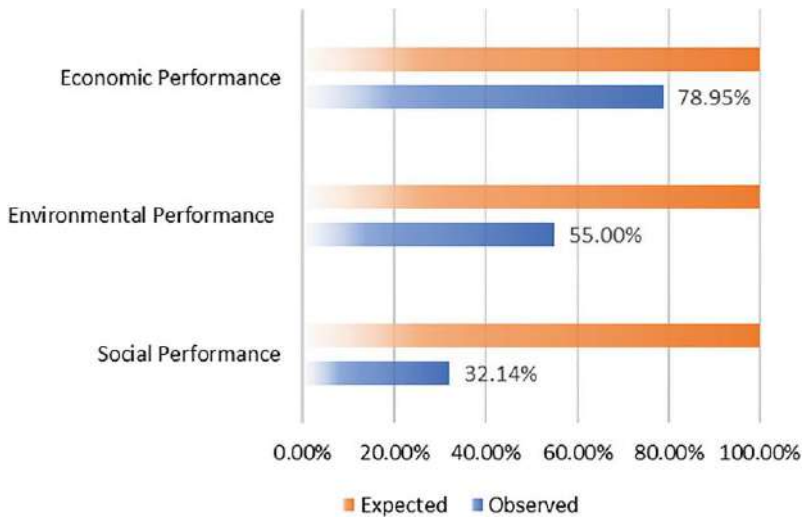
Fig. 1. Makassar Industrial Estate Performance. (Processed Data, *2022*)

Table 1. General Electric (G.E.) Factors

Factors		Weight	Rating	Product
Industry Attractiveness	Market Growth Rate	19	0.87	16.53
	Market Size	21	0.72	15,12
	Demand Variability	8	0.56	4.48
	Industry Profitability	22	0.69	15.18
	Industry Competition	12	0.41	4.92
	Global Opportunity	18	0.88	15.84
	Industry Attractiveness (I.A.) Index			72,07
Competitive Strength	Market share	20	0.68	13.60
	Market Share Growth	10	0.55	5.50
	Brand Equity	21	0.62	13.02
	Distribution Channel Access	22	0.83	18.26
	Production capacity	11	0.77	8.5
	Profit Margin	16	0.80	12.8
	Competitive Strength (C.S.) Index			72,07
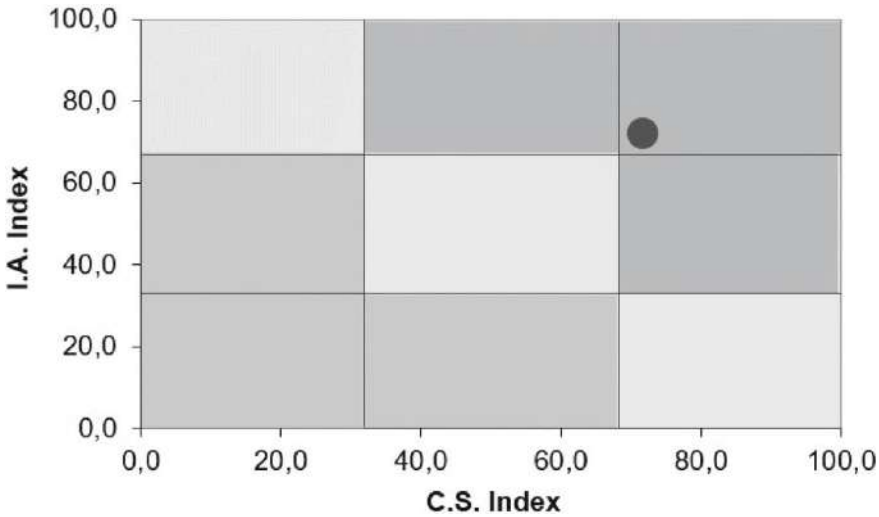
Fig. 2. G.E. Matrix Chart *(Processed Data, 2022)*

has business opportunities to grow because it is located in a cell that has a large market appeal, with high priority income and has a competitive advantage (Fig. 2).

4   Discussion

By taking advantage of good economic performance, investment strategies can be focused on improving the environmental and social performance of the Makassar Industrial Estate. However, this strategy must still aim to improve or at least maintain the existing economic performance and minimize the negative impact of industrial estate on its environments, including social aspect. This can be done through approaches to green design infrastructure, pollution prevention, and energy efficiency [3].

These approaches can be achieved by applying the concept of Eco-Industrial Parks, which is an industrial area concept specifically designed to improve these three key performance indicators through the promotion of a symbiotic industry and green technology that provides resource efficiency and socially responsible with surrounding communities [11].

The eco-industrial area concept not only provides commercial benefits, but also adds to its strategic value which leads to increased competitiveness and a better reputation with key stakeholders [10]. Its business members are collectively enabled to seek environmental, economic and social performance improvements through collaboration in managing environmental and resource problems and turning them into business solutions [3].

The Makassar Industrial Estate business, which focuses on selling and leasing very limited land, has become increasingly difficult to maintain. In addition, the diversity and completeness of facilities are also important factors to attract investors or tenants to want to operate in the industrial area as supporting business. If it is associated with the results of the analysis above, this business has the opportunity to be used as an investment

solution to overcome the limited land faced by the Makassar Industrial Estate at this time.

By restructuring loans that focus on recurring income businesses, it will not only provide a consistent and reliable income but also attracts more potential customers [4]. Makassar Industrial Estate will be able to rely more reliable and predictable source of revenue, determine business value in multiple ways with more stable metrics, sell additional products and services to existing customers, and maintain business in tune with changing customer needs.

Focusing the company's goals on industrial support businesses needed by tenant companies such as rental of heavy equipment, optimizing logistics facilities, as well as building modern with green technology waste treatment facilities, can be used as a solution to maintain the company's business sustainability and overcome environmental and social performance problems in the Makassar Industrial Estate. The availability of heavy equipment facilities, alternative energy, clean water, logistics facilities, industrial waste management, and employee housing facilities are key factors and can be as sources of sustainable income [4].

As an industrial estate managed by the Government as a shareholder, the most important goal in restructuring the industrial sector, and in the broader context–the entire economy, is to make a real contribution to the wealth and welfare of the region [9]. Sustainable development like this can be achieved if the investment made by the Makassar Industrial Estate can maintain human survival by preserving ecosystem functions and capabilities and providing opportunities for other sectors in the region to develop together through procedures and procedures that take into account the preservation of ecosystem functions and capabilities to support life both now and in the future [2].

5 Conclusion

By taking into account the results of the Makassar Industrial Estate performance evaluation through key performance indicators, it is very important to carry out a more comprehensive strategic planning. Analyzing the advantages and disadvantages of the Makassar Industrial Estate and formulating the best strategy that can be done to improve its performance while making it a driver of regional economic growth. The results of the General Electric (G.E) Matrix analysis found that the Makassar Industrial Estate is in a position that indicates a possible 'Grow, Invest and Build' strategy, which indicates that this area has the opportunity to grow because it has a large market appeal, with high priority income and have a competitive advantage. Refocusing the company's goals on supporting businesses may be one solution to maintain sustainability in the competitive industrial estate business. However, this research has not paid attention to the "real needs" for Makassar Industrial Estate tenants to provide more comprehensive point of view in formulating strategies in the future.

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Asset Sustainability as Determinant of State-Owned Enterprise Financial Sustainability

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Abstract. Wealth is not the only important thing in this world, however, people will have difficulty in the absence of wealth or economic activity. The inability to manage finances and assets is influenced by various factors, one of which is limited resources or knowledge. Wealth management as part of financial science can make it easier to develop and protect various assets owned. This study is explanatory research that aims to examine certain phenomena through qualitative approach without any hypothesis-test. The data used in this study is financial records of Indonesian state-owned banks listed on the Indonesia Stock Exchange. Through Asset Sustainability approach, this study found that BTN is the only bank that is likely to be sufficiently maintaining or renewing existing assets among Indonesian state-owned banks. Should the other state-owned corporations banks continue to under-invest in their assets, they may experience a degradation in the asset's service levels and/or usefulness.

Keywords: Financial · Asset · Sustainability · State Owned Enterprise · Wealth Management

1 First Section

Lack of knowledge in managing income or wealth may lead to errors in choosing investment instruments, and can result in the loss of a number of assets owned, and the expected return or profit on investment is not achieved. Problems like this do not only occur among people with low incomes, but also among people at the upper economic level.

Financial and investment education with a wealth management approach is one of the keys to respond this phenomenon [1]. The term Wealth Management began to be used in Indonesia in 2000 when foreign banks operating in Indonesia offered wealth management services as a more advanced model in individual, family and institutional financial planning and related to asset management [2].

Effective wealth management is not an easy task due to lack of knowledge and skills so that many people or institutions fail to manage their wealth. Specifically, the Certified Wealth Managers' Association (CWMA) notes several factors that lead to failure in

wealth management, such as lack of clear goals, incompatibility of life and health insurance schemes, greed and over-speculating, inadequate investment and portfolio management, debt management weak, do not pay attention to professional recommendations, and wealth managers who are incompetent or wrong in selecting wealth managers.

Failure in wealth management will have a negative effect on human life, both in the present and in the future, for themselves and the next generation [3]. On the other hand, proper management of wealth will provide good benefits for people or institutions. Professional wealth management is a basic need for individuals, families, and institutions.

Managing wealth professionally is not just collecting or saving money, paying taxes, or maintaining property [4]. Wealth management contains a comprehensive and sustainable wealth planning and management process, it also involves creating the best scenarios for living, for the future, and for next generations.

Wealth Management has three main pillars, namely Wealth Protection and Preservation which emphasizes the protection of wealth to be managed against all potentially detrimental risks; Wealth Growth and Accumulation which emphasizes the growth of wealth and its accumulation from the point of view of tax management and investment management; and Wealth Distribution and Transition focuses on planning wealth after the productive period has passed.

The progress of the increasingly advanced business world has made the financial sector very important for both large- and small-scale companies. And, uncertain economic conditions and intense competition in the business world can trigger and even encourage bankruptcy for companies of any scale. Before developing its business to the level of 'competitive ability' in the midst of these harsh and uncertain conditions, the company must continuously review its condition and performance. One way is to analyze financial performance through a review of the annual financial reports that the company always makes, in which there are cash flow records.

Financial performance assessment is used to determine the level of efficiency and effectiveness of the collection and distribution of funds in order to achieve the organizational goals that have been set. There are several aspects that can be used as a measurement of financial performance, namely assets, profits, debt and the ability to pay debts or company liquidity.

This study will examine asset sustainability as a determinant in measuring the company's performance and financial sustainability. Business sustainability can be defined as the adoption of business strategies and tactical plans needed today by companies and their stakeholders in order to secure and nurture both human and natural resources for future needs. Asset Sustainability Ratio helps indicate whether the organization is replacing assets as their service potential is exhausted and helps identify whether the organization will be able to continue providing its services to the community.

2   Method

This study is explanatory research that aims to examine certain phenomena through qualitative approach without any hypothesis-test. The data used in this study is secondary data in the form of financial records of Indonesian state-owned banks listed on the

Indonesia Stock Exchange. Data were analyzed using the Asset Sustainability Ratio approach to provide an overview of their financial performance and sustainability in banking business.

3   Results and Discussion

3.1   Result

The Asset Sustainability Ratio is a long-term approximation of the turnover of managed infrastructure assets as they reach their useful life. It is calculated by measuring capital expenditure on renewal or replacement of assets, relative to depreciation expense.

$$\text{Asset Sustainability Ration} = \frac{\text{Capital Expend On Replacement of Assets}}{\text{Depreciation Expense}}$$

Capital expenditure on replacement of assets means the works required to replace existing assets or facilities with assets or facilities of equivalent capacity or performance capability, but exceptions on the issuance of new or additional assets. Depreciation expense represents an approximation of how far the consumption of assets during the period. Target is met if the ratio can be measured to 90% (0.90) or more per annum (Table 1).

Table 1. Asset sustainability ratio of state-owned banks for the 2020–21 financial year (Expressed in millions of Rupiah)

Bank Name	Input	Value	Asset Sustainability Ratio (%)
Bank Rakyat Indonesia (BRI)	Capital expenditure on replacement of assets	1,337,078	41.79
	Depreciation expense	3,199,102	
Bank Tabungan Negara (BTN)	Capital expenditure on replacement of assets	400,446	103.10
	Depreciation expense	388,897	
Bank Mandiri	Capital expenditure on replacement of assets	2,210,290	44.97
	Depreciation expense	4,914,320	
Bank Negara Indonesia (BNI)	Capital expenditure on replacement of assets	1,366,662	67.39
	Depreciation expense	2,027,912	

(Sources: financial statements of PT Bank Rakyat Indonesia (Persero), 2021; financial statements of PT Bank Mandiri (Persero), 2021; financial statements of PT Bank Negara Indonesia (Persero), 2021; Annual report of PT Bank Tabungan Negara (Persero), 2021).

3.2 Discussion

In the setting of sustainable business practices, the role of the financial system can be fulfilled when its main task– to allocate funds in the most productive way and create long-term value, is also fulfilled. A change in mindset is needed, to achieve this–an integrated process of sustainable financial education and incentives from governance and regulation, is needed [5].

Companies pursuing sustainability will seek to increase the positive impacts of their business activities and eliminate the negative ones, restoring natural-capital while enhancing human-capital as well as nurturing ethical-capital [6]. World Commission on Environment and Development (WCED) and International Federation of Accountants (IFAC), define financial sustainability as the ability to fulfill service delivery and financial commitments in the present, implementing current policies and sustaining them without causing additional debt in the future [7].

Financial stability is an integral part of the overall company's business sustainability, in the form of the availability of funds that allow the company to adjust the balance of its financial flows during a certain period [8]. In addition, this is determined by the ratio of various financing sources and their conformity with the company's asset structure.

Some of the key aspects in assessing sustainability are the calculation of relevant stages in the budget, long-term financial forecasts, and current and long-term sustainability statements, and Asset Sustainability Ratio is one of the relevant measures of corporate financial sustainability. This ratio is generally used to measure the sustainability of government assets, especially infrastructure assets. However, this ratio is worth considering in state-owned enterprises (BUMN) due to part or all of their assets belong to the state or the government.

As noted in a Queensland, Australia, in Federal Highway Administration (2012) report, "A government is financially sustainable if the local government is able to maintain its financial capital and infrastructure capital over the long term" [9]. The Asset Sustainability Ratio and related wish to assess whether an infrastructure investment is sustainable in the future.

The concept of this ratio allows a company to illustrate the state of its infrastructure as an additional effective way to communicate the consequences of current trends. By its very nature, infrastructure is a long-term asset–the future state of which is highly dependent on long-term strategy and becomes even more important when the entire network or system is evaluated.

To ensure that the initial investment in new infrastructure is sustainable into the future, assets must be managed adequately and thoroughly throughout their life cycle. Each phase of its life cycle (planning, acquisition, utilization, and disposal) requires unique policies and actions that utilize a set of resources (material, financial and human) [10].

4   Conclusion

Analysis Referring to the analysis results, BTN is the only Indonesian state-owned bank that achieved the target and enable the company to adequately nourish existing assets

or replace them when reaching the end of their usefulness. Should the other banks (Mandiri, BRI, BNI) continue to under-invest in their assets, they may experience a degradation in the asset's service levels and/or usefulness. This is likely to create a burden for shareholders or affect the interest of potential investors due to the need– to incur financial costs to recover the assets first, whether– the convenience costs of not being able to utilize them. However, this study only looks at one of many measures of financial performance and sustainability. Examining the return, income and/or firm size may provide a more comprehensive picture in determining corporate's financial sustainability.

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Analysis of E-Government Implementation on Organizational Performance (Case Study on Tangerang City Government)

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Abstract. Tangerang City is a city that has used technology to implement e-government in order to achieve good governance. Several applications have been developed to aid in community service. With the development of these various applications, it is easier and faster to provide services without meeting in person, and there is more transparency. Furthermore, the Tangerang City Government has prepared an internet network in public places as well as in the RW environment, also known as RW net. This is obviously done to make it easier for the general public to access the applications that have been developed. Some of the compiled applications have segments for young people, millennials, and generation X, but a comparison of the population and application users shows that their use is still not optimal. E-government implementation at the local government level is expected to result in faster, better, and more efficient public services, as well as increased application of good governance principles.

Keywords: e-Government · organizational performance

1 Introduction

E-Government is a public service provided by all government agencies, both central and regional, through the use of information technology. It should be regarded as a means rather than an end in itself. This can be implemented properly if technical and non-technical factors affecting success are considered. Non- technical factors are more domains than technical factors in general, so when designing and implementing a government application, an in-depth understanding of non-technical factors is required.

E-government implementation at the local government level is expected to result in faster, better, and more efficient public services, as well as increased application of good governance principles. The Regional Government works optimally and is accessible to the community in order to accelerate the achievement of the vision and mission that have been established in order to provide excellent service to the community. The most common e-Government application is the development and application of various information technology portfolios with the primary goal of facilitating community interaction. So that the main purpose of the Regional Government developing various applications is to bring the government closer to the community through various various accesses so that they can easily reach the fulfillment of various service needs that the community requires on a daily basis.

2   Literature Review

Electronics Government, or e-government, is one method for improving the quality of public services and increasing active participation in providing community information. Another understanding is one form or model of a government system based on digital technology, in which all administrative work, community service, resource supervision, and control are managed in a single system. This is a shift in the context of improving public services through the use of information and communication technology, with the goal of making public services more transparent, accountable, effective, and efficient.

Define E-Government as an effort to improve efficiency and effectiveness, transparency, and government accountability in providing better public services through the use of information and communication technology [9]. Meanwhile, argues that this is a new interaction mechanism between the government and the community and other interested parties, involving the use of information technology (especially the internet) with the aim of improving service quality [10]. So that E-Government can be interpreted as an electronic-based government administration to improve the quality of public services efficiently, effectively and interactively. The essence of the above is the use of information technology that can improve relations between the government and other parties (residents, entrepreneurs, and other agencies.

The use of the application in its application provides an opportunity to improve and optimize the relationship between government agencies, the relationship between the government and the business world and the community. The pattern of utilization of information technology is a collaboration or a combination of hardware in the form of computers and software in the form of communication network systems.

That E-Government is a public service held through a government website where the domain used also shows the Indonesian government domain, namely (go.id) [12]. This is done by using information and communication technology to promote more efficient and cost-effective services, thereby facilitating service delivery to the general public and making the government more accountable to the public.

Meanwhile, the notion of E-Government is an effort to create an atmosphere of government administration in accordance with the shared objectives of a number of interested communities, therefore the declared vision must also reflect the shared vision of the existing stakeholders such as:

a. The government's operational performance and productivity are improved in terms of serving its people;
b. Promote transparent and clean government;
c. The performance of public services is improved so that the quality of people's lives will be better;
d. Ensuring the creation of a democratic state administration [11];

Referring to the explanation above that the Vision originates "From, By and For the community or community, its implementation will depend heavily on the conditions of the local community.

Based on this, basically E-Government is an electronic-based administration of government in order to improve the quality of public services to the community to make

them more effective and efficient. There are several things that we can draw from the above understanding, namely:

a. The use of information technology in the form of the internet as a new tool;
b. The purpose of its use is to create an effective, efficient and productive government in the use of internet technology, all convoluted processes or procedures can be trimmed

Apart from that, E-Government is expected to provide benefits to:

1. Improving services to the public without being limited by working hours or without having to wait for government offices to open. So that information from the government can be obtained from the office, home without having to come to the government office.
2. The relationship between the government, the community and business people becomes easier and better, thereby reducing the feeling of distrust from all parties to the government
3. Community empowerment through easy-to-obtain information so that people can easily get the information they need to speed up services.
4. Implementation of government is more efficient because government coordination is carried out through the use of information technology without being in the same physical location.

Based on the description previously presented, the objectives of e-government development are:

1. Use of technology to improve the quality of public services.
2. Creating a government that is clean, transparent, and able to respond effectively to demands for change.
3. There are organizational improvements, management systems, and governance work processes.
4. Establishment of an information network and public service transactions that are not limited by time and location, and at a cost that is affordable to the community.
5. There is an interactive relationship with the business world;
6. Formation of communication channels with all state institutions and provision of public dialogue facilities;
7. Establishment of work processes and management systems that are transparent and efficient, as well as facilitating transactions and services between government agencies.

Technology use the information used has the role that important in realizing changes in the way the government works, both the Central Government and Regional Governments in achieving their work targets. Information technology is a form of technology which applied for process and send information in form electronic. With the information technology, it will make it easy Public for knowing performance apparatus his government. Transparency this push Central Government and Local Government for increase

performance apparatus and prevent existence practice corruption, collusion,and nepotism (KKN). The use of information technology will make it easier for the public to access information in order to increase transparency and accountability in government agencies. Apart from that, it can also expand public participation where it is possible for the community to be actively involved in making government policies.

In accordance with Presidential Instruction (Inpres) no. 3 of 2009 that every Governor and Regent/Mayor to take steps to implement e-government development nationally. Based on these regulations, the government must be able to meet two different but closely related modalities of community demands, namely:

1. Public services that meet the interests of the community, are reliable and trustworthy, and are easily accessible interactively.
2. People's aspirations can be heard, so the government must facilitate public participation and dialogue in the formulation of state policies.

The development of e-government in accordance with the mandate is directed to achieve four goals, namely;

1. Establishment of information networks and public service transactions that have quality and scope that can satisfy the wider community and can be reached throughout Indonesia at any time without being limited by time and costs that are affordable by the community.
2. The establishment of interactive relations with the business world to enhance the development of the national economy and strengthen the ability to face changes and competition in international trade.
3. Establishment of communication mechanisms and channels with state institutions as well as providing facilities for public dialogue for the community to participate in the formulation of state policies.
4. Establishment of a transparent and efficient management system and work process as well as facilitating transactions and services between government agencies and autonomous regional governments.

In this case, the Tangerang City Government realizes the importance of working electronically aimed at increasing efficiency and government performance and reducing administrative process costs. The notion of performance is the level of achievement of results or results degree of advancements or, performance is level achievement destination organization [13]. Meanwhile, Performance is defined as the result of work itself (outcomes of work), because the results of work provide a strong relationship with organizational goals, customer satisfaction, and economic contributions [14]. as for the results of the performance carried out through process evaluation also could made as size success. Basically, appraisal Organizational performance can be used as an organizational measure over time and the appraiser can also be used as input for improvement and organizational performance improvement.

Meanwhile, according to Bastian that organizational performance is a description of the level of achievement of the implementation of tasks within an organization in realizing the goals, objectives, vision and mission of the organization [8]. Meanwhile,

Armstrong and Baron in [15] explain that performance is doing work and the results achieved from the work. So that performance is the result of work that has a strong relationship with the strategic objectives of the organization, customer satisfaction and contributing to the economy.

Performance is carrying out an activity and perfecting it in accordance with its responsibilities with the expected results. Based on the above definition, performance is more emphasized on responsibility with the expected results [6]. Furthermore, the notion of performance is a description of the level of achievement of the implementation of an activity/program/policy in realizing the goals, objectives, mission and vision of the organization contained in the strategic planning of an organization [7].

As said that performance is the result of work that can be achieved by an employee or group of employees in an organization in accordance with their respective authorities and responsibilities in an effort to achieve the goals of the organization concerned legally, not violating the law and in accordance with morals and ethics [5]. So based on various opinions by experts regarding the performance above, it can be concluded that performance is an inseparable part of an organization, which is measurable work performance, related to personal abilities and skills that affect the team or organization as a whole.

Based on this, organizational performance can not be separated from the factors that can influence. as for the factors that affect organizational performance:

1. Technology in the form of work equipment and work methods. The higher the quality of the technology used, the higher the level of organizational performance.
2. The quality of inputs or materials used by the organization.
3. The quality of the physical environment.
4. Organizational culture.
5. Leadership.
6. Management of human resources.

3   Methodology

In preparing this journal the methodology used is qualitative research methods. The definition of qualitative research is research that is used to investigate, find, describe, and explain the quality or privilege of social influences that cannot be explained, measured or described through a quantitative approach [1]. Sugiyono (2011) defines it as a research method based on the philosophy of post-positivism, used to examine the condition of natural objects, (as opposed to experiments) where the researcher is the key instrument, sampling of data sources is carried out purposively and snowball, collection techniques are triangulation (combined), data analysis is inductive or qualitative, and qualitative research results emphasize meaning rather than generalization [2].

Meanwhile, that qualitative research is research that intends to understand the phenomena of what is experienced by research subjects such as behavior, perception, motivation, action, etc. [3]. Holistically, and by way of description in the form of words and language, in a special natural context and by utilizing various natural methods.

The type of qualitative research carried out is a case study. This method examines certain phenomena that exist in society which are carried out in depth to study the background, circumstances, and interactions that occur. In this case, the case study that will be carried out regarding the implementation of e-government in this case is the Tanglive application that has been built by the Tangerang City Government on organizational performance.

4   Results and Discussion

In order to realize e-government towards good governance, the Tangerang City Government has made various applications in order to make it easier and accelerate services to the community. This is because so far there have been complaints from the public against public services delivered by the community. The applications that are built are carried out by the Regional Office of the Ministry of Communication and Information in accordance with their main duties and functions. In the development of this application, the Department of Communication and Information (KOMINFO) is assisted by employees of both the Aparatur Sipil Negara (ASN) and consultants who have expertise in the IT field.

The division of the compiled application is divided into 2 (two) parts, including the following:

1. Applications built to facilitate the work of state civil servants are packaged in one portal, namely the e-gov portal.
2. An application built to fulfill and accelerate public services for the community in the form of the Tanglive application portal.

The Tangerang City Government has a vision of "The realization of a prosperous, well-mannered and competitive Tangerang City". In addition, Tangerang City strives to continue to create a smart city with a city entitled LIVE: Liveable (Liveable), Investable (Investable), Visitable (Worth a Visit) and E-City (Digital City). Tangerang City which has an E-City Icon or Digital City is evidenced by the fact that to date 201 applications have been built to make it easier in terms of government management and public services (https://application.tangerangkota.go.id/front/home), here are the details (Table 1).

Some of the data, benefits and users of public service applications can be seen as follows (Table 2).

Table 1. Tangerang City Applications

No	Function	Amount
1	Government Management Apps	72
2	Public Service Application	129
	Amount	201

Source: https://application.tangerangkota.go.id/front/home.

Table 2. Types, Benefits and Application User Data on the Tangerang Live Portal

NO.	APPLICATION TITLE	APP BENEFITS	USE LEVEL	
			2020	2021
1	*JOBFAIR*	Applications built to make it easier to find job vacancies	298,113	356,463
2	*SOBAT DUKCAPIL KTP*	Applications built to make it easier to apply for an ID card	2.159	13,947
3	*PENGANTAR RT RW*	Applications built to make it easier to make ID cards and KK	148,542	140,592
4	*AKTA LAHIR*	Applications built to make it easier to make birth certificates	131,193	200,864
5	*CEK AKTA LAHIR*	Applications built to make it easier to check birth certificates	99,883	7,463
6	*KARTU KUNING*	An application built to make it easier to get a yellow card for job seekers	98,505	137,820
7	*LAKSA*	Applications built to accommodate suggestions and opinions from the community	60,779	60,926
8	*INFO COVID 19*	Applications built as a means of covid information	21.743	30854
9	*LOWONGAN KERJA*	Applications that contain types of job vacancies from companies	9.338	–
19	*AMBULAN GRATIS*	Application built to inform and serve free ambulances for the public	7.157	8.397
20	*MOBIL JENAZAH GRATIS*	Applications built to inform and serve free hearse requests for the public	7.126	7.103
21	*SIMPATI RS*	An application built to inform the number of vacant beds in hospitals throughout Tangerang City	5.232	8047
22	*VAKSIN*	Compiled application for vaccine registration	–	120,048

Source: Department of Communication and Information of Tangerang City

The application development that has been implemented has received a good response from the people of Tangerang City. This can be seen from the number of citizens who use the application. However, to find out the use of the application that has been compiled by the Tangerang City Government is actively used by the community or it will not be seen from the comparison of the population. Meanwhile, in 2020 the population in Tangerang City is 1.89 million people with the following details (Table 3).

Table 3. Number of Population by Age Group and Gender

Age Group	Man	%	Woman	%	Amount
0 to 14	244.441	51.25	232,504	48.75	476,945
15 to 64	675,439	50.43	663,837	49.57	1,339,276
64+	39,129	49.36	40,136	50.64	79,265
Amount	959,009	50.59	936,477	49.41	1,895,486

Table 4. Number of Population by Generation Age Group

Generation Age Group	Amount
Generation Z Post Posts	262.495
Generation Z	479,480
Millennials	521,431
Generation X	419,616
Boomer	196011
Pre Boomer	16,453
Amount	1,895,486

Source: BPS (Tangerang City in Figures for 2021)

The population by generation age group is as follows (Table 4).

Associated with the objectives listed in the Mayor's Regulation no. 2 of 2016 article 2 reads: the purpose of the use of e-government aims to improve efficiency, effectiveness and accountability in the administration of government, development and society as well as make it easier for the community to obtain public services. Following up on this, Tangerang City has also prepared supporting facilities so that the public can access free applications that have been built. The supporting suggestions that have been prepared are internet networks in 12 public areas and 955 networks in each RW or better known as RW net. The hope is that with the construction of supporting facilities, the community can access the application anytime and anywhere.

Based on Table 5, the population of Tangerang City in the productive age between the ages of 15 to 64 years is 1,339,276. Based on the data on the number of users juxtaposed with the population of the City of Tangerang both in terms of age and generation, the level of use is not significant. If we compare the population data based on the technology literate generation, namely the millennial generation and generation X, totaling 941,047 people with the highest application users, namely the job fair, which amounted to 356,463, the use is still not significant.

Based on the data on the type of application and its use, one sample or case can be taken, namely for the manufacture of e-KTP which in the manufacturing process can use applications to reduce interaction and facilitate service to the community. The data can be described as follows:

Table 5. The manufacture of e-KTP

No	Description	Submission via App	ID card issued	Percentage
1	Making ID Cards in 2020	2.159	212,526	1
2	Making ID Cards in 2021	13,947	162.244	8.58

Source: Dukcapil Office of Tangerang City

Based on the data above, the community prefers to submit directly (manually) for the completeness file for making an e-KTP to the Population and Civil Registry Office as a regional apparatus that has the authority and duty to serve the making of an e-KTP. Because if you look at the data above, the percentage of submissions through applications in 2020 is 1% and in 2021 it is 8.58% of the number of printed ID cards.

If you look at the understanding related to e-government, the Tangerang City Government has implemented this, with the aim of improving organizational performance. Because the higher the information technology used, the higher the organizational performance. To develop quality applications, the Tangerang City Government already has human resources that specifically handle the designated regional apparatus, namely the Communication and Information Office (Kominfo Service). However, if you look at the pattern of use and utilization of the applications that have been built by the Regional Government, the community has not taken full advantage of the facilities and access that have been provided. So that the services carried out are still manual for the process of submitting the service in question.

This is in line with the results of research from [4] regarding the Identification of Community Satisfaction with Smart Government In Fulfilling Public Service Needs in the City of Tangerang, the results show that the implementation of smart government in the City of Tangerang is still very low when viewed from the realization of programs that are already running, because the users of smart government services are still very few when compared to the number of people who can use the service" [4]. With the results of this discussion, it is necessary to re-examine the factors that cause the lack of public participation in the use of applications that are built to facilitate services to the community.

5   Conclusion and Implementation

The purpose of application development carried out by local governments is of course to simplify, accelerate, and transparent in the implementation of services to the community so that it will be more efficient. Through this application, it is hoped that there will be no queues at public service counters and no complaints from the public. The community is facilitated by the application, with the functioning of the application being built, the objectives of the local government as a community service are expected to be achieved. The community is facilitated by not having to spend money to get public services. These services can be carried out at home or in public places via mobile phones owned by the community.

In addition to developing various applications, long-term facilities in the form of the internet have also been installed in various public area locations and in every RW or known as RW net. With the convenience provided, regional officials can carry out services anytime and anywhere without the need to meet face-to-face with people who need services. This can eliminate allegations of corruption, nepotism and gratification which have been the monitoring of law enforcement officials.

The purpose of building applications and supporting facilities in the form of the internet by the Regional Government is so that many people can take advantage of the various types of services provided. Based on the results of the discussion that when compared between the number of people based on productive age with a total of 1,339,276 and also from the side of population based on generation, namely the millennial generation and generation x who are technology literate, it can be seen that the population has not directly affected the use of applications built by the Government. Area.

Apart from that, the facilities built through this application have not been fully utilized by the community, as illustrated by one of the applications, namely Sobat Dukcapil for the service of making ID cards. The percentage of community submissions through the application is relatively small when compared to e-KTP documents printed by the Population and Civil Registry Office. Through one of these cases, it can be seen that the community is still carrying out directly or manually for the proposed service.

If it is associated with organizational performance, the information technology built is expected to improve the performance of employees in local government organizations so that services become faster and easier and reduce interaction. However, with the conditions described at this time that the process is still carried out manually which will affect things that were previously expected to accelerate organizational performance. This is certainly a challenge for local governments to re-evaluate organizational performance. Based on this, there needs to be further research so that it can be known about the implementation of e- government in the Tangerang City Government and the factors that influence the low use of applications that have been built at this time.

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The Effect of Fiscal Decentralization, Financial Performance and Human Development Index on Economic Growth in Makassar City for the 2011–2021 Period

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Abstract. Economic growth is the main target in the economic development of an area as well as in the city of Makassar where local governments are required to maintain the stability of economic growth in the region. The Fiscal Decentralization in Indonesia has been applied since 2000, the consequences of this policy are given the financial to local governments. However, there are several issues which are whether the delegation of authority given by the central government to the local governments that can contribute to economic growth in the region in the implementation of authority. Fiscal decentralization is one of the indicators affecting economic growth in line with financial performance and the Human Development Index. The purpose of this research is to find out how big the influence of fiscal decentralization, financial performance and the Human Development Index on economic growth in Makassar City for the period 2011 to 2021. The data in this study are secondary data taken at the regional Finance and Assets Office. and the office of the Central Bureau of Statistics. By using the multiple linear regression method and using SPSS application tools, the results of the study were found. Based on the partial test results indicate that Fiscal Decentralization and HDI have a negative and insignificant effect on economic growth, while the financial performance variable has a positive and significant effect on economic growth in Makassar city.

Keywords: Economic Growth · Decentralization Fiscal · Financial Performance · HDI

1 Introduction

Economic growth as a process increases in output over time become an important indicator to measure the success of a country's development [1]. Therefore, identification the various factors that influence it, including the role of the government, are interesting to study more deeply. According to Neoclassical theory of economic growth does not exist the influence of the government's role on growth in both expenditure and taxes [2, 3].
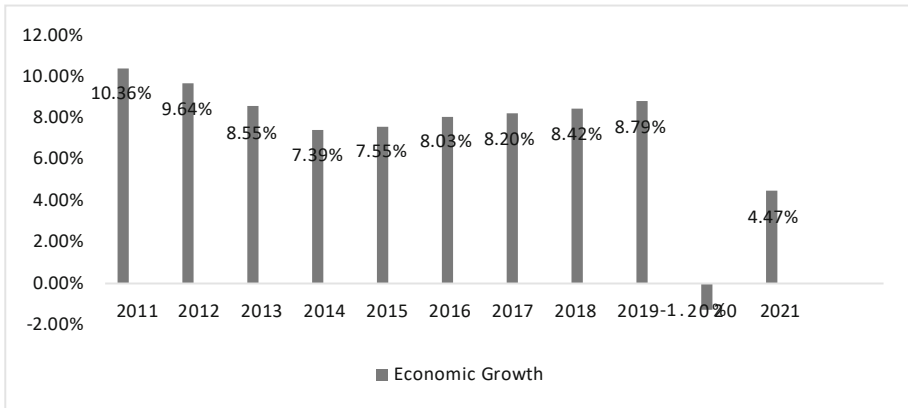
Fig. 1. Economic Growth in City of Makassar 2011–2021. Source: BPS (Makassar in Number 2012–2021)

Economic growth is only influenced by stock of capital, labor and technology is exogenous. The government can influence population growth which will affect the availability of labor but has no impact on growth economy. Endogenous growth theory explains that investment in physical capital and human capital play a role in determining growth long term economy. The government's contribution to economic growth can be explained by its influence in changing consumption or spending on public investment and tax revenues. This group of theories too consider that the existence of infrastructure, laws and regulations, political stability, government policies, bureaucracy, and basic international exchange as an important factor which also affects growth economy.

The problem of economic growth has attracted the interest of economists since the time of Adam Smith to many economists today who in the past time the attention of these economists was mainly focused on the problem of economic growth in developed countries, today the attention of some of the they have also been directed to the problem of economic growth in developing countries, including Indonesia, in this context more specifically the Makassar City Government.

Economic growth on Makassar city from 2011 until 2021 was fluctuate, in the 2011 until 2014 the percentage of economic growth in Makassar city was drop from 10,36% down to 7,39% in 2014, but in 2015 until 2019 the economic growth was up from 7,55% in 2017 up to 8,79% in 2019 (Fig. 1).

Debates about decentralization cover many issues. In relation to macroeconomic management, the key issues that stand out are the effect of decentralization on economic growth, equity, inflation, and public services. Some economists believe that fiscal decentralization promotes growth, improves equity, and improves the quality of public services and public welfare [4]. Others believe that decentralization may improve accountability and efficiency, although the process tends to complicate macroeconomic management, slow growth, increase inequality and inequality, and worsen public services and public welfare. The ambiguous conclusion cannot be separated from the multidimensional character of fiscal decentralization.

The paradigm of regional financial management has undergone a very basic change since the implementation of regional autonomy in 2001. Law (UU) No. 32 of 2004 and Law No. 33 of 2004 which are the main foundations in the implementation of regional autonomy essentially provide more opportunities. to the region to further optimize the potential of the region, both concerning human resources, funds, and other resources which are regional assets. With regional autonomy, local governments are expected to be more independent, reducing dependence on the central government, both in terms of development financing and in terms of regional financial management [5].

Regional financial management that is carried out economically, efficiently, and effectively or fulfills the principle of value for money as well as participation, transparency, accountability, and justice will be able to encourage economic growth. Good regional financial management not only requires reliable human resources, but must also be supported by adequate regional financial capabilities. One of the regional financial capabilities can be measured by the amount of regional revenue, especially regional original income. Measurement of financial performance in regional governments is also used to assess regional financial accountability and capability in implementing regional autonomy.

In order to increase investment, the regional financial capacity must also be adequate. An indicator of the size of regional investment is the high ratio of capital expenditures in the APBD. The allocation of capital expenditure to local governments is also influenced by whether or not regional financial performance is good, such as the degree of decentralization, financial dependence, financial independence, effectiveness of Regional Original Revenue (ROI), and the degree of contribution of Regional Owned Enterprises. Thus, there is a link between regional economic growth and financial performance [6].

Economic development that stable is highly expected by the state which is growing like Indonesia because it can overcome problems of poverty, unemployment, illiteracy increase welfare community and pay more attention in the fields of health and education [7]. In other words, growing country high economy then he will able to give high effect to other fields because when a country experiences economic growth, income a country's national will be boosted up so that it can be allocated to infrastructure development financing economy. Therefore, economic growth is a priority main use of a country prosper its inhabitants.

According to Solow growth economy always comes from one or more than three factors increase quantity and the quality of the workforce (through population growth and improvement of education), addition capital and technology. While wrong a tool to measure development quality and quantity of labor is HDI [8].

Human development index is a composite index that includes three the field of human division that considered very basic, namely health as measured by the average age life expectancy, knowledge and education as measured by the average years of schooling and literacy rates and decent standard of living (welfare) overall [9].

2   Introduction

2.1   Decentralization Fiscal

In Indonesia, as stated in Law Number 33 of 2004, the definition of decentralization is expressed as the transfer of government authority by the government to the autonomous regions to regulate and manage affairs government within the framework of the Republic of Indonesia [10]. This means that decentralization is the delegation of authority and responsibility or public functions from the central government to local government.

2.2   Financial Performance

Performance related to the budget is a financial performance in the form of: comparison between the components contained in the budget. Financial performance regions in this study are in the form of independence ratios, effectiveness ratios, and efficiency ratios. Regional independence in question is how big the level of government independence is region in terms of funding or funding all its activities.

Financial performance effectiveness of Regional Government is the ability of local governments to realize Regional Original Income (ROI) is compared with the set target based on the real potential of the region [11]. Regional financial performance efficiency illustrates the comparison of the realization of expenditure with the realization of revenue area [11]. With these ratios, it is hoped that they can be used to encourage and enhance economic growth.

2.3   Human Development Index

In this study we use the data of human development index (HDI) from 2011 until 2021, that the measured with index number.

2.4   Economic Growth

Economic growth measured by GRDP that Gross Regional Domestic Product can be interpreted as an estimate of the total product of goods and services received by the people of a region as a reward for using the production factors they have. In this case, the income generated by using the factors but outside the area 14183 is not taken into account.

The regional concept of Gross Domestic Product is known as Gross Regional Domestic Product (GRDP). GRDP is a macroeconomic indicator of a region, which describes the presence or absence of regional economic development. By calculating GRDP carefully and accurately both on the basis of current prices and on the basis of constant prices, several conclusions can be drawn regarding the success of development in an area, which shows the rate of economic growth that represents an increase in production in various existing business sectors then in the regional concept, regional economic growth is a number indicated by the magnitude of the growth rate of the gross regional domestic product of an area measured on the basis of constant prices.

Fig. 2. Conceptual Framework

3 Methodology

This research is empirical research with hypotheses testing, which aims to test the hypothetical model [12]. The population used in this study is the City/Makassar. The sample in this study used the purposive sampling method, namely sampling based on subjective considerations of research that were adjusted to the research objectives. In the following, the author determines several criteria when taking samples to be used as research material, such as:

1. Makassar City Budget Financial Report from 2011–2021.
2. Data on Fiscal Decentralization, Financial Performance and Economic Growth from 2011–2021 in the Makassar City Budget Financial Report.

Types and Locations of Research This type of research is quantitative research. This research emphasizes on testing the theory between research variables with numbers and data analysis.

This study uses software applications in analyzing the data. The application used is Statistical Product and Service Solutions (SPSS). The methods used to analyze the data and test the research hypotheses are multiple linear regression analysis test, normality test, classical assumption test and hypothesis testing (T test and F test).

The data source used is secondary data. The data collection technique used in this research is the Documentation Method. This method is done by studying or using the financial reports of the Makassar City government (Fig. 2).

The hypotheses in this study are:

It is Assumed that Fiscal decentralization, financial performance and human development index simultaneously have significant effect on economic growth?

It is Assumed Fiscal decentralization have positive and significant effect on economic growth?

It is Assumed Financial performance have positive and significant effect on economic growth?

It is Assumed Human Development Index Havel positive and significant effect on economic growth?
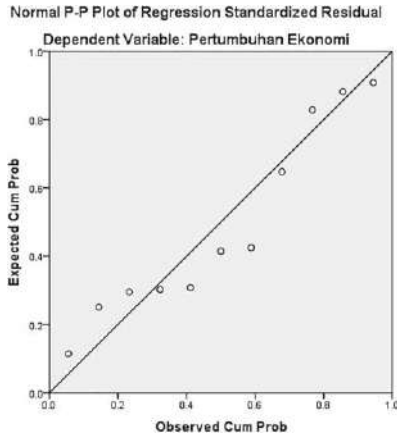
Fig. 3. Normality Test

Table 1. Descriptive Statistics

	Mean	Std. Deviation	N
Economic Growth	661.3636	372.48068	11
HDI	7978.0000	150.52973	11
Finance Performance	69108190.1818	123587152.98224	11
Fiscal Decentralization	3645601739.2727	1725706201.64835	11

Source: Output SPSS 24 (2022).

4   Result

From Fig. 3 the data obtained follows a diagonal line so we can conclude that the data in this study is normal.

4.1   Descriptive Statistics Test

Statistics in this study are used to provide information on research variables such as Fiscal Decentralization, HDI, Financial Performance, and Economic Growth.

Table 1 shows descriptive research variables with 11 years of data processing for each valid variable.

4.2   Multiple Linear Regression Analysis

Based on Table 2, the regression model is obtained as follows:

$$PE = 1656.980 - 2.276\, x1\,(Sig.0,428) + 1,33\, x2\,(Sig.0,851) + 2,196\, x3\,(Sig.0,033) + e$$

Table 2. Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficient	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1656.980	5493.658		.302	.772		
	HDI	-.133	.683	-.054	-195	.851	.792	1.263
	Finance Performance	2.196El-6	.000	.728	2.650	.033	.798	1.254
	Fiscal Decentralization	-2.276El-8	.000	-.105	-.428	.682	.991	1.009

Source: Processed Data

Table 3. Simultaneous Test Results (F-Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	802226.391	3	267408.797	23.199	.003[b]
	Residual	585192.154	7	83598.879		
	Total	1387418.545	10			

a. Dependent Variable: Economic Growth. b. Predictors: (Constant), Fiscal Decentralization, Finance Performance, HDIl

Based on the results of data processing, the constant value of 1656,980, this result proves that if there is no influence of the variable HDI, Financial Performance and fiscal decentralization, the value of economic growth is 0.1656%, while fiscal decentralization has a negative and insignificant effect on economic growth, as well as HDI which has an effect on negative and insignificant to economic growth, in contrast to financial performance which has a positive and significant influence on economic growth.

4.3 Simultaneous Test

Based on Table 3, it can be seen that the calculated F value (23.199) has a significance of $0.003 < 0.05$. So H0 is rejected and H1 is accepted. This means that simultaneously, the independent variables, such as X1 (Fiscal Decentralization), X2 (IPM) and X3 (Financial Performance) have a significant effect on the Y variable (Economic Growth).

Table 4. Coefficient of Determination Test Results (R2)

Model Summary[b]

Model R Square			Adjusted R Square	Std. Error of Estimate	Sig. F Change	Durbin-Watson
1	.760[a]	.578	.397	289.13471	.003	1.713

a. Predictors: (Constant), Fiscal Decentralization, Finance Performance, HDI.
b. Dependent Variable: Economic Growth

Table 5. Partial Test (T Test)

Model		Unstandardized Coefficient		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1656.980	5493.658		.302	.772		
	HDI	-.133	.683	-.054	-195	.851	.792	1.263
	Financial Performance	2.196El-6	.000	.728	2.650	.033	.798	1.254
	Fiscal Decentralization	-2.276El-8	.000	-.105	-.428	.682	.991	1.009

Source: SPSS 24 (2022)

4.4   Coefficient of Determination Test (R^2)

Based on Table 4 shows R Square is 0.578 or 57.8% variation in Economic Growth can be explained by variations of the three independent variables, such as Fiscal Decentralization, HDI and Financial Performance. While 42.2% can be explained by other factors not included in this study (Table 5).

5   Discussion

5.1   The Effects of Fiscal Decentralization

On Economic Growth Variable X1 (Fiscal Decentralization) has a t value of -428 with a significance of 0.682, which is greater than (0.05). This test shows that H0 is accepted and H1 is rejected, so it can be concluded that the variable X1 (Fiscal Decentralization) has a negative and insignificant effect on the variable Economic Growth. These results indicate that if fiscal decentralization increases, it will reduce economic growth in the city of Makassar. This result is obtained because based on the existing data at the Makassar City Government, the calculating variable in fiscal decentralization is very volatile. The different results were found by Junaidi et al. (2021) who found that fiscal decentralization had a positive and significant effect on economic growth in East Java Province [13].

Previous studies on fiscal decentralization generally used two indicators, namely revenue indicators and expenditure indicators. But in this study, the estimation will focus on the indicator fiscal decentralization variable expenditure due to the expenditure side, namely the real expenditure that has been made by government, is believed to be able to explain its influence better than the receiving side. In a system of government in which the central government has the authority to collect strategic taxes and then distribute them to local government while the responsibility for spending is given to local government, then the expenditure side is an indicator of decentralization fiscally better than the revenue side [14]. In context fiscal decentralization in Indonesia, most of the authority to collect taxes and other sources of revenue are owned by the government Center, while the regions will only get their receipts by transfer balancing fund consisting of Revenue Sharing Fund, General Allocation Fund and Special Allocation Fund. Thus, the focus of fiscal decentralization on expenditure indicators will be better.

5.2   The Effect of Financial Performance on Economic Growth

Variable X3 (Financial Performance) has a t value of 2.650 with a significance of 0.033 which is smaller than (0.05). This test shows that H0 is rejected and H1 is accepted so that it can be concluded that the X3 variable (Financial Performance) has a positive effect on the Economic Growth variables. This illustrates that financial performance has an important role in terms of increasing economic growth. Regional governments after autonomy have the authority to manage large enough funds and if they are not accompanied by financial performance or budget efficiency, the funds issued by local governments are not in accordance with development priorities in their regions and tend to experience budget wastage.

Similar results were found by Sari, Kindangen & Rotinsulu (2016). Based on the research, it was found that the independence ratio had a positive and significant effect on economic growth, the effectiveness ratio also had a positive and significant effect on economic growth while the financial dependency ratio had a negative and significant effect on this. is in accordance with the theory [15].

5.3   The Effect of HDI on Economic Growth

Variable X2 (IPM) has a t-count value of -195 with a significance of 0.851 which is greater than (0.05). This test shows that H0 is accepted and H1 is rejected so it can be concluded that the variable X2 (IPM) has a negative effect on the variable Economic Growth. This result shows that the increasing welfare of the people as measured by the Human Development Index will actually reduce economic growth. This result is a reflection of the level of the human development index which is a reflection of the welfare of the community. The same results were found in a study conducted by Muqorrobin (2017) [16]. Based on the results of data estimation using simple linear regression, it shows that the human development index variable has a negative and significant effect on economic growth in East Java province. Where every economic growth increases by 1%, the human development index will decrease by 0.19%. On the other hand, if the human development index increases by 1%, economic growth will decrease by 19.29%.

Increasing human development itself requires a fairly large investment and is followed by an even distribution of income [17]. The existence of investment and income distribution will achieve increased development in the fields of education and health. Furthermore, economic growth in an area depends on the conditions that are happening in the area, "The economic growth of the province of Bali is easy to fluctuate if there is a decrease in the number of tourists which affects the condition of the community which is indeed difficult to escape [18]. from dependence on the tourism sector". This indicates that the human development index component consists of three components, namely, the health index, the education index and the people's purchasing power index. These three components have a significant effect on the economic growth of Bali Province. Thus, the increasing achievement of the quality of human capital in an area is related to the quality of the human development index as the main capital in economic development, and economic growth can be realized and increased. Therefore, the Makassar city government strives to continuously promote the economy in various indicators that we know that recently there are incessant promotion programs in the tourism sector of the city of Makassar.

6   Conclusion

The purpose of this study was to determine the effect of Fiscal Decentralization, HDI and Financial Performance on Economic Growth in Makassar City. Analysis using multiple linear regression. So the results of the study show:

1) Based on the calculation of the F test or simultaneous testing, it shows that Fiscal Decentralization, Community Welfare and Financial Performance have an effect on Economic Growth.
2) Based on the partial test results show that Fiscal Decentralization have l a negative and insignificant effect on economic growth.
3) Based on the partial test results show financial performance variable has a positive and significant effect on economic growth.
4) Based on the partial test results show HDI have a negative and insignificant effect on economic growth.

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Factors Affecting Fisherman's Income in Bone Regency

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Abstract. Fishermen are one of the important professions in this country, but their role cannot be. Bone Regency has many coastal areas that have potential for fisheries sub-sector, especially marine fishing. There are several factors that can affect the income potential of fishermen such as working capital factors, labor factors, work experience factors to technology factors. The formulation of the problem from this research is to find out how much influence working capital, labor, work experience and technology have on increasing fishermen's income in Bone Regency. The research method used in this study is a simple linear regression method by taking a sample of fishermen in Bone Regency of 100 respondents. By using the SPSS application, it was found that, simultaneously, working capital, labor, work experience and technology had a significant effect on increasing the income of fishermen in Bone Regency. Partially working capital, work experience and technology have no significant positive effect on increasing fishermen's income in Bone Regency, while labor has a significant positive effect on increasing fishermen's income in Bone Regency.

Keywords: Fishermen · Income · Working Capital · Technology · Labor · Work Experience

1 Introduction

In improving the welfare of the population, it can be done if the income of the population has increased enough to be able to meet the basic needs for life. This can be interpreted that the needs of food, clothing, housing, health, security, and so on are available and easily accessible to every resident so that in turn there are fewer and fewer poor people.

The fisheries sector is one of the government's targets in an effort to increase non-oil and gas exports, provide employment, a source of foreign exchange and for food nutrition. But from the other side, it can also be seen that the people who inhabit the coast who play an active role in the fishing business are largely not separated from the cycle of poverty that needs serious handling.

Fishery resources can potentially be used to improve the standard of living and welfare of fishermen, but in reality there are still quite a lot of fishermen who have not been able to increase their catches, so that the income level of fishermen does not increase.

The purpose of fisheries development in Indonesia in principle has two main targets, namely increasing production and increasing income in the fisheries sector. This is in line with efforts to improve fishermen's living standards and increase national fishery production which is directly or indirectly influenced by working capital factors, work experience and so on.

People who have a livelihood and earn income as fishing businesses are one of the community groups that carry out business activities by earning income from the fishing business activities themselves. Fishermen are individuals who are active in catching fish and other animals. The level of welfare of fishermen is largely determined by their catch. The catch is reflected in the amount of income received by fishermen, which is partly used for family consumption. Thus, the level of fulfillment of family consumption needs is largely determined by the income received. They also have a value system and cultural symbols as their daily reference. Some literature states that fishermen are a group of people who are classified as poor [1]. Even when compared to other community groups in the agricultural sector, fishermen (especially fishing laborers and traditional fishermen) can be classified as the poorest social layer, although it cannot be said that all fishermen are poor [2].

The development of the marine and fisheries sector is slow, because development policies are more oriented to the development of activities on land than in coastal and ocean areas. So that the exploration and exploitation of coastal and marine resources is neglected, and most coastal communities who work as fishermen still live below the poverty line [3].

Efforts made in relation to the agricultural sector development policy plan, in particular the fisheries sub-sector, aim to:

- Increase the production and quality of fishery products both to meet food. Nutrition and raw materials for domestic industry and export of fishery products.
- Increasing fishery business productivity and added value as well as increasing fishermen's income,
- Expanding job opportunities and business opportunities in supporting regional development,
- Improving the development of the sustainability of fishery resources and the environment.

With this fact, it is only natural that the potential of existing fisheries resources is developed for the benefit of the people's prosperity while maintaining and preserving these fishery resources, in addition to paying attention to the factors that support the production of the fishermen's business.

The Bone Regency area has a large enough marine and fishery potential. Bone Regency has many coastal areas that have potential for fisheries sub-sector, especially marine fishing. In the marine fisheries sub-sector the total number of fishing vessels is 3,301 units consisting of motor boats measuring 5 GT including boats without motors and outboard motors as many as 1,620 units, ships measuring > 5–10 GT as many as 155 units and ships measuring > 10 GT as many as 175 units… In addition, inland fishery production is generally carried out through aquaculture [4].

The contribution of the fisheries sub-sec-
Regency 2016-2020 (Million
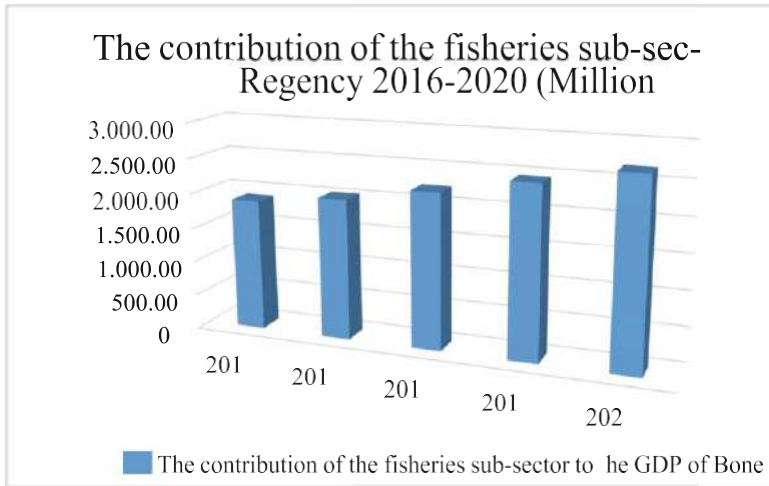
Fig. 1. Contribution of the Fisheries Sub-Sector to GDP of Bone Regency 2016–2020. Source: BPS Sulawesi Selatan Regional Province

The workforce and institutional potentials include 18,977 cultivators, 340 pokdakan and 1 fishery development unit (UPP), 9,397 fishermen, 226 KUB and 1 Joint Business Group Communication Forum (FKKUB) and there are 1 unit of fishermen's cooperative, namely Mitra Mina Bahari Cooperative which oversees all fishermen in Bone Regency [5].

The contribution of the fisheries sub-sector to the GDP of Bone Regency from year to year continues to increase significantly [6]. This is because from year to year technology in the field of fisheries is growing and the level of sales prices is increasing. In 200116–2020 there was an increase, GRDP in 2016 was 786,319 million rupiah and increased in 2020 by 1284,149 million rupiah. As shown in the following Fig. 1 [7].

This study wants to observe and analyze the factors that influence the level of income of fishermen's businesses in Bone Regency, namely working capital, labor, work experience, and technology.

The working capital factor is included in this study because income is strongly influenced by working capital. As we know that in the theory of factors of production the amount of output/production which means that it is related to income depends on working capital. This means that with working capital, fishermen's businesses can go to sea to catch fish and then get fish. The greater the working capital, the greater the chance of the catch obtained [8].

The labor factor is included in this study because income is strongly influenced by labor. As we know that in the theory of factors of production the amount of output/production which is related to income depends on the number of workers.

The experience factor, this factor theoretically in books on economics, no one discusses experience is a function of income or profit. However, in fishing activities (production) in this case the fishing business will increase income.

Technological factors, fishermen in Bone Regency are divided into two namely modern fishermen and traditional fishermen, modern fishermen are fishermen who use sophisticated equipment and modern technology which is used to increase the productivity of fishermen whose results are expected to increase production, which implies the conclusion that the community will get higher income.

By taking into account the background and descriptions that have been disclosed, the problems to be analyzed in this study are:

1. How substance is the simultaneous influence of working capital, labor, work experience, and technology on fisherman business income in Bone Regency.
2. How substance the influence working capital has on fisherman business income in Bone Regency.
3. How substance the influence of labor on fisherman business income in Bone Regency.
4. How substance the influence does work experience have on fisherman business income in Bone Regency?
5. How substance the influence of technology on fisherman business income in Bone Regency.

2   Method

The method of analysis in this study is multiple linear regression analysis. The data used in this study is primary data originating from fishermen in Bone Regency where the data is obtained through distributing questionnaires where the data collection system is random (Random Sampling).

The number of samples in this study amounted to 98 people where these results were obtained using the slovin formula from the total population of fishermen which amounted to 18,977 people in Bone Regency.

Limitations or operational definitions of variables in this study are:

- Working capital in this study is fixed capital and movable capital owned by fishermen and the amount is estimated and then converted into units in rupiah
- The Labor in this study is the number of workers needed by fishermen in carrying out their work operations which are measured in units of the number of people.
- Work experience in this study is how long fishermen have been doing their jobs as fishermen, which is measured in years.
- The technology in this research is the presence or absence of technology used by fishermen, such as the use of GPS/the use of fish finder tools. This variable is measured using a dummy variable where the number 1 is used when fishermen use technology while the number 0 is used when fishermen do not use technology or are still traditional.

Framework
See Fig. 2.
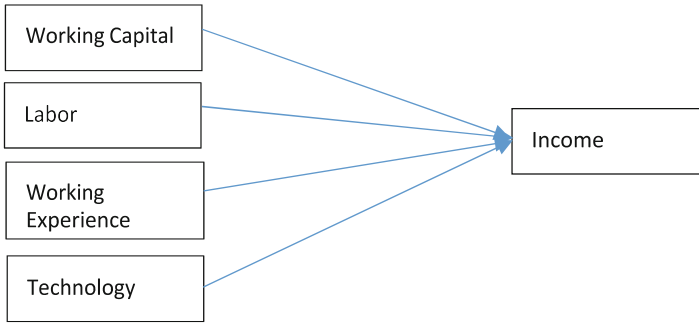
Fig. 2. Framework of the case

Hypothesis

By paying attention to the formulation of the problem, the hypothesis in this study are:

1. How substantial is the simultaneous influence of working capital, labor, work experience, and technology on fisherman business income in Bone Regency.
2. How substantial influence working capital has on fisherman business income in Bone Regency.
3. How substantial influence of labor on fisherman business income in Bone Regency.
4. How substantial influence work experience on fisherman business income in Bone Regency?
5. How big is the influence of technology on fisherman business income in Bone Regency.

3   Result

Validity Test

Validity test is to know the data in this study like variable working capital, labor, experience, technology and income was valid. We can see the data is valid or not in Table 1.

From the Table 1 the result of variable working capital, labor, experience, technology and Income in this study was valid because the results of R-Table in this variable is up to 0.254, that makes every variable in this study is Valid.

Reliability Test

From the Table 2 the result of variable working capital, labor, experience, technology and Income in this study was reliable because the results of Cronbach alpha in this variable is below of standard 0.6.

Classical Assumption Test

From Fig. 3 the data obtained follow a diagonal line so we can conclude that the data in this study is normal.

Table 1. Validity test

Variable	Pearson Correlation	R-Table	Explanation
Working Capital	0.518	0.254	Valid
Labor	0.557	0.254	Valid
Experience	0.644	0.254	Valid
Technology	0.496	0.254	Valid
Income	0.563	0.254	Valid

Source: Processed Data

Table 2. Validity Test

Variable	Cronbach Alpha	Standard	Explanation
Working Capital	0.518	0.6	Reliable
Labor	0.557	0.6	Reliable
Experience	0.644	0.6	Reliable
Technology	0.496	0.6	Reliable
Income	0.563	0.6	Reliable

Source: Processed Data
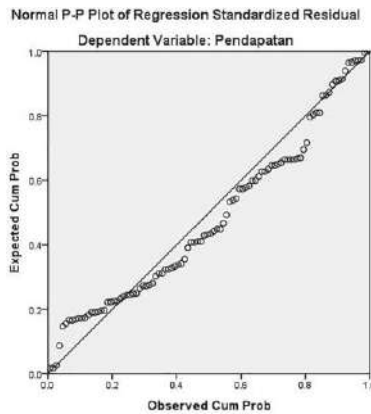
Fig. 3. Normality Test

Descriptive Statistics Test

Statistics in this study are used to provide information on research variables such as Working Capital, Labor, Work Experience, Technology and Income (Table 3).

Multiple Linear Regression Analysis

Based on Table 4, the regression model is obtained as follows:

Table 3. Statistic Test

	Mean	Standard Deviation	N
Working Capital	2914000.0000	1972437.34778	100
Labor	14290000.0000	3934552.96962	100
Experience	1.7100	1.09448	100
Technology	15.4700	7.78688	100
Income	.4400	.49889	100

Source: Processed Data

Table 4. Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients				Collinearity Statistics	
	B	Std. Error	Beta	T	Sig.	Tolerance	VIF
1	(Constant)	−386100.931	529135.705		−.730	.467		
	Working Capital	.033	.052	.066	.641	.523	.220	4.538
	Labor	1469705.305	186013.145	.816	7.901	.000	.220	4.554
	Working Experience	11772.003	12355.482	.046	.953	.343	.983	1.017
	Technology	299828.587	192974.154	.076	1.554	.124	.982	1.018

Source: Processed Data

Growth = $-386100.931 – 0.033$ x1(Sig.0523 $+ 1.469.705$ x2(Sig.0,000) $+ 11,772$ x3(Sig.0.953) $+ 299.828$ x4 (Sig. 1.554) $+$ e

Looking at the results of data processing the constant value of 1656,980 these results prove that if there is no influence of working capital, labor, work experience and technology then the income level of fishermen is 386,100, while working capital has a positive and insignificant effect on fishermen's income, Labor has a positive effect and significant to fishermen's income, work experience has a positive and insignificant effect on fishermen's income, the role of technology has a positive and insignificant effect on fishermen's income.

Simultaneous Test

Based on Table 5, it can be seen that the calculated F value (83.111) has a significance of $0.000 < 0.05$. So H0 is rejected and H1 is accepted. This means that simultaneously, the independent variables, namely X1 (Working Capital), X2 (Labor) X3 (Work Experience) and X4 (Technology) have a significant effect on the Y variable (Fishermen's Income).

Table 5. Simultaneous Test Result (F-Test). ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	299558331491443.100	4	74889582872860.780	83.111	.000[b]
	Residual	85602068508556.900	95	901074405353.231		
	Total	385160400000000.000	99			

[a]Dependent Variable: Income. [b]Predictors: (Constant), Working Capital, Labor, Working Experience, Technology

Table 6. Coefficient of Determination Test Results. Model Summary[b]

Model	R R Square	Adjusted R Square	Std. Error of the Estimate	
1	.882[a]	.778	.768	949249.39049

[a]Dependent Variable: Income. [b]Predictors: (Constant), Working Capital, Labor, Working Experience, Technology

Table 7. Parsial Test (T Test)

Model		Unstandardized Coefficients		Std. Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	−386100.931	529135.705		−.730	.467		
	Working Capital	.033	.052	.066	.641	.523	.220	4.538
	Labor	1469705.305	186013.145	.816	7.901	.000	.220	4.554
	Working Experience	11772.003	12355.482	.046	.953	.343	.983	1.017
	Technology	299828.587	192974.154	.076	1.554	.124	.982	1.018

Coefficient of Determination Test (R2)

Based on Table 6 shows that R Square is 0.778 or 77.8% the variation in fishermen's income can be explained by variations of the four independent variables, namely Working Capital, Labor, Work Experience, and Technology. While 22.2% can be explained by other factors not included in this study (Table 7).

4   Discussion

Effect of Working Capital on Fishermen's Income

From the results of statistical tests, it is found that working capital has a positive and

insignificant effect on fishermen's income, these results prove that fishermen in Bone Regency in increasing their income are not too influenced by the amount of working capital of each fisherman. This result is not in accordance with the initial hypothesis where the initial hypothesis of this study explains that working capital has a positive and significant effect on increasing fishermen's income. This result is obtained because the majority of fishermen in Bone Regency are fishermen who are not owners of fixed capital because most fishermen in Bone Regency studied in this study are not owners of capital [9].

The same result was found by Lamia in his research on fishermen in Tumpaan District, South Minahasa Regency, finding that the working capital variable had no significant effect on fishermen's income [10].

Different results were found by Mappigau in his research on fishermen in Bambu Village, Mamuju District, finding that the most dominant working capital variable had an effect on fishermen's income in Bambu Village in Mamuju District with the lowest significant value of the others at 0.000 [11].

The Effect of Labor on Fishermen's Income

From the results of statistical tests, it was found that labor had a positive and significant effect on fishermen's income, these results proved that fishermen in Bone Regency in increasing their income through the number of catches needed other fishermen, which in this study found that they were assisted by relatives, ranging from children, cousins, or wherever in catching fish in the sea. This result is in accordance with the initial hypothesis where the initial hypothesis of this study explains that labor has a positive and significant effect on increasing fishermen's income [12].

The same result was found by Mappigau in his research on fishermen in Bambu Village, Mamuju District, finding that the Labor variable had a positive and significant effect on fishermen's income in Bamboo Village in Mamuju District with a significant value of 0.010.

The Effect of Work Experience on Fishermen's Income

From the results of statistical tests, it is found that work experience has a positive and insignificant effect on fishermen's income, these results prove that fishermen in Bone Regency are fishermen who have had long working experience not too influential on increasing their income, this result is due to income, which in this study it was found that they were assisted by relatives, ranging from children, cousins, or friends in catching fish in the sea. This result is in accordance with the initial hypothesis where the initial hypothesis of this study explains that work experience has a positive and significant effect on increasing fishermen's income [13]. The same result was found by Mappigau in his research on fishermen in Bambu Village, Mamuju District, finding that the Labor variable had a positive and significant effect on fishermen's income in Bamboo Village in Mamuju District with a significant value of 0.010.

The Effect of Technology on Fishermen's Income

From the results of statistical tests, it is found that technology has a positive and insignificant effect on fishermen's income, these results prove that fishermen in Bone Regency, fishermen who already have experience and good knowledge are not too dependent on

technology in carrying out their activities so that the role of technology has no effect on The increase in income, this result is due to technology, which in this study is the use of GPS fish finder, where fishermen in Bone Regency, still rely on local knowledge in finding fish. This result is different from the initial hypothesis where the initial hypothesis of this study explains that technology has a positive and significant effect on increasing fishermen's income [14].

Different results were found by Rahmasari in his research on fishermen in Semarang Regency who found that there was an influence of technology on fishermen's income by 0.218 and the significance was $0.010 < 0.05$, which means that if there is an increase in the influence of technology, the income of fishermen will increase [15].

5   Conclusion

The conclusions in this study are:

1. Simultaneously working capital, labor, work experience and technology have a significant effect on the income of fishermen in Bone Regency
2. Working capital variable has a positive but not significant effect on fishermen's income
3. Labor variable has a positive and significant effect on fishermen's income
4. Work experience variable has a positive but not significant effect on fishermen's income
5. Technological variables have a positive but not significant effect on fishermen's income.

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Are Lecturers Agile?: Analysis the Agility of Lecturers' Teaching Role as Human Resources in Private Universities

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Abstract. VUCA conditions and the covid-19 pandemic have caused all organizations to work hard to get up and continue to exist. One of them is an organization engaged in education, especially private universities. To survive, private universities must have human resources, in this case lecturers who are able to provide maximum teaching to the students they teach. As human resources, lecturers have an important role related to the quality of education in private universities. In this sophisticated era of disruption, lecturers must be able to be agile in everything, especially in one of their functions in the Tri Dharma of Higher Education which is teaching. Being agile is important so that private universities, especially lecturers, do not lose their momentum to continue to achieve success, especially in producing outcomes, students who are superior and have the ability to compete nationally and internationally. The purpose of this study is to determine and analyze the level of agility of lecturers as human resources who conduct teaching at private universities in the city of Makassar. The method used is quantitative analysis by distributing questionnaires to 99 respondents, lecturers at private universities in Makassar. The questionnaire made consisted of 15 statements from 3 (three) agile indicators of human resources, which are speed, focus, and flexibility. From the results of the study, it can be concluded that lecturers as human resources at private universities in the city of Makassar carry out their roles in teaching, including in the agile category.

Keywords: Agile · HR · Lecturer · Private University

1 Introduction

The rapid development of the times is a challenge for all areas of life. An uncertain world is a major obstacle for all parties. Humans are faced with uncertain conditions due to (one of them) technology [1]. This condition is known as VUCA (Volatility, Uncertainty, Complexity, Ambiguity). The volatility factor is the main factor in VUCA which is characterized by the emergence of new challenges whose causes are difficult to determine. There is no definite and consistent pattern for this new challenge. Changes are very fast and a threat. The second factor, namely uncertainty, is a tragic tragedy for all industrial sectors in the world. Environmental anxiety due to uncertainty is a

common condition that likes or dislikes being a part of everyday life. The third factor is complexity, in the VUCA environment it can be caused by many factors including technological disruptions, complex regulations, changing patterns and so on. The last factor, namely ambiguity, is the same as the term 'confusing' because it can make it difficult for decision makers to see the actual conditions. When a seemingly correct solution is applied, the certainty of achieving the result is considered to be unpredictable. These four factors are the big challenges and must be controlled properly so as not to kill the organization [2].

The biggest problem right now is the COVID-19 pandemic. The pandemic is part of the unpredictable VUCA. The situation is even more tense when COVID-19 has claimed the lives of more than five thousand people in the world. Despite continuous efforts by governments from all over the world, this case has not been thoroughly resolved. This is a new challenge in this new normal era. All organizations are competing to be able to bounce back from adversity due to the covid-19 pandemic [3].

Many organizations are trying to set the direction and goals to be able to survive and grow. One of them is an organization engaged in education, namely private universities. It is interesting because some literatures [4–6] state that the service industry, including education, is an industry that has a high probability of being 'safe' from a crisis attack through several strategies that adapt to it. With the era of VUCA and disruption [7], but the fact is that universities, especially private universities, are feeling the impact of the current global crisis [8]. Private universities, especially in Indonesia, also feel the impact of the crisis caused by the current unstable conditions. Private universities find it difficult to get students due to the general decline in the financial capacity of the community. Not only that, the learning process has drastically changed due to the COVID-19 pandemic. This is where the role of lecturers as human resources who transfer knowledge to students at private universities faces exams and challenges. Lecturers must be able to have value in transferring knowledge so that it can be a selling point for the private universities where they work.

As a human resource and an important key for development in private universities, lecturers must have a growth mindset by enjoying the presence of challenges and instead of seeing failure as evidence of incompetence, consider complex conditions as opportunities to develop and improve existing abilities. Lecturers are expected not to be rigid with existing conditions and they are expected to be ready to respond to dynamic changes in the educational environment [9]. Being agile is important so that private universities, especially lecturers, do not lose their momentum to continue to achieve success, especially in producing outcomes, namely students who are superior and have the ability to compete nationally and internationally. In addition, the main role of lecturers in the Tri Dharma of Higher Education, namely teaching, is indeed considered very important. The main resources owned by private universities that can have a big impact in attracting the public to be interested in studying at these universities are competent and agile lecturers. Agile is defined as agility in responding to environmental changes that occur [10, 11]. Human resources, in this case lecturers at private universities, must be able to adapt their teaching patterns to the system and environment in accordance with the needs of the students they face. As a lecturer facing the current Gen Z generation, the role of the lecturer is more complex than before. Currently, lecturers must be able to adapt and

maximize the function of technology, must be more creative and innovative, and must be able to maximize their role in transferring knowledge in the midst of a very free and unlimited information turmoil.

In the current digitalization era, being a lecturer is not only required to deliver lecture material, but lecturers must also be able and ready to master classes that may have students who are multi-racial or have different cultural backgrounds. Lecturers must be ready to deliver material with more effective and contemporary learning methods [12]. The Gen Z generation who are already proficient with all technological sophistication from computers, laptops, iPads, and other devices make lecturers also have to be literate with today's technology. Lecturers also have to change conventional learning methods to become more modern. Being a 'modern day' lecturer is not easy because there are many challenges to be faced. Human resources, in this case lecturers at private universities, have undergone one of the most significant transformations. Lecturer human resources are the most important aspect that can affect the quality of education in a university, especially private [13]. Therefore, the role of lecturers as the main key to human resources owned by universities, especially private universities, must become more agile and must continue to learn from their experiences in the classroom. In this case, the agile category is not only for young lecturers, but applies to all lecturers, both senior and junior. According to [14], agile is defined as speed, focus, and flexibility. Fast in this case does not mean lecturers in teaching must immediately finish their meetings and do not look at the quality of the knowledge provided, but fast means lecturers easily adapt to new mindsets and use digitalization in transferring knowledge. Focus means that lecturers with various strategies must be able to motivate students to be more active in learning and strive for strong emotional relationships. The last formula is flexible which means that lecturers must be able to create a strong learning culture both inside and outside the classroom, create a comfortable environment for teaching and learning and form a positive productive and collaborative spirit among students.

The purpose of this study is to determine and analyze the level of agility of lecturers as human resources who conduct teaching at private universities in the city of Makassar.

2 Methodology

This study uses quantitative methods and to measure the level of agility of lecturers using the three box method (three box method) according to [15], then the interval value can be calculated by: the maximum value minus the minimum value and the result divided by three will produce an interval value of 24, 2 which will be used as a list of index value interpretations, which in this example are as follows:

1. 18.2 – 42.4 = Low
2. 42.5 – 66.7 = Medium
3. 66.8 – 91 = Height

This study is based on an agility questionnaire that was created specifically for this study. Questionnaires were distributed via Google Form to lecturers at private universities in the city of Makassar. The total population is 4,583 lecturers at private universities in

the city of Makassar which are listed in LLDikti region IX Sultanbatara. The number of samples was determined using the Slovin formula and obtained a total sample of 99 respondents. Questionnaires were distributed and filled out by lecturers who were willing to fill out the questionnaire. The lecturers who are respondents are registered with various years of teaching experience at their respective campuses. Anonymity was maintained in the responses due to ethical considerations. The questionnaire underwent validation tests, and was vetted by experts in data and statistics. This research focuses on 3 (three) indicators, namely speed indicator, focus indicator and lecturer flexibility indicator in completing one of the tasks in the Tri Dharma of Higher Education, namely teaching. Each indicator in this study has five statements that are systematically arranged using a Likert scale by categorizing the 5 statements chosen by the respondents in this study.

3   Result and Discussion

3.1   Result

The characteristics of respondents based on the age of the lecturers in this study can be seen in Fig. 1.

From Fig. 1 it can be seen that the age of the respondents in this study was dominated by the age of 31 to 40 years which amounted to 43%, then the age of 41 to 50 years by 36%. As for the age of lecturers 60 years and over, only 2 percent of the total 99 respondents of private lecturers in the city of Makassar.

For the characteristics of respondents based on the length of work of lecturers at private campuses in the city of Makassar, it can be seen in Fig. 2.

From Fig. 2, it can be seen that the length of work of lecturers in this study varied, ranging from 1 year to more than 30 years, while the largest number of respondents was the experience of working lecturers from 1 to 10 years, amounting to 47 people while the working experience of lecturers was 11 up to 20 years as many as 36 people, as for lecturers who have work experience of more than 31 years only 1 person (Tables 1 and 2).
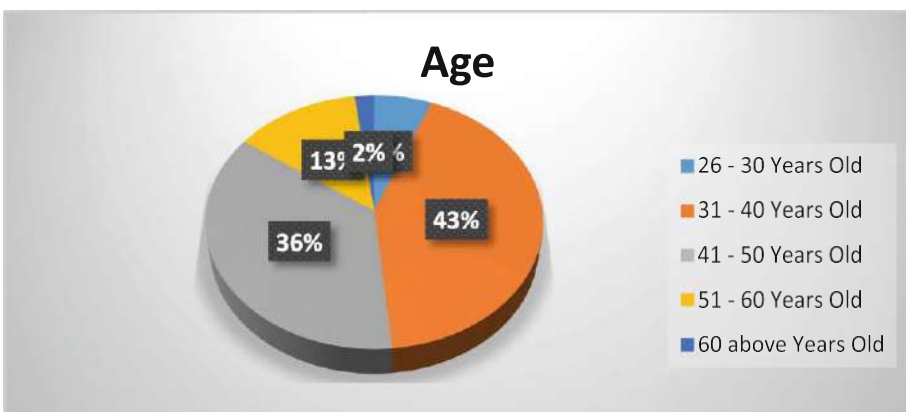
Fig. 1. The characteristics of respondents based on the age.
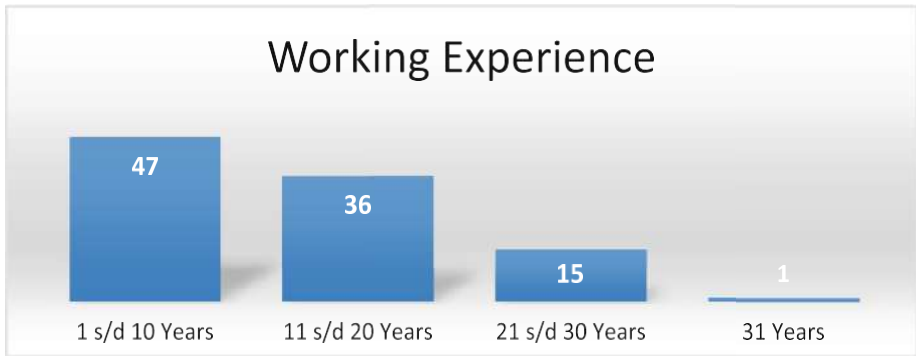
Fig. 2. The characteristics of respondents based on the length of work of lecturers at private campuses in the city of Makassar.

Table 1. Research Respondent Data Validity Test

Indicator	Item	Pearson Correlation	R-Table	Information
Speed Indicator	P1.1	0.516	0,254	VALID
	P1.2	0.546	0,254	VALID
	P1.3	0.604	0,254	VALID
	P1.4	0.521	0,254	VALID
	P1.5	0.569	0,254	VALID
Focus Indicator	P1.1	0.290	0,254	VALID
	P1.2	0.275	0,254	VALID
	P1.3	0.349	0,254	VALID
	P1.4	0.317	0,254	VALID
	P1.5	0.299	0,254	VALID
Flexibility Indicator	P1.1	0.397	0,254	VALID
	P1.2	0.356	0,254	VALID
	P1.3	0.508	0,254	VALID
	P1.4	0.442	0,254	VALID
	P1.5	0.401	0,254	VALID

Source: SPSS Processing Data (2022)

Table 2. Respondent Data Reliability Test

Indicator	Cronbach Alfa	Information
Speed Indicator	0.908	Reliable
Focus Indicator	0.908	Reliable
Flexibility Indicator	0.908	Reliable

Source: SPSS Processing Data (2022)

Table 3. The Results of the Three Box Method Index Score Analysis

No.	Statement	Score					Total	A	N	AxN	RII (Total/AxN)
		1	2	3	4	5					
1	X1	0	0	2	56	41	435	5	99	495	0,87
2	X2	0	0	9	65	25	412	5	99	495	0,83
3	X3	0	0	1	46	52	447	5	99	495	0,83
4	X4	0	2	14	54	29	407	5	99	495	0,82
5	X5	0	43	2	5	49	357	5	99	495	0,72
	Average										0,81

Source: Processing Data (2022)

Table 4. The Results of the Three Box Method Index Score Analysis

No.	Statement	Score					Total	A	N	AxN	RII (Total/AxN)
		1	2	3	4	5					
1	Y1	0	0	2	50	47	441	5	99	495	0,89
2	Y2	0	0	2	74	23	417	5	99	495	0,84
3	Y3	0	1	2	71	25	417	5	99	495	0,84
4	Y4	0	2	14	54	29	424	5	99	495	0,85
5	Y5	0	50	8	4	37	325	5	99	495	0,65
	Average										0,81

Source: Processing Data (2022)

Speed Indicator. Descriptive analysis of research variables was carried out on indicators of the speed of respondents in completing their work. Respondents' answers regarding the speed indicator after being processed with index analysis included in the three box method calculation carried out on the speed indicator are presented in Table 3 as follows:

Based on Table 3, it is known that the average value for the speed indicator is 81%, meaning that according to respondents the level of speed in carrying out activities or work is relatively high. So from the results of the assessment we can conclude that based on the speed indicator of research respondents, in this case private lecturers in the city of Makassar are included in the Agile category.

Focus Indicator. Descriptive analysis of research variables was conducted on respondents' focus indicators. Respondents' answers regarding focus indicators after being processed with index analysis included in the calculation of the three box method carried out on focus indicators can be seen in Table 4.

Based on Table 4, it is known that the average value for the focus indicator is 81%, meaning that according to respondents the focus on carrying out activities or work is

Table 5. The Results of the Three Box Method Index Score Analysis

No.	Statement	Score					Total	A	N	AxN	RII (Total/AxN)
		1	2	3	4	5					
1	Z1	0	2	3	62	34	425	5	99	495	0,811268
2	Z2	0	1	0	62	36	430	5	99	495	0,777465
3	Z3	0	0	1	70	28	423	5	99	495	0,811268
4	Z4	0	1	4	61	33	423	5	99	495	0,84507
5	Z5	0	58	11	12	18	287	5	99	495	0,839437
	Average										0,817371

Source: Processing Data (2022)

relatively high. So from the results of the assessment we can conclude that based on the focus indicators of research respondents in this case private lecturers in the city of Makassar are included in the Agile category.

Flexibility Indicator. Descriptive analysis of research variables was carried out on indicators of flexibility. Respondents' answers regarding flexibility indicators after being processed with index analysis included in the three box method calculation carried out on flexibility indicators are presented as follows:

Based on Table 5, it is known that the average value for the flexibility indicator is 81%, meaning that according to respondents the level of flexibility in carrying out activities or work is relatively high. So from the results of the assessment, we can conclude that based on the flexibility indicators of research respondents, in this case private lecturers in the city of Makassar are included in the Agile category.

3.2   Discussion

Speed Indicator. Based on the speed indicator in this study, it was concluded that lecturers at private universities in the city of Makassar were included in the Agile category. This means that lecturers at private universities in the city of Makassar carry out their functions or fulfill the first Tri Dharma of Higher Education, namely teaching quickly. Speed in this case includes the adoption of digitalization techniques in teaching, being agile in the teaching process, making use of previous experiences to improve future teaching methods, and making campus culture a platform to support a better learning process.

In a previous study conducted by [16] it was found that performance is an important factor for state lecturers employed at Kopertis Region V Yogyakarta. If lecturers have high motivation and competence and are supported by good culture and leadership, they will be able to improve lecturer performance. They will adapt more quickly to new things to adjust to the needs of students. Further [10] in his research highlights the importance of strategic agility and links strategic agility with human speed in resource management practices. The study discusses strategic agility by identifying gaps. In this discussion this

paper offers new insights in terms of the implications of strategic agility on HR practices and suggests a new place for future research in strategic agility. The use of technology and digitization plays an important role in the implementation of education in universities [17]. This is not only for the development and innovation of teaching in universities but also for maximizing the potential of lecturers and providing the best learning process for students or students. Therefore, lecturers as the key to human resources owned by universities, especially private universities, must quickly respond to changes and be more innovative in carrying out their roles as lecturers.

Focus Indicator. Descriptive analysis of research variables was carried out on focus indicators and the results showed that the research respondents, in this case private lecturers in the city of Makassar, were in the Agile category. The focus of the lecturers in this study was seen from the lecturers' efforts to motivate students to continue to study hard, build adaptive strategies in the learning process, a clear vision in shaping student character, and the lecturers' efforts to build emotional bonds with students in order to create good relationships in the learning process. Focus is considered important because lecturers are required to achieve learning objectives in accordance with the material being taught. Focus is also a reflection of human resources in maximizing their roles and functions in order to achieve better performance.

It is explained in research conducted by [18] that universities must focus on developing knowledge, especially on lecturers as human resources who carry out the teaching and learning process. He further explained that through lecturers as educators, a university can have shared values that are able to provide added value for its users, in this case the community and graduate users. In interacting with students, lecturers must focus on strategies that can be implemented so that the teaching and learning process becomes more enthusiastic, but still on strong academic norms, therefore lecturers must have the ability to maximize the learning process. As explained in [1], that one of the elements of agile is the focus on the sustainability of organizations and individuals in developing their abilities, especially continuous learning and increasing knowledge.

Flexibility Indicator. On the flexibility indicator, the results of the research respondents' answers, in this case private lecturers in the city of Makassar, fall into the Agile category. The flexibility of lecturers in teaching can be seen from the lecturers' efforts to give students the freedom to learn from various literary sources, trying to create a comfortable environment in the learning process, creating a positive collaborative culture in the learning process, and making the learning process interesting by empowering students' abilities.

In research conducted by [19], it was explained that universities adopted a leadership decision that carried out the transfer of 700 courses to distance learning and teaching, with 150 lecturers and 1,500 students in their homes in several semesters. With such a fast organization, executed with maximum flexibility, using precise planning and far from perfection. The results of the study offer a display of academic agility as demonstrated during the transition of higher education education to distance learning in an emergency. This will be checked through analysis of survey responses from students. The purpose of the survey is to assess students' attitudes towards implementing the strategies carried out by universities. This is one example of flexibility carried out by universities, especially

lecturers who become mediators in educating students. With the new normal period like today, lecturers are encouraged to be more flexible in determining policies in the learning process. Flexibility is one of the keywords for private universities in the era of the industrial revolution 4.0 and this must be responded to with the 4.0 Education revolution. Human resources in private universities, namely lecturers, must also quickly respond and change, if private universities do not want to become museums of the past and are abandoned by students. The learning method applied by lecturers at private universities must be flexible to provide space for the birth of a generation that is agile, adaptive, creative, and lifelong learning [20].

The limitation of this study were obtained from the characteristics of the respondents where the respondents of this study had more work experience ranging from 1 to 10 years which indicated that the majority of respondents in this study were young lecturers, where there was no age limit or limitation. The length of time a lecturer has worked, because this research was taken at random at a private university in the city of Makassar. In addition, another limitation of this research is the respondent's perspective, in this case the object of research where in this research the object of research is the lecturer who explains himself in the perspective of his level of agility. It is advisable for further research to be expected for an assessment in determining whether or not lecturers are agile or not able to take a perspective based on a 360-degree assessment.

4   Conclusion

From the results of this study, it can be concluded that lecturers as human resources at private universities in the city of Makassar carry out their roles in teaching, including in the agile category. This can be seen based on the three indicators used: (1) Speed Indicator - It is known that the average value for the speed indicator is 81%, meaning that according to the respondents the level of speed in teaching is relatively high. So from the results of the assessment we can conclude that based on the speed indicator of research respondents, in this case private lecturers in the city of Makassar are included in the Agile category. (2) Focus Indicator - It is known that the average score for the focus indicator is 81%, meaning that according to the respondents the level of focus in teaching is relatively high. So from the results of the assessment, we can conclude that based on the focus indicator on research respondents, in this case private lecturers in the city of Makassar are included in the Agile category. (3) Flexibility Indicator - It is known that the average value for the flexibility indicator is 81%, meaning that according to the respondents the level of flexibility in teaching is high. So from the results of the assessment it can be concluded that based on the flexibility indicators of research respondents, in this case private lecturers in the city of Makassar are included in the Agile category.

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Implementation of Management Accounting Practices in Micro, Small and Medium Enterprises (MSMEs)

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Abstract. Management accounting practices are considered as additional knowledge for MSME actors in helping to improve managerial functions, both for financial information and non-financial information. However, its use is considered not optimal. Departing from this, the purpose of this research is to find out the extent of the application of management accounting practices in MSMEs. A total of 28 responses were collected through a survey conducted in MSMEs in the city of Makassar, South Sulawesi Province, in Indonesia. The data were then analyzed using descriptive statistical analysis techniques. The survey yielded a number of findings, including: (1) the MSME costing system in the city of Makassar relatively prioritizes performance costs and calculates costs based on activity, (2) the budgeting system concentrates more on the sales budget and production budget, (3) the performance evaluation system often evaluate sales growth, (4) MSME decision support systems pay more attention to operating income, (5) management accounting strategies rely on life cycle costs and strategic pricing. Therefore, the conclusion of this study explains that the management accounting function is considered to have a very important role and it is agreed that management accounting practices are immediately implemented in MSMEs in the city of Makassar.

Keywords: Management Accounting Practices (MAPs) · Micro · Small and Medium Enterprises (MSMEs)

1 Introduction

Economic growth has always been an important conversation before and after the COVID-19 pandemic. All aspects of driving the growth of a country's economy continue to be promoted in order to deal with the crisis, MSMEs are one of them. Several researchers in the accounting field pay attention and show consistent efforts in investigating Micro, Small and Medium Enterprises (Azudin & Mansor, 2018). Most countries

provide opportunities for the private sector to drive their economy, of which MSMEs are the main contributors to this sector (Khurana et al., 2019; Mpi, 2019). Due to globalization, technical advancements, fierce market competition, changes in management, and restrictions on capital funding, MSMEs experience similar issues with company sustainability as major enterprises (Prasanna et al., 2019).

It is not much different from developing countries such as Indonesia. The study reported by Tambunan (2021) underlines the important role of MSMEs in economic development in Indonesia, it can be proven that these businesses are the main drivers of national economic activity with their contribution to the formation of Indonesia's gross domestic product (GDP) above 50 percent, in where they are able to contribute 99 percent of the total number of businesses of all sizes and account for 92 percent of job creation in Indonesia.

Both financial and non-financial information must be taken into account in order for a firm to succeed and continue (Senftlechner & Hiebl, 2015). To facilitate the accessibility process, management accounting is considered as additional knowledge for MSME actors in helping to improve their managerial functions, because management accounting combines and emphasizes financial and non-financial information. That is why management accounting is believed to be an important tool in supporting business functions (Lavia López & Hiebl, 2015).

MSMEs may be smaller, but they have a tendency to be more adaptable when opportunities or risks materialize in their environment (Eggers, 2020). In line with the theory put forward by [5] that MSMEs have more ability to respond flexibly and quickly in dealing with uncertainty, so that it can be an effective way of crisis management. According to Ortiz-de-Mandojana & Bansal (2016), the prerequisites for SMEs to survive in times of crisis are as follows; (a) perform well in difficult conditions, (b) maintain positive adjustments in challenging conditions, (3) restore the original position from bad conditions, (4) have the ability to anticipate, prevent, and adapt to shocks in the environment. One of the real efforts that can be made by MSMEs in order to adapt themselves to any crisis shocks that hit is by paying attention to their management accounting practices. As emphasized by Diegtiar et al. (2021) that with a good management accounting system, it will have a positive impact on MSMEs in any situation, because companies will find it easier to carry out management interactions, marketing systems, and operational processes.

Management accounting practices in MSMEs have the opportunity to be investigated because MSMEs contribute greatly to economic growth in developing countries, such as in ASEAN countries such as MSMEs in Indonesia, Malaysia and Thailand with 98% of the total number of businesses (Tambunan, 2008). Meanwhile, in the regional scale of Makassar city, there are 1654 MSMEs recorded as active with various business fields Department of Cooperatives & MSMEs of South Sulawesi Province, 2021). In addition, research investigating management accounting practices in MSMEs is also considered to be still limited and requires further exploration [4] for two reasons: First, most of the research was conducted in developed countries, while only a few were conducted in developing countries such as Indonesia.. Second, the most widely adopted management accounting practices are traditional techniques that focus on costing, product profitability, and non-financial performance measurement [2].

Table 1. MSME Data in Makassar City

Subdistrict	Number of MSME
Tamalanrea	43
Biringkanaya	59
Manggala	164
Panakkukang	266
Tallo	90
Ujung Tanah	20
Bontoala	23
Wajo	36
Ujung Pandang	137
Makassar	142
Rappocini	310
Tamalate	179
Mamajang	70
Mariso	115
Total	1654

Source: (Department of Cooperatives & SMEs of South Sulawesi Province, 2021)

2   Literature Review

2.1   Characteristics of MSMEs

Micro, Small and Medium Enterprises (MSMEs) are sectors that are considered to play an important role in the progress of a region. The reason is because the sector is able to contribute to employment and equitable development [1]. During the COVID-19 pandemic crisis, MSMEs have experienced a decline in demand for goods and services, resulting in a lack of working capital, accumulation of unsold goods, delayed payments and cash shortages, layoffs, until the end of the business (Metia, 2022). Even so, MSME actors certainly continue to try to recover by compiling a series of accurate strategies to survive through various innovations.

In Indonesia, the regulations that regulate and facilitate MSMEs are contained in the Law of the Republic of Indonesia Number 20 of 2008, which explains that MSMEs are small companies owned and managed by a person or owned by a small group of people with a certain amount of wealth and income.

The number of MSMEs in Makassar is 1,654 spread over 14 sub-districts. The distribution of MSMEs in each sub-district can be seen in Table 1.

Table 2. Management Accounting Stages

Stage	The Role of Management Accounting
First stage (before 1950)	Planning (budgeting), product costing, and cost control.
Second stage (1951–1965)	Shift to providing information to assist managers in planning and allocating resources and an introduction to responsibility accounting.
Third stage (1966–1985)	Reduce wastage through the use of process analysis and cost management
Fourth stage (1985-present)	Creating value for important stakeholders such as customers, shareholders, creditors and employees.

Source: (Jermias et al., 2018)

2.2   Management Accounting Practice (MAP)

The evolving definitions of three main accounting bodies the Institute of Management Accountants (IMA), the Chartered Institute of Management Accounting (CIMA), and the International Federation of Accountants (IFAC) will now be used to study how management accounting has changed through time.

According to IMA (2008), management accounting is the process of identifying, measuring, amassing, analyzing, preparing, interpreting, and communicating financial information that is used by management to make decisions, plan expenditures, and control finances, which helps management develop and carry out organizational strategies.

Meanwhile, according to CIMA (2005), the use of accounting concepts and financial management in the public and commercial sectors to build, safeguard, maintain, and increase value for stakeholders in for-profit and nonprofit organizations is known as management accounting.

Another definition according to IFAC (1998), management accounting is the process of identifying, measuring, compiling, analyzing, preparing, interpreting, and presenting information (financial and operating) used by management to plan, assess, and control inside an organization as well as to ensure use and accountability of its resources.

In its application, we recognize traditional and modern management accounting. Chandrarin & Zuhroh (2021) argues that traditional management accounting includes management accounting systems for costing, budgeting, performance measurement, and decision making. While activity-based management, competitive analysis, industry analysis, long-term forecasting, value chain analysis, target costing, and overall quality management are all examples of strategic management accounting methods.

According to Jermias et al. (2018), Indonesia has undergone the stages of management accounting outlined by the International Federation of Accountants (IFAC), the specifics of which are shown in Table 2:

Based on the above reality and to find out the extent of the application of management accounting practices in MSMEs, we took the initiative to measure the application of management accounting in MSMEs in the city of Makassar.

3   Methodology

We use a survey sourced from [3], the questionnaire has 5 parts: Company profile, Level of use of management accounting practices, Factors that influence the extent to which management accounting practices are used, Company performance, Management accounting function.

The use of MAP is measured by a simple "Yes/No" statement, while the level of implementation and perceived importance is measured by a five-point Likert scale. A total of 28 responses were collected through an attended survey conducted over two months in MSMEs in the city of Makassar, South Sulawesi Province, in Indonesia. The data were then analyzed using descriptive statistical analysis techniques.

We used an attended survey to make sure everyone understood every question due to the possible issues with language and financial literacy. This process is critical because of the complexity in each MAP, and relying solely on surveys can lead to potential personal bias and misjudgment (Cuzdriorean, 2017). Each MAP was reviewed to establish a standard language and to achieve common understanding among the surveyors in an effort to elicit consistent responses to the questionnaire.

4   Results

4.1   Company Profile

The results of the Table 3 show that most of the companies (57%) have only been operating for 1 - 3 years. Respondents who have been in business for between 4–10 years (39.5%). In contrast, the number of companies that have been operating for more than 10 years is only 3.5%. As a result, the majority of the organizations who answered were well-established enterprises that could be anticipated to employ management accounting principles and have created a management accounting system suitable for their particular business requirements.

In general, the MSME activity sector from companies that responded the most came from the food and beverage sector (57%), and the MSME activity sector with the lowest response rate came from the Clothing & Merchandise, Electronics, Retail & Entertainment, Conventional Pawnshops, Sports, Furniture, and Mobile with 3.5% each. The table above also shows the response rate for the number of employees in Makassar City SMEs is less, it can be seen that the number of employees 0 to 4 is 86%, the rest is 5 to 50 with a percentage value of 14%. The information collected also shows an annual sales turnover, MSMEs reported an annual sales turnover of IDR 10,000,000.00 to IDR 50,000,000.00 more with a percentage of 32%, followed by IDR 50,000,000.00 to IDR 100,000,000.00 with a percentage of 28%, and turnover below IDR 5,000,000.00 has a percentage of 11%.

4.2   Level of Use of Management Accounting

4.2.1   Costing System

The results of the Descriptive Statistical Analysis of the Costing System can be seen in Table 4:

Table 3. MSME Profile

Year of Business Operation	Frequency	Percentage
1 - 3 years old	16	57%
4 – 10 years old	11	39,5%
More than 10 years	1	3,5%
Total	28	100%
MSME Activity Sector	Frequency	Percentage
Clothing & Merchandise	1	3,5%
Food & Beverages	16	57%
Electronic	1	3,5%
Retail & Entertainment	1	3,5%
Garment	3	11%
Conventional Pawnshop	1	3,5%
Laundry service	2	7,5%
Sport	1	3,5%
Furniture	1	3,5%
Handphone	1	3,5%
Total	28	100%
Number of Employees	Frequency	Percentage
0 to4	24	86%
5 to 50	4	14%
51 to 150	-	-
More than 150	-	-
Total	28	100%
Annual Sales Turnover	Frequency	Percentage
Under IDR 5,000,000.00	3	11%
IDR 5,000,000.00 to IDR 10,000,000.00	5	18%
IDR 10,000,000.00 to IDR 50,000,000.00	9	32%
IDR 50,000,000.00 to IDR 100,000,000.00	8	28%
More than IDR 100,000,000.00	3	11%
Total	28	100%

The results of the analysis of the costing system above show the percentage, average, and standard deviation. There are 15 respondents from 28 samples who use a costing system. In the cost collection system, it is known that work costs get the highest percentage of 16.4% with a mean of 4.00, while the lowest is batch costs which get a percentage of 12.8% with a mean of 3.13. As for the costing system, it is known that activity-based

Table 4. Descriptive Statistics

	N	Percentage (%)	Mean	Std. Deviation
Cost collection system				
Job costing	15	16.4	4.00	1.069
Batch costing	15	12.8	3.13	1.302
Contract costing	15	14.6	3.60	1.352
Process costing	15	14.6	3.60	1.454
Costing system				
Absorption costing	15	13.6	3.33	1.175
Variable costing	15	13	3.20	1.146
Activity-based costing	15	15	3.67	1.291
Valid N (listwise)	15			

cost calculations obtain the highest percentage of 15% with a mean of 3.67, while the lowest is variable costs that obtain a percentage of 13% with a mean of 3.20. The above description concludes that MSMEs in Makassar City tend to pay more attention to work costs and activity-based costing in the costing system.

4.2.2 Budgeting System

The results of the Descriptive Statistical Analysis of the Budgeting System can be seen in Table 5:

The results of the analysis of the budgeting system above show 3 parts: types of budgeting, budgeting time, and budgeting methods. There are 18 respondents from 28 samples who use a budgeting system. The type of budgeting shows that the sales budget and production budget each get the highest score of 10.2% with a mean of 4.00, while the lowest is the financial position budget with a value of 8.8%. In terms of budgeting time, the majority of respondents chose a monthly budget with a percentage of 9.7%. Part of the budgeting method, the highest is additional budgeting with a percentage of 8.5% or a mean of 3.39. It is clear from the research above that the production and sales budgets receive more attention in Makassar City's MSME budgeting system.

4.2.3 Performance Evaluation System

The results of the Descriptive Statistical Analysis of the Performance Evaluation System can be seen in Table 6:

The results of the analysis of the performance evaluation system above show 2 parts: financial measures and non-financial measures. There are 19 respondents from 28 samples who use a performance evaluation system. In the financial measures section, it can be seen that sales growth got the highest score of 9.4% with a mean of 4.16, while the lowest was analysis of variance with a value of 7%. In the non-financial measures section, the majority of respondents chose on-time delivery with a percentage of 8.8%,

Table 5. Descriptive Statistics

	N	Percentage (%)	Mean	Std. Deviation
Types of budgeting				
Sales budget	18	10.2	4.00	.970
Purchasing budget	18	11	4.11	.832
Production budget	18	10.2	4.00	1.085
Cash flow budget	18	9.8	3.89	.900
Financial position budget	18	8.8	3.50	1.295
Budgeting Time				
Monthly budget	18	9.7	3.83	1.200
Annual budget	18	8	3.28	1.227
Continuous/rolling budget	18	8.4	3.33	1.237
Budgeting Method				
Flexible budget	18	8.4	3.33	1.029
Incremental budgeting	18	8.5	3.39	1.145
Zero-based budgeting	18	7	2.83	1.295
Valid N (listwise)	18			

while the lowest was employee turnover of 4.7% with a mean value of 2.11. From the description above, it can be concluded that the MSME performance evaluation system in Makassar city evaluates sales growth more often.

4.2.4 Decision Support System

The results of the Descriptive Statistical Analysis of Decision Support Systems can be seen in Table 7:

The results of the analysis of the decision support system above show 2 analyzes: short-term and long-term. There are 15 respondents from 28 samples who have a decision support system. In the short-term analysis section, it can be seen that break-even analysis obtained the highest percentage of 14.4% with a mean of 3.93, while the stock control model was the lowest percentage with a value of 11.4%. Meanwhile, in the long-term analysis section, it can be seen that payback have a percentage value of 12.8% with a mean of 3.60, and the internal rate of return is the lowest with a value of 11.6%. Based on this information, it can be concluded that the MSME decision support system in the city of Makassar that is most concerned is break-even analysis.

4.2.5 Management Accounting Strategy

The results of the Descriptive Statistical Analysis of Management Accounting Strategy can be seen in Table 8 below:

Table 6. Descriptive Statistics

	N	Percentage (%)	Mean	Std. Deviation
Financial measures				
Operating income	19	9.3	3.95	1.177
Return on investment	19	7.5	3.32	1.250
Variance analysis	19	7	3.16	1.167
Sales growth	19	9.4	4.16	.898
Cash flow	19	9.3	3.95	1.129
Non-financial measures				
Number of customer complaints	19	8.2	3.63	1.012
Survey of customer satisfaction	19	7.5	3.32	1.336
Number of warranty claims	19	6.8	3.05	1.353
On-time delivery	19	8.8	3.89	1.197
Manufacturing lead time	19	8.3	3.68	1.336
Defect rate	19	6.7	3.00	1.414
Employee turnover	19	4.7	2.11	1.243
Absentee rates	19	6.5	2.89	1.663
Valid N (listwise)	19			

Table 7. Descriptive Statistics

Short-term analysis	N	Percentage (%)	Mean	Std. Deviation
Break-even analysis	15	14.4	3.93	.961
Stock control model	15	11.4	3.20	1.265
Product profitability analysis	15	11.6	3.27	1.033
Customer profitability analysis	15	13.8	3.87	.743
Long-term analysis				
Payback	15	12.8	3.60	1.121
Accounting rate of return	15	12.4	3.47	1.060
Net present value	15	12	3.33	.900
Internal rate of return	15	11.6	3.27	1.033
Valid N (listwise)	15			

There are 14 respondents who have a management accounting strategy, the results of the analysis show life cycle costs and strategic prices as indicators that get the highest score, each of which is 17.4% with a mean value of 4.36. The lowest value is strategic

Table 8. Descriptive Statistics

	N	Percentage (%)	Mean	Std. Deviation
Target costing	14	16.3	4.07	.829
Strategic costing	14	15.9	4.00	.877
Value chain	14	16.5	4.14	.770
Life cycle cost	14	17.4	4.36	.633
Strategic pricing	14	17.4	4.36	.633
Competitor position monitoring	14	16.5	4.14	.864
Valid N (listwise)	14			

Table 9. Descriptive Statistics

	N	S1	S2	S3	S4	S5	Mean	Std. Deviation
How intense is the competition for the company's main product/product line?	28	1	3	7	8	9	3.75	1.143
Valid N (listwise)	28							

cost which gets a value of 15.9% with a mean of 4.00. The description above concludes that the MSME management accounting strategy in Makassar City prioritizes life cycle costs and strategic prices the most.

4.3 Factors Affecting the Use of Management Accounting Practices

4.3.1 Market Competition

The results of the Descriptive Statistical Analysis of Market Competition can be seen in Table 9:

On a Likert scale with a maximum of five points, respondents are asked to indicate the level of competition that exists for their product in the market. On a Likert scale with a maximum of five points, respondents are asked to indicate the level of competition that exists for their product in the market. The scale is from 1; "Very Intense" to 5; "very intense". Of the 28 respondents to this question, the Table above shows that 17 respondents reported "intense" or "very intense" competition. The mean value obtained is 3.75 and most respondents choose "very intense", so it can be concluded that the average market competition is considered tight.

4.3.2 Qualified Internal Accountant

The results of the table above show that most of the qualification levels of the company's internal accountants are bachelor degrees in accounting/finance. There are only

Table 10. Qualification Level of Internal Accountant

Qualification level	Frequency	Percentage
SMK	1	11%
PMR/SRP	2	22%
Bachelor's Degree in accounting/finance	6	67%
Total	9	100%

Table 11. Descriptive Statistics

	N	S1	S2	S3	S4	S5	Mean	Std. Deviation
Participation of owner/manager	28	4	5	7	6	6	3.18	1.362
Valid N (listwise)	28							

9 MSMEs that have qualified internal accountants, 6 of whom have a bachelor's degree in accounting/finance with a percentage of 67% (Table 10).

4.3.3   Owner/Manager Participation

The results of the Descriptive Statistical Analysis of Managers' Participation can be seen in Table 11:

Respondents were asked to indicate the perceived level of participation of the owner/manager of the company as measured by a five-point Likert scale where 1; "Very Low" to 5; "Very high". Of the 28 respondents for this question, the table above shows that 7 respondents have a perception of "Medium", while the perception of "High" and "Very High" with a total of 12 respondents. The respondents who have a perception of "Low" and "Very Low" are also quite This means that there are still many MSME managers in the city of Makassar who have not maximized their participation in developing management accounting practices for their companies.

4.3.4   Technology

The results of the Technological Descriptive Statistical Analysis can be seen in Table 12:

Based on the findings of the aforementioned technology use analysis, it can be seen that the flexible manufacturing system indicator obtained an average or mean of 2.71 with a standard deviation of 1.182. The numerically controlled computer engine indicator obtained an average or mean of 2.57 with a standard deviation of 1.069. However, based on the measurement results from the Likert scale, there were 13 respondents who answered "Not used" and "Low used" for the first indicator. Likewise with the second indicator, there are 14 respondents who answered "Not used" and "Low used". This

Table 12. Table Descriptive Statistics

	N	S1	S2	S3	S4	S5	Mean	Std. Deviation
Flexible manufacturing system	28	4	9	9	3	3	2.71	1.182
Computer numerical controlled machine	28	4	10	10	2	2	2.57	1.069
Valid N (listwise)	28							

Table 13. Descriptive Statistics

	N	S1	S2	S3	S4	S5	Mean	Std. Deviation
Level of productivity	28	0	1	7	17	3	3.79	.686
Product quality	28	0	2	6	17	5	3.96	.637
Number of deliveries on time	28	0	2	11	11	4	3.61	.832
Sales growth rate	28	0	2	7	13	6	3.82	.863
Operating profit growth rate	28	0	2	7	14	5	3.79	.833
Cash flow growth rate	28	0	2	7	16	3	3.71	.763
Valid N (listwise)	28							

means that there are still so many MSMEs in the city of Makassar that have not yet optimized technology for their business activities.

4.3.5 Company Performance

The results of the Descriptive Statistical Analysis of Company Performance can be seen in Table 13:

From the results of the analysis of the company's performance above, it can be seen that the answers to most respondents chose "increase" for all company performance indicators. The productivity level is perceived as increasing by 20 respondents, the product quality is considered to have increased by 22 respondents, the number of on-time deliveries is considered to be increased by 15 respondents, the sales growth rate is considered to be increased by 19 respondents, the operating profit growth rate is considered increased by 19 respondents, and the cash flow growth rate is considered to be increased by 19 respondents. Also considered increased by 19 respondents. Therefore, it can be concluded that the company's performance has improved over the last few years.

4.3.6 Management Accounting Function

The results of the Descriptive Statistical Analysis of the Management Accounting Function can be seen in Table 14:

Table 14. Descriptive Statistics

	N	S1	S2	S3	S4	S5	Mean	Std. Deviation
Planning the future strategies, tactics and operations	28	0	0	6	18	4	3.93	.604
Controlling current activities	28	0	0	5	20	3	3.93	.539
Measuring and evaluating performance	28	0	0	5	19	4	3.96	.576
Optimizing the use of firm's resources	28	0	0	5	19	4	3.96	.576
Reducing subjectivity in decision making process	28	0	0	9	16	3	3.79	.630
Improving internal and external communication	28	0	0	6	19	3	3.89	.567
Valid N (listwise)	28							

From the results of the analysis of the management accounting function above, it can be seen that the majority of respondents also chose "agree" for all indicators of the management accounting function. Planning strategies, tactics and future operations approved by 22 respondents, controlling current activities approved by 23 respondents, measuring and evaluating performance approved by 23 respondents, optimizing the use of company resources approved by 23 respondents, 19 respondents supported lowering subjectivity in decision-making, whereas 22 others supported enhancing internal and external communication. Thus, it can be inferred that the management accounting function is regarded as being quite beneficial and that many respondents agreed that it should be used in MSMEs in the city of Makassar.

5   Discussion

Based on the analysis's findings and the research's interpretation, it was discovered that the majority of the MSMEs who replied worked in the food and beverage industry. This finding can show that food and beverage companies are becoming a popular field and becoming a trend in society in doing business. On the other hand, MSMEs that are just starting a business process need innovation, the innovation process has a high risk of failure, so MSME owners need accurate calculations in making decisions. As emphasized by Latifah et al. (2021) that the accounting information system is a component of management control, which lowers risk by establishing standards and guiding business objectives.

The budgeting system, performance evaluation, and decision support for MSMEs in Makassar City are more concentrated on the sales and production budget. If you look back at IFAC, MSME budgeting practices are still in the first place, namely cost determination and financial control. In addition, IFAC (1998) also requires the operation of MSMEs to the third stage by reducing waste originating from MSME activities. Therefore, this

study also hopes that MSMEs should pay attention to this. Moreover, waste processing activities can also be carried out by providing budget items disclosed in financial reports (Husni et al., 2022).

Another important thing is that the decision support system in MSMEs must also achieve a sustainable competitive advantage, and must pay attention to the seven dimensions of business management in MSMEs. The seven aspects are 1) Business strategy. 2) human resources; 3) information technology; 4) product; 5) promotion; 6) cooperation; 7) corporate social responsibility (CSR) (Jatmiko et al., 2021).

The effectiveness of SMEs is indirectly impacted by management strategy. The association between management strategy and MSME performance is positively mediated by both innovation and accounting information systems. Strategy alignment and innovation play an important role in improving MSME performance. Innovation is needed to provide value to products and customers as part of a differentiation strategy that emphasizes product originality and quality (Latifah et al., 2021). This is significant because management accounting functions, qualified internal accountants, owner and manager participation, technology, market competition, and firm performance all have an impact on the usage of management accounting methods.

6   Conclusion

There are a number of things that researchers can conclude to answer the questions in this study, especially in tracing management accounting practices in MSMEs in Makassar city which combines 28 companies. The involvement of MSMEs with their participation provides new knowledge related to management accounting, both from the system to the effectiveness of its implementation.

In terms of the level of use of management accounting, there are several points that can be concluded, including: (1) the MSME costing system in the city of Makassar relatively prioritizes performance costs and calculates costs based on activities, (2) the budgeting system concentrates more on the sales budget and budget. Production, (3) performance evaluation systems often evaluate sales growth, (4) MSME decision support systems pay more attention to operating income, (5) management accounting strategies rely on life cycle costs and strategic pricing.

Finally, respondents also admitted that the competition in the MSME business in the city of Makassar was very tight. However, the intense business competition has not been able to encourage the awareness of SMEs to develop their existing potential. This can be indicated by the fact that the number of qualified internal accountants is only 9 out of 28 MSMEs, there are still many MSME managers who have not maximized their participation in developing management accounting practices, and the use of technology has not been properly optimized for business activities. Although respondents consider their company's performance to have improved over the last few years, they also admit that the management accounting function is still very helpful and they strongly agree that management accounting practices are immediately implemented in MSMEs in the city of Makassar. All of these are important and urgent so that the planning, controlling, and decision-making processes can be carried out effectively in order to achieve company goals.

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Analysis of Firm Value Through Intellectual Capital, Capital Structure, and Competitive Advantage Intervenin in Companies Coal Mining in Indonesia

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Abstract. This research was conducted at a coal mining company listed on the Indonesia Stock Exchange (IDX). Coal is a non-renewable energy resource and is a source of energy for industrial companies both domestically and for the needs of industrialized countries. This research is a quantitative descriptive research that aims to analyze the correlation of intellectual capital, capital structure to firm value through competitive advantage in coal mining companies in Indonesia. The data collection method was obtained from financial reports, related documents and literature and is also the source of the data used in this study. The population and sample in this study are all coal mining companies listed on the Indonesia Stock Exchange. The analysis technique in this study uses the Partial Least Square Equation Model (SEM-PLS) with the Smart PLS version 3.0 application. This research gives the result that intellectual capital has no effect on competitive advantage, capital structure has no effect on competitive advantage, competitive advantage has an effect on firm value, and intellectual capital does not directly affect firm value through competitive advantage, capital structure has an indirect effect on firm value company through competitive advantage.

Keywords: Intellectual Capital · Capital Structure · Competitive Advantage · Company Value · Coal Company

1 Introduction

In today's era of very tight business competition, Coal Mining companies experience erratic fluctuations. The global economy is the trigger for the condition of coal mining companies. Coal is one of Indonesia's leading commodities which is marketed for the domestic and export markets. Coal is one of Indonesia's leading mining commodities which is widely used as fuel for steam power plants, although it is often considered to be damaging to the environment. Demand for coal from various countries including developed countries is still very high. In 2021, Indonesia will produce the world's third largest coal production, namely 609.48 million tons, based on data from the Ministry of Energy and Mineral Resources, However, in recent years Indonesia's coal production

Table 1. Earnings Performance & Stock Issuer Performance Indonesian Coal Company 2020

Emiten	Net Income 2020	Net Income 2019	% Change	YTD
	(million US$)	(million US$)	Net Income	
HRM	59	18,5	218,92%	87,92%
BYAN	3,28,74	223,39	47,15%	−19,22%
PTBA	163,4	278,05	−41,16%	−9,61%
ADARO	146,93	404,19	−63,64%	−13,99%
ITMG	39,47	129,47	−69,50%	−9,21%
INDY	−117,54	18,16	−547,25%	−11,56%

(CnbcIndonesia, 2022)

has decreased, which has greatly affected the value of coal mining companies in The following is the data on the profit and share performance of the Coal Company in 2020 as follows (Table 1).

Based on the data above, it shows that there are six coal issuers that released financial statements, and recorded a net profit of five of the six contracted issuers and one issuer posted a net loss. At the beginning of 2020, the financial performance of coal issuers was under pressure due to the impact of the Covid 19 pandemic Coal issuer PT Harum Energy Tbk is listed as the issuer with the best financial performance and shares among others. The global pandemic affected coal demand and made coal prices shrink. The price was strongly influenced by sentiment, namely the planned limitation on the selling and buying prices of coal by the Chinese government and the new regulation that there was an increase in production capacity for coal factories in northern China. The Chinese government still needs time to overcome the negative sentiment towards Indonesia's depressed coal stocks which has affected the decline in the value of mining companies which has resulted in a decrease in the company's financial performance.

This phenomenon illustrates that coal mining companies must manage their human resources to survive in the face of uncertain global economic turmoil. Competitive advantage must be a concern for coal mining companies to be able to compete with other countries. Competition in business that often occurs makes stakeholders use the right strategy in supporting the company's operational activities with the aim that the company can maximize shareholder wealth by continuously maximizing profits and company share prices and can increase company value. The company value is the market value, if there is an increase, the shares will also increase so that dividends for shareholders also increase According to Mudijah 2019, in (Ullah Khan, 2021) [26]. The formation of firm value is strongly influenced by investment opportunities through market prices and will provide a positive signal for the progress of the company. In improving the company's operational activities, it is very necessary to have reliable human resources and sources of capital sourced from own capital and company loans that require good management in supporting the company's operations, especially in terms of debt management or company leverage. The survival of the company is very important, it is also very much determined by the proportion of equity capital and debt capital to be able to generate profits

and satisfy stakeholders. According to (Mitani, 2013) in his research found that capital structure can affect the company's competitive interactions in the output market which can increase profitability and firm value that is useful for investors [17]. According to Kopong, Nawir, & Permadhy, (2021) in Luthfiah & Utami (2022) argues that companies that have debt will have a high company value compared to companies that do not have debt, because with debt, investors can instill confidence in companies that will be able to operate optimally in terms of paying off their debts with the capital owned by the company so that they will believe in boldly taking greater risks and the results will be optimal and the company's tax burden can be reduced from the debt [14, 15].

Hitt, et,al (2005) in (S. R. Fauziah & Sudana, 2013) states that the combination of company resources and capacity improves the competitiveness strategy and provides value for the company [7]. The source of value creation for the company is a potential source of the company to get above-average returns, which in turn will provide benefits for the company's shareholders. Study Liou et al. (2009) in Fauziah & Sudana, (2013) said that companies that have high intellectual property and good and efficient management of fixed assets can increase the creation of new value for the company and shareholders [7]. According to Porter, (2008) said that the creation of higher value for customers is a competitive advantage through a low cost and efficiency strategy [21].

2   Literature Review

2.1   Signaling Theory

Brigham and Houston (2011) believe that investment signals are very important in providing direction for investors to find companies that can provide benefits so that companies do not use working capital in the form of more debt, so that investment decisions can be taken by investors. Market participants can analyze information if there is good information on profitable and unprofitable stocks so that market participants can take advantage of stock trading [1].

2.2   Agency Theory

Michael C Jensen, (1976) explain that agency theory is a condition of conflict of interest between company managers and principals as stakeholders [16]. Agency theory considers several factors that can lead to conflict. High financial leverage controlled by managers has an effect on shareholders regarding investment decisions. High leverage can also limit managers' discretion and reduce company liquidity. Managers are always under high pressure to always generate sufficient cash flow to pay off the company's debts. According to Kar, (2012) that in agency theory asserts that high leverage governance will reduce cash flow and threaten company liquidity leading to bankruptcy, so the use of debt will increase profitability measures and increase company costs [12].

2.3   Resources Based View Theory (RBV)

The Resource Based View theory explains that the utilization of tangible and intangible resources must be used in producing products that have advantages such as low costs

and the use of good leadership strategies in order to compete. The unique resources for the company are intellectual capital which is valuable, rare, and cannot be imitated by other similar companies. According to Barney, (1995) that a company can be said to have an advantage if the company's internal resources and capabilities are related to strategic decision making [2]. Competitive advantage can be achieved when a company can implement strategies that are different from competitors and when other companies cannot duplicate these benefits and strategies. The company that has a variety of resources and is able to develop its capacity to produce more resources and create unique resources and ultimately gain a competitive advantage.

2.4 Intellectual Capital

Companies must have intellectual capital because they have an important role in the company, and according Stewart, (1997) explains, intellectual capital consists of a group of people in the organization to be able to contribute and value so that the company has an advantage and compete [24]. Intellectual capital can be measured based on added value so that it can be divided into 1) quality human resources consisting of knowledge, experience, skills, commitment, and the occurrence of very good work interactions. The human capital consists of competencies based on skills and knowledge, behaviors that reflect the level of motivation in the company and intellectual agility as the ability of employees to innovate and adapt (Bontis, 2001) [3], 2) Capital structure, namely the ability to run the company's operational processes, organizational structure consisting of the ability of employees to create high performance, this is obtained from intellectual performance in the form of operational systems, production, organizational culture, management (Edvinsson & Sullivan, 1996) [5], (3) Customer capital is the relationship that the company has with partners and relationships, both from suppliers and from loyal customers and also good relations with the government and the surrounding community. According to Pulic, the proxy for intellectual capital measurement is as follows:

$$1.\ \text{Value Capital Added} = \frac{\text{Value Added}}{\text{Capital Employed}}$$

$$2.\ \text{Value Human Capital} = \frac{\text{Value Added}}{\text{Human Capital}}$$

$$3.\ \text{Structure Capital Value Added} = \frac{\text{Structure Capital}}{\text{Value Added}}$$

2.5 Capital Structure

Franco Modigliani; Merton H. Miller, (1958) explained that to finance the company's operations, the company uses a capital structure where the combination of equity and debt [8].

Capital structure is a form of combining equity and capital that forms a capital structure to increase productivity and company performance. Capital structure is the proportion of the company's long-term finances and own capital (Myers, 2001) [19]. The increase in company value is largely determined by profit growth. Information on

company profit growth is influenced by return on investment (ROI). Return on investment is the company's ratio in generating net income to return on equity to shareholders. Increasing return on equity (ROE) gives an indication that the company will get better and can invite investors to be able to invest their share capital in the company. The capital structure can also have a negative impact on profitability due to a high debt ratio which can cause the company to have difficulty meeting short-term obligations due to the company's inability to meet its liquidity. (Pahlevi Tondok & Aswan, 2019) [20]. To measure the capital structure indicator in the Debt to Equity Ratio and Debt to Asset Ratio can be calculated using the formula below based on Horne & Jr, 2005) [9] as follows:

$$\text{Debt to Equity Ratio } (DER) = \frac{\text{Total Debt}}{\text{Total Equity}}$$

$$\text{Debt to Asset Ratio } (DAR) = \frac{\text{Total Debt}}{\text{Total Asset}}$$

2.6 Competitive Advantage

Porter, (1985) said that a company can be said to have a competitive advantage if the company has a higher performance compared to similar companies and in the same industry, and the company can manage its characteristics and resources [21]. According to Kennedy, et.al, (1997) argues that competitive advantage generally focuses on indicators including profitability, productivity, and market share [13]. Sustainable competitive advantage is a dynamic process so that only companies that have a sustainable competitive advantage and can maintain superior financial performance for the long term. Companies that have competitiveness relate to financial performance and use business strategy capabilities. It can be said to be competitive if the company's financial returns are above the industry average returns from time to time. Profitability is a keyword variable to measure competitiveness and turnover is profit margin being a priority. According to (Tang,dan Liou 2010) competitive advantage can be measured by proxy ratio with the following formula [25]:

$$\text{ROIC} = \frac{\text{NOPAT}}{\text{S}} \times \frac{\text{S}}{\text{IC}} = \frac{(\text{S} - \text{CGS} - \text{Adv} - \text{R\&D} - \text{Dep} - \text{SG\&A} - \text{tax})/\text{S}}{(\text{FA} + \text{AR} + \text{Inv} - \text{AP} + \text{cash})/\text{I}}$$

2.7 Firm Value

Firm value is the investor's perception of the company's growth by looking at the price of the company's shares. Firm value can be achieved if the company gains the trust of the public or investors for the operations that have been carried out. According to Brigham dan Erhadt (2022) in Juwita & Angela, (2016) said that the value of the company is the determination of the comparison of results as the company's performance seen in the financial statements [1, 11]. Measurement of company value with price to book (PBV) is a ratio that describes the ratio of market price per share divided by book value per

share against industry standard comparisons by evaluating stocks that are worthy of consideration (Gitmen 2012). In this study, firm value is measured using the approach Tobin's Q developed by James Tobin in Muasiri & Sulistyowati, (2021) as follows [18]:

$$\text{Tobin}^r\text{sQ} = \frac{\text{Market Value} + \text{Total Amount of debt}}{\text{Total Asset}}$$

3   Research Method

This research is a quantitative description sourced from secondary data, namely the company's annual financial reports and literature related to coal mining companies on the Indonesia Stock Exchange in the period 2010 to 2019. The purpose of this study is to analyze the relationship between intellectual capital and capital structure on firm value through the competitive advantage of coal mining companies listed on the Indonesia Stock Exchange (IDX). This study uses data analysis techniques, namely SEM PLS with the Smart PLS 3.0 application. The population of the coal company sector is 25 companies and those that meet the sample criteria are 14 companies. The sample selection is coal mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2010 to 2019 and the characteristics of the research are those that have reported and published financial reports on the Indonesia Stock Exchange (IDX).The following is the population of coal mining sector companies listed on the Indonesia Stock Exchange as follows (Table 2).

Based on the discussion of phenomena and discussion of literature review and variable relationships, the research concept framework can be described as follows (Fig. 1).

Table 2. Listed Coal Mining Company on the Indonesia Stock Exchange (IDX)

No	Code	Emiten
1	ADRO	Adaro Energy Tbk
2	ARII	Atlas Reosurces Tbk
3	ATPK	Bara Jaya International Tbk
4	BORN	Borneo Lumbung Energy & Metal Tbk
5	BOSS	Borneo Olah Sarana Sukses Tbk
6	BSSR	Baramuli Suksessarana Tbk
7	BUMI	Bumi Resources Tbk
8	BYAN	Bayan Resources Tbk
9	DEWA	Darma Henwa Tbk
10	DOID	Delta Dunia Makmur Tbk
11	DSSA	Dian Swastatika Sentosa Tbk
12	FIRE	Alfa Energy Inves tama Tbk
13	GEMS	Golden Energy Mines Tbk

(*continued*)

No	Code	Emiten
14	GTBO	Garda Tujuh Buana Tbk
15	HRUM	Harum Energy Tbk
16	INDY	Indika Energy Tbk
17	ITMG	Indo Tambangraya Megah Tbk
18	KKGI	Resources Alam Indonesia Tbk
19	MBAP	Mitrabara Adiperdana Tbk
20	MYOH	Samindo Resources Tbk
21	PKPK	Perdana Karya Perkasa Tbk
22	PTBA	Tambang Batubara Bukit Asam (Persero) Tbk
23	PTRO	Petrosea Tbk
24	SMMT	Golden Eagle Energy Tbk
25	TOBA	Toba Bara Sejahtera Tbk

(www.idx.co.id, 2022)
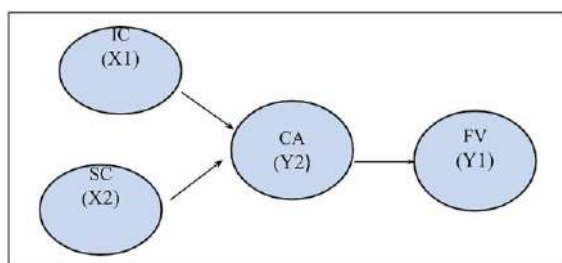
Fig. 1. Conceptual Framework

4   Results and Discussion

The results of research conducted based on the model built have met the requirements. Hypothesis testing is based on theory testing based on empirical evidence that occurred in coal mining companies listed on the Indonesia Stock Exchange (IDX) from 2010 to 2019. The results of data processing can be seen the magnitude of the relationship between exogenous variables and endogenous variables. In the results of this study, the reliability and composite reliability tests were strengthened by the Cronbach's alpha test. A variable is said to be reliable if it has a Cronbach's Alpha value > 0.7 as the data in the following (Table 3).

In hypothesis testing it can be done as long as the P-Value is less than or equal to $< = 0.10$ or alpha 10%, it is said to be weakly significant, if the p-value is less than or equal to $< = 0.05$ or alpha 5% it is said to be significant, and if the p value is less than or equal to $< = 0.01$ or an alpha of 1%, it is said to be very important Solimun

Table 3. Composite and Cronbach's Alpha of Values

Variable	Composite Reliability	Cronbach Alpha
Intelectual Capital (X1)	0.742	0.732
Capital Structure (X2)	1.000	1.000
Competitive Advantage (Y1)	1.000	1.000
Firm Value (Y2)	0.920	0.850

(Source: Processed data)

Table 4. Average Variant Extracted (AVE)

Variable	AVE Value	Result
Intellectual Capital (X1)	0.621	Valid
Capital Structure (X2)	0.744	Valid
Competitive Advantage (Y1)	1.000	Valid
Firm Value (Y2)	0.920	Valid

(Source: Processed data)

Table 5. Results of Direct Effect Test

Construct	Beta Coefficient	P-Value	Sig Results
Intellectual Capital on Competitive Advantage	0.073	0.642	Insignificant
Capital Structure Against Competitive Advantage	-0.141	0.093	Insignificant
Competitive Advantage Against Firm Value	0,560	0.000	Significant

(Source: Processed data)

(2017) in Safitri & Hariyanto, (2020) [23]. Besides analyzing Composite Reliability and Cronbach Alpha, it can also be determined by the Average Variance Extracted (AVE) method. Each indicator meets the requirements, namely the value must be > 0.5 for a good model (Fornell & Larcker, 1981) as follows (Table 4).

Based on the Average Variance Extracted (AVE) value of each of the above variables, it shows above > 0.5 so it can be stated that each variable has met a good Discriminant Validity (Tables 5 and 6).

4.1 The Effect of Intellectual Capital on Competitive Advantage

The results of the hypothesis test show that intellectual capital has no effect on competitive advantage in coal mining companies listed on the Indonesia Stock Exchange (IDX). The results of this study indicate that the proportion of increase or increase in intellectual capital does not contribute to competitive advantage or the higher intellectual capital

Table 6. Indirect Effect Test Results

Construct	Beta Coefficient	P-Value	Sig Results
Intellectual Capital Against Firm Value through Competitive Advantage	0.042	0.631	Insignificant
Capital Structure on Company Value through Competitive Advantage	-0.075	0.208	Significant

(Source: Processed data)

does not affect competitive advantage. This empirical study gives the meaning that high intellectual capital will affect high labor costs so that the higher knowledge assets in the company will have an impact on increasing company expenses while in resource based view theory suggests that companies can increase competitive advantage, if the company able to manage tangible and intangible assets using a low cost approach and cost strategy within the company. Research by Chen (2008) in Chahal, Bakshi, & Bakshi is scholar, (2014) [4] found that human capital, relational capital, structural capital have an effect on competitive advantage, and relational capital has a strong predictor of competitive advantage compared to structural capital.

4.2 The Effect of Capital Structure on Competitive Advantage

The results of the hypothesis test show that capital structure has no effect on competitive advantage in coal mining companies listed on the Indonesia Stock Exchange (IDX). The results of this study indicate that in global economic conditions that continue to occur so rapidly and mining companies are strongly required to maintain access to solvency and liquidity in order to be able to provide optimal returns or returns for shareholders. Capital structure management is a determining factor in maintaining operational continuity both in the short and long term by maximizing returns and profits to shareholders, increasing financial ratios and reducing capital costs. This finding is in line with the view of the pecking order theory that if the company is in difficult conditions and is unable to finance its operations, while the company only prioritizes internal funding sources, then the shareholders are forced to cover the lack of funds, and if the manager is unable to meet the shareholders' demands, the company will experience financial problems bankruptcy. The results of this study do not support Mitani,s (2013) reseach capital structure can affect competitive interactions in the output market so as to increase profitability and firm value [17].

4.3 The Effect of Competitive Advantage on Firm Value

The results of hypothesis testing show that competitive advantage has an effect on firm value and competitive advantage is closely related to financial performance so that it can give value to coal mining companies listed on the Indonesia Stock Exchange (IDX). Business sustainability can be achieved if the company's characteristics are in the appropriate and efficient use of resources from time to time to get long-term returns. According to

Porter, (2008) [21] revealed that competitive advantage can be achieved if the company has a higher performance compared to other companies in the same industry by using the ability to manage its resources. In Fauziah,s (2013) [6] research that the measurement of fixed asset turnover (FAT) on competitive advantage shows the effect on value creation. High asset turnover, the efficiency in managing fixed assets is also increasing so that it can increase the company's ability to create value and provide added value to shareholders. Study Liou &Tang, (2010) found that the company's ability to manage its fixed assets will affect the value creation for the company and shareholders [25].

4.4   The Effect of Intellectual Capital on Company Value Through Competitive Advantage

The results of testing the hypothesis show that intellectual capital indirectly has no effect on firm value through competitive advantage in coal mining companies listed on the Indonesia Stock Exchange (IDX). These findings indicate that coal mining companies have market characteristics by following global market conditions to maintain operational excellence performance, but empirically not all mining companies can survive the current uncertain global economic conditions. Knowledge is a very important resource because it can become a competitive advantage for companies, because it can improve financial performance and can increase sustainability so as to create competitiveness and corporate value. Study Chen et.,al (2005) in Chahal et al., (2014) [4] argues that investors tend to pay higher for the shares of companies that have more intellectual resources than companies with lower intellectual resources. Hutahayan, (2020) [10] study found innovation strategy has an effect on financial performance, intellectual capital does not mediate innovation strategy and financial performance and financial performance does not mediate innovation strategy and financial performance in Manufacturing companies in Indonesia. Study Kaplan (2009) in (Hutahayan, 2020) [10] found that human capital as an intangible asset does not directly affect financial performance but through improving business process performance, strategy implementation affects financial performance through intellectual capital, structural capital and internal process performance that affect firm value.

4.5   The Effect of Capital Structure on Firm Value Through Competitive Advantage

The results of hypothesis testing show that indirectly capital structure does not affect firm value through competitive advantage in coal mining companies listed on the Indonesia Stock Exchange (IDX). The results of the analysis of this study indicate that the capital structure and market structure are incompatible with the goal of maximizing profitability, while in financial theory it is stated that the company's goal is to maximize shareholder wealth and market structure affects the capital structure by influencing competitive behavior and corporate strategy. Pahlevi, Tondok & Aswan,s (2019) research, (2019 found company size has a negative effect on Debt Asset Ratio (DAR), Debt of Leverage (DOL) has a negative effect on Debt Equity Ratio (DER), Debt Asset Ratio (DAR) and Debt Equity Ratio (DER)) has a significant negative effect on Return on Equity (ROE) in several corporate sectors on the Indonesia Stock Exchange [20]. The

results of this study support research conducted by Lukman Surjadi, (2021) found capital structure has a negative effect on firm value, intellectual capital has a negative effect on firm value, profitability has an effect on firm value. The results of the research analysis do not support the theory of resources based view (RBV) because it shows the level of company efficiency in utilizing value added intellectual capital does not show a role in increasing company value because the majority of companies in Indonesia have not implemented worker-based industries (intellectual capital) but are still leading to industry-based labor (physical capital). Study Irawan & Nurhadi (2016), Izzaty et al. (2021) in (Luthfiyah & Utami, 2022) found that capital structure has no effect on company value, this is because the portion of own capital (Equity) is greater than debt by maximizing company profits [15]. If the company optimizes the debt portion compared to its own capital and company profits, it will result in bankruptcy. Which in turn will give a negative signal to investors.

5   Conclusion

Based on the results of the analysis of this study, it can be concluded as follows:

1. Intellectual capital has a positive and insignificant effect on competitive advantage in Coal Mining Companies listed on the Indonesia Stock Exchange.
2. Capital structure does not affect the competitive advantage of coal mining companies listed on the Indonesia Stock Exchange.
3. Competitive advantage has an influence on the value of companies in coal mining companies listed on the Indonesia Stock Exchange.
4. This study finds that intellectual capital indirectly influences firm value through competitive advantage in coal mining companies listed on the Indonesia Stock Exchange.
5. This study found that capital structure indirectly has a negative effect on firm value in coal mining companies listed on the Indonesia Stock Exchange.

6   Research Limitations

This study has limitations, namely (1) data collection is carried out in a cross section so that it allows for changes and certain situations and conditions that are not detected at different times, (2) further research can use other variables and dimensions.

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Analysis of University Culture Using the OCAI Instrument

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Abstract. The aim of this research is to identify the current and preferred cultures at Universitas Hasanuddin. A total of 87 respondents, consisting of academic staff, administrative staff, and undergraduate students from various faculties of Universitas Hasanuddin participated in this study. All respondents in the target group were randomly selected. This study used the Organizational Culture Assessment Instrument (OCAI) to determine how university culture influences respondents' perceptions, thoughts, and emotions. In this paper, we assess the results of OCAI and compare how participants perceive current university culture and the preferred culture five years from now. The types of cultures examined in this study are clan culture, adhocracy culture, market culture, and hierarchy culture. Research results indicate that respondents perceive clan culture as the current university culture, as well as the most preferred culture in the future. This is due to the culture of Universitas Hasanuddin emphasizing "a proper work environment with leadership goals to empower employees by winning their engagement, commitment and loyalty".

Keywords: organizational culture · OCAI · university · clan culture

1   Introduction

Researchers of organizational studies and managers have explored organizational culture as a concept in various settings to improve coherence and productivity in the workplace [1]. There has been significant research exploring the impact of organizational culture on employee performance and productivity [2]. Universities have begun to be viewed in the same ways as other institutions in terms of their productivity and other outcomes, and globalization and competition are increasingly important in shaping the organizational culture in higher education [3]. These pressures are being felt in Indonesia, especially among universities located outside of Java and farther from the mainstream of national culture.

Universities in South Sulawesi face considerable challenges in competing with top performing universities in Java. According to 4International College and universities (4ICU) Universitas Hasanuddin ranked 24th nationally [4]. Other universities in the South Sulawesi Province, public or private, rank above 100. Scimago Institutions Rankings 2022 and Quacquarelli Symonds Asia University rankings 2022 released the top

5 rankings are maintained by universities located in the Island of Java [5][22]. It is anticipated that each university will be subject to a specific set of influences from the community it serves because Indonesia is a very diverse, multicultural society that has several hundred local cultures. For this reason, this research takes the form of a case study of the top and largest public university in Eastern part of Indonesia, Universitas Hasanuddin, located in Makassar, South Sulawesi.

It is often assumed that the principles and practices developed in western institutions represent best-practice that will apply in a similar context, regardless of location. This has generally been assumed to be the case in Indonesia, where a range of institutions in various sectors, including education but also, health care, business, and others, have attempted to implement the practices of the west [6–9]. In many cases, the results have been disappointing or at least inadequate to address perceived problems they were intended to alleviate [10]. In the higher education sector specifically, certain issues related to productivity, research output, teaching quality, and the student experience remain unsolved, suggesting that current practices do not fully capture the complexity of the situation and the underlying causes of these issues.

The aim of this study is to evaluate the ways in which local cultural and social norms affect selected aspects of the higher education context with specific attention to their influences on student and staff expectations, work and study practices, and the degree to which they are compatible with the stated aims of the institution in question. At higher education level, culture is rooted in tradition and communicated verbally and non-verbally amongst the university's [11, 12]. In other words, university culture is a magnificent tapestry of beliefs and practices of society that together fundamentally shape its effectiveness.

Universities have characteristics that are strongly correlated with specific cultures [12, 13]. As opposed to corporate organizations, universities often have ambiguous and difficult-to-measure goals [12, 14, 15]. It is necessary to have a deep understanding of organization's traditions and history. [1] states that deciphering what is happening within a group or organization and identifying the most important issues for leaders and leadership requires a deeper understanding of the cultural issues of the group or organization. The Organizational Culture Assessment Instrument used in this study is expected to identify the current and preferred culture of Universitas Hasanuddin. Researchers postulate that clan, adhocracy, hierarchy, or market culture have a greater factor in determining organizational effectiveness than coherence nor [2, 3, 16]. This area of the higher education context has not been studied in Indonesia but will have major significance for stakeholders at the local, regional and national levels.

2   Methodology

There were 87 respondents participated in this study, which consisted of active academic staff, administrative staff and undergraduate students at Universitas Hasanuddin. The reason these three categories of internal stakeholders are chosen as subjects is because it can be assumed that they are able to give their perspective of the current university culture and also what is expected in the future. All respondents in the target group were randomly selected to participate.

The Organizational Culture Assessment Instrument (OCAI) is used to measure respondents' perceptions of the university culture. OCAI is used by over 1,000 organizations and has been shown to predict organizational performance. The intent is to identify the current culture of the organization and then identify the culture that members of the organization believe needs to be developed to meet the future needs of the environment and challenges ahead [16].

The OCAI instrument consists of six questions (i.e., Dominant Characteristics, Organizational Leadership, Management of Employees, Organizational Glue, Strategic Emphases, Criteria of Success). Each question has 4 options (A = Clan, B = Adhocracy, C = Market, D = Hierarchy). The individual completing the OCAI is asked to divide 100 points to the four options based on how similar each option is to the organization being assessed. Choices that are most similar to the issue in question receive higher scores. OCAI survey results are averages of response values for each option. Once all choice scores in both the current and preferred columns have been determined, they can be plotted to paint a picture of university culture. Plots serve as profiles of organizational culture and are a key step in initiating culture change strategies [16].

3   Results and Discussion

3.1   Result

Data from each of the 87 collected surveys were analyzed using the OCAI scoring system. An average score was calculated for each letter (A, B, C, D) in the Now and Preferred columns. For example, all A response scores in the Current column are added and divided by 6. The same process was repeated for all B, C, and D responses in the Now and Preferred columns. Each average rating of A, B, C, and D relates to the type of organizational culture choice (A = clan, B = adhocracy, C = market, D = hierarchy). We then plotted the results to depict the culture of Universitas Hasanuddin. Plots serve as profiles of organizational culture and are a key step in initiating culture change strategies [16]. By assessing this profile, it can identify stakeholder perceptions, thoughts, and feelings about university culture. It can also conclude whether respondents' perceptions of university culture are positively aligned with the university's overall mission, goals, and objectives.

In plotting the Universitas Hasanuddin organizational culture profile, the mean scores in Table 1 were used to illustrate the four-quadrant plot in Fig. 1 Mean scores for each letter (A, B, C, D) in the current and preferred columns of the OCAI questionnaire distributed to the 87 participating subjects were calculated and graphed. 2 The organizational culture profile plot in Fig. 1 indicates that Universitas Hasanuddin current culture and preferred organizational culture is The Clan Culture.

3.2   Discussion

3.2.1   Current Culture

Internal stakeholders currently perceive the university is practicing the clan culture, in which most of them think the university, including its faculties, provide them with a good

Table 1. Descriptive Statistics.

Category	N	Minimum	Maximum	Mean	Std. Deviation
A Now	87	11	49	30.95	7.452
B Now	87	9	42	22.99	5.135
C Now	87	7	56	22.06	7.088
D Now	87	11	40	24.01	5.469
A Preferred	87	13	53	35.53	8.687
B Preferred	87	13	50	24.04	6.274
C Preferred	87	0	31	18.60	6.088
D Preferred	87	0	40	21.82	5.858
Valid N (listwise)	87				

Source: Questionnaire data, 2022
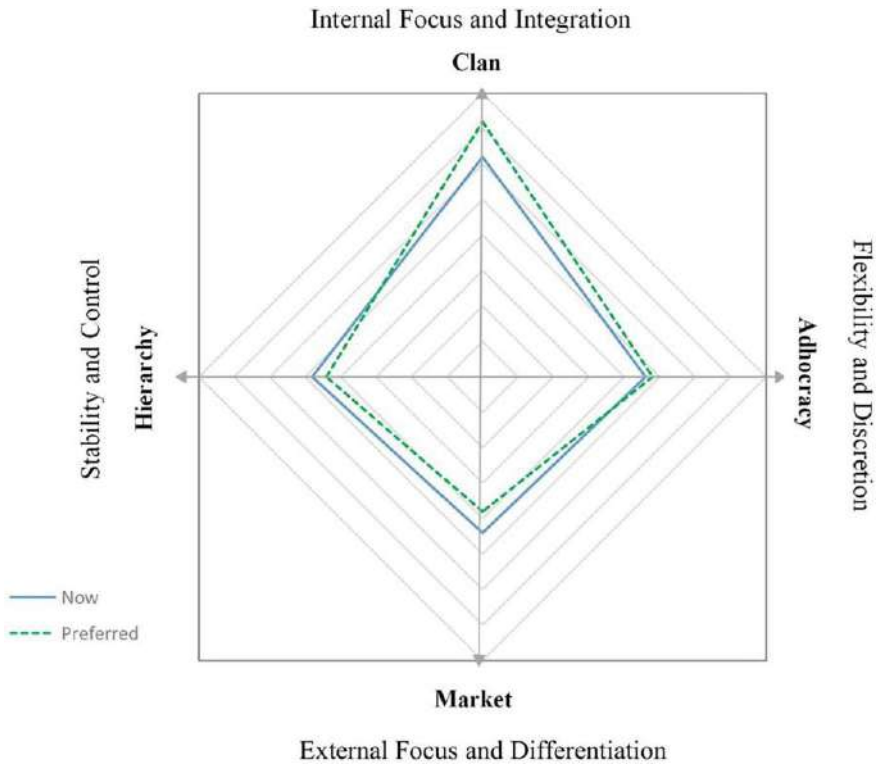
Fig. 1. Profile Plot of Universitas Hasanuddin Culture (*Source:* Questionnaire data, 2022)

working and academic environment. As pointed out by [16] the clan culture encourages a humane work environment, a friendly place to be in, and leaders are considered mentors or parent figures. Culture can be defined in many different ways, but in higher education context, culture can be referred to as the specific values that leaders seek to integrate into an organization [1].

At Universitas Hasanuddin students consider academic staff and administrative staff as friendly and helpful in accommodating their needs. This is in line with the clan culture characteristics where customers are considered partners [16] which in the university context students are one of its internal customers. Higher education culture can be viewed as the identity of an organization. One can learn a lot about university culture by observing the construction of buildings, maintenance of campus facilities, and student interaction [2].

Although most respondents perceive the clan culture as the most perceived culture at Universitas Hasanuddin, some internal stakeholders feel the university is also practicing the hierarchy culture since there is a clear role of authority, procedures, rules and standards. The hierarchy culture is associated with a formal and structured workplace, where individuals follow procedures [16]. In reality, the university hierarchy can contain a common mental model that allows all departments to give meaning to internal and external stakeholders. This mental model is typically communicated to university stakeholders verbally or in the form of a written charter or manual [17].

Further, a small percentage view the university is implementing the market culture by being competitive and the adhocracy culture in showing adaptability to its environment. [2] point out that university management is becoming increasingly aware of the concept of culture and the important role of culture in university change and development. Organizational change must be preceded not only by structure and processes, but also by cultural change. According to [18] to be effective agents of change, one must simultaneously adhere to correction and change. Organizational change efforts often fail. Such failures can be attributed to poor understanding of the critical role of culture within an organization.

3.2.2 Preferred Culture

When internal stakeholders are asked to determine the most preferable culture in the next 5 years, the result shows an increased preference for the clan culture. the importance of empowerment, participation, teamwork, and commitment were emphasized by a majority of respondents. As [16] postulate through teamwork, participation and consensus, a culture of caring can lead to success. on the other hand, this study also shows a slight increase preference for adhocracy culture as some respondents prefer the university to be more innovative and increase its adaptability to its environment. These factors can affect the effectiveness of academic programs, delivery systems, and internal relationships. [12, 19, 20] argued that rapid external demand often requires frequent adjustments and institutional changes to implement productivity-enhancing strategies.

Universities need to adapt not only to internal stakeholders, but also to the demands of external stakeholders and the rapidly changing nature of the educational system. Internal and external stakeholders are diverse and play unique roles [2]. Internal stakeholders

range from national and international students to undergraduate students, professionals and graduate students. External stakeholders include the surrounding community, political justice, licensing and accreditation bodies, trade unions and the press [12]. University culture should teach and demonstrate appropriate behavior to all stakeholders, motivate individuals, manage information appropriately, and form good internal and external relationships [17].

4   Conclusion

Over the past two decades, universities around the world have been under pressure to adapt to rapidly changing social, technological, economic and political forces [12]. There is continuous and cumulative pressure on higher education institutions to adapt to the changing environment [12, 21]. Using the OCAI framework can serve as a way to diagnose and initiate cultural changes that occur as an organization progresses through its life cycle and copes with external environmental pressures [16]. As a result of this study, in the future, Universitas Hasanuddin should not only focus on improving its clan culture but also consider the adhocracy culture which emphasizes understanding the changing environment and adapting to change through innovation. By understanding its current practices and adapting to change, Universitas Hasanuddin can better achieve its organizational goals, specifically in terms of staff productivity, research output, teaching quality, and student satisfaction.

There are some limitations in this study, such as: (1) time constraint which limits the researchers to collect larger and wider samples, (2) more in-depth study of the OCAI instrument is needed, especially when used to study organizational culture in Indonesia, and (3) further research may involve larger and wider samples, which could include studying different universities in order to increase the validity of the study result.

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Analysis of Factors Affecting Income of Songkok Recca Business SME'S in Bone Regency

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Abstract. The existence of MSMEs has been the source of life for most of the Indonesian people. What makes MSMEs continue to survive during the economic crisis is because first, most MSMEs produce consumer goods and services with low elasticity of demand for income. MSMEs in Bone Regency have developed so rapidly in recent years, the Capital Factor is one of the main causes of the development of MSMEs in Bone Regency. The formulation of the problem from this research is to find out how much influence working capital, Labor, education and working hours like have on increasing MSME income in Bone Regency. The research method used in this study is a simple linear regression method by taking a sample of SMEs in Bone Regency of 97 respondents. By using the SPSS application, it found that, simultaneously, working capital, number of Labor, education and working hour had a significant effect on increasing the income of MSMEs in Bone Regency. Partially, working capital and human capital have a positive and insignificant effect on increasing MSME income in Bone Regency, while education have a negative and insignificant impact. Only working hours had a positive and significant impact on increasing MSME income in Bone Regency.

Keywords: SME's · Income · Working Capital · Human Capital

1 Introduction

Small and Medium Enterprises (SMEs) are one of the drivers of economic growth and contribute to increasing the potential gross domestic product (GDP) in Indonesia. Central Bureau of Statistics (2019) data shows that the growth of Micro and Small Enterprises during the 2009–2013 period was able to increase MSE GDP growth from 3.87 percent to 6.02 percent. One of the important roles of SMEs is in the absorption of labor so as to help the government reduce the number of unemployed who reach more than 75 percent of the workforce outside the Agricultural Sector in Indonesia. In 2017 it shows that the number of business units operating in Indonesia consists of 99.9 percent of micro, small and medium enterprises (MSMEs) and 0.01 percent of large business (Statistics, 2019).

Micro, small and medium enterprises (MSMEs) have an important role in the economy in Indonesia. MSMEs have a proportion of 99.99%2 of the total number of business actors in Indonesia or 52.76 million units (BPS, 2019). Data from the Central Statistics Agency (BPS) in 2009 also shows that MSMEs are proven to contribute 56.92% of the

total Gross Domestic Product (GDP) of Indonesia or equivalent to Rp. 1,213.25 Trillion. In addition, MSMEs have the ability to absorb labor (absorb 97.3% of the total working workforce) and have a large number of total business units in Indonesia as well as a fairly large contribution to investment in Indonesia, amounting to Rp222.74 trillion or 51,80% of total investment in 2018 [1].

MSME's is a business activity that can expand employment opportunities, provide broad economic services to the community, play a role in the process of equity and increase people's income, encourage economic growth, and play a role in realizing national stability. The Ministry of Cooperatives and SMEs has launched various assistance programs. The government's policy to encourage small and medium enterprises is quite serious. Law No. 20 of 2018 concerning Micro, Small and Medium Enterprises emphasizes that this business needs to be carried out in a comprehensive, optimal, and sustainable manner through the development of a conducive climate, providing business opportunities, support, protection, and business development as widely as possible.

The Bone Regional Government is faced with the problem of financing to run the government in order to carry out its functions properly. So that the local government in this case the Bone Regional government must be able to develop existing resources in increasing the Regional Original Income of Bone Regency.

To realize this goal, many efforts have been made by the Bone Regency Government in developing leading sectors that are able to make a major contribution to the welfare of the people of Bone Regency. One that can be developed by the government is the Songkok recca (songkok to Bone) craft industry sector. Songkok recca is one of the elements of local wisdom in the form of a head covering used by Bugis nobles in Bone Regency with distinctive colors and materials as well as history and philosophy. The development of the recca songkok industry has been carried out from generation to generation by the people of Bone Regency, but along the way, the recca songkok industry has experienced obstacles in its development, especially its contribution to regional development in the villages in Bone Regency. It should be with the nationalization of this recca songkok that it can contribute to village development related to infrastructure and the economy of the community in the village in Bone Regency. This requires government support so that regional development remains in harmony and maintains existing local wisdom (Table 1).

Based on the description above, in this study, we want to observe and analyze the factors that influence the income level of Songkok Recca SMEs in Bone Regency from working capital, labor, education, and working hours.

1.1 Income

Revenue is the result of all sales of goods or services, a commodity. Income can also be interpreted as income arising from the activities of a business. According to Mankiw (2010), it is stated that income is formulated as the result of multiplying the number of units sold with the price per unit.

Table 1. Total Production of Songkok Recca in Bone District

Years	Total Production/Households Industries		Production/Households Industries
	Soft (Unit)	Rough (Unit)	
2015	12.690	18.221	30.911
2016	13.155	19.512	32.667
2017	13.434	20.667	34.101
2018	13.945	21.554	35.559
2019	14.513	21.468	35.981
2020	14.617	22.190	36,807

Source: Office of Koperasi & SMEs of Bone Regency

1.2 Capital

Capital is one of the most important factors for every business, whether small, medium or large scale [1]. Therefore, capital is one of the important elements that must receive attention by business actors in carrying out their business activities because of its role in supporting business activities.

Capital is divided into 2 types, namely:

1) Fixed capital, is the cost incurred in the production process that is not exhausted in the one production process.
2) Non-fixed capital, is a cost incurred in the production process and exhausted in one production process [2].

1.3 Labor

Based on Law no. 13 of 2003 concerning Manpower, labor is anyone who is able to do work to produce goods or services to meet the needs of themselves and the community. Another definition of labor reveals that labor is a group of people of working age (15–64 years) [3].

1.4 Education

According to Law Number 20 of 2003 concerning the National Education System, education is a conscious and planned effort to create a learning atmosphere and learning process so that a person actively develops his potential. The concept of human capital (Human Capital) is one strategy that has long been applied in improving the quality of human resources. The quality of human resources according to the theory of human capital can be determined by the educational aspects of each individual. Education is considered to be able to improve the skills, creativity, and skills of the workforce.

1.5 Working Hours

Working hours are the scheduled time for the equipment to be operated or the scheduled time for Labor for Labor. Working hours for a person greatly determine work efficiency and productivity [4].

By taking into account the background and descriptions that have been disclosed, the problems to be analyzed in this study are:

– How big is the simultaneous influence of working capital, labor, work education, and working hours on the business income of Songkok Recca Entrepreneurs in Bone Regency.
– How big is the influence of working capital on the business income of Songkok Recca Entrepreneurs in Bone Regency.
– How big is the influence of labor on the business income of Songkok Recca Entrepreneurs in Bone Regency.
– How big is the influence of education on the business income of Songkok Recca entrepreneurs in Bone Regency.
– How much influence working hours have on the business income of Songkok Recca Entrepreneurs in Bone Regency.

2 Methodology

The method of analysis in this study is multiple linear regression analysis. The data used in this study is primary data originating from Songkok Recca Entrepreneurs in Bone Regency where the data was obtained through distributing questionnaires.

The number of samples in this study amounted to 97 people where these results were obtained using the Slovin formula from the total population of 827 Songkok Recca Entrepreneurs in Bone Regency.

The operational limitations or definitions of variables in this study are:

– Working Capital

In this study, the capital in question is the amount of money used by MSME actors at the beginning of running a business to buy their merchandise to be resold.

– Labor

The workforce referred to in this study is the number of people who work to help the productivity of Songkok Recca SMEs in Bone Regency, both from production and marketing.

– Education

The education in this study is the formal education level for the SMEs in Songkok Recca, Bone Regency.
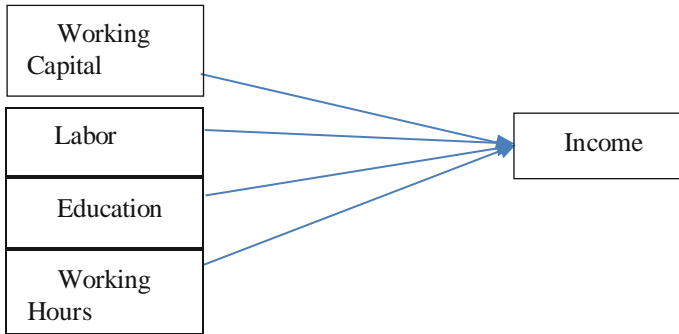
Fig. 1. Conceptual Framework

– Working Hours

The working hours in question are the length of time used by the Songkok Recca MSME actors in Bone Regency to carry out their business from opening to closing in one working day

– Income

The income in this study is the income from the business in the form of money earned by the SMEs Songkok Recca, Bone Regency (Fig. 1).
Framework

2.1 Hypothesis

By paying attention to the formulation of the problem, the hypothesis in this study:

– How big is the simultaneous influence of working capital, labor, education, and working hours on the income of the recca songkok business in Bone Regency.
– How big is the influence of working capital on the income of the recca songkok business in Bone Regency.
– How big is the influence of labor on the income of the recca songkok business in Bone Regency.
– How big is the influence of education on the income of the recca songkok business in Bone Regency.
– How big is the effect of working hours on the income of the recca songkok business in Bone Regency.

3   Results and Discussion

3.1   Results

Validity Test

From the Table 2 Validity test founded that variable working capital, Labor, education, working hours and income is valid, because the pearson correlation is above from R-table, that the R-table is 0.254.

Reliability Test

From the Table 3 reliability test founded that variable working capital, Labor, education, working hours and income is reliable, because the Cronbach alpha is above from standard 0,6 point.

Classical Assumption Test

From Fig. 2 the data obtained follow a diagonal line so that we can conclude that the data in this study is normal.

Descriptive Statistics Test.

Statistics in this study are used to provide information on research variables such as Working Capital, Labor, Education, Hours of Work and Income.

Multiple Linear Regression Analysis

Based on Table 4, the regression model is obtained as follows:

$$Y = -62943015.4 + 0.050X1 (Sig.0.194) + 1.498.220X2 (Sig0.062)$$
$$-233.243 \ X3 (Sig.0.143) + 8.437.264,075X4 (Sig. \ 0.000) + e$$

Table 2. Validity Test

Variabel	Pearson Correlation	R-Table	Explanation
Working Capital	0.453	0.254	Valid
Labor	0.614	0.254	Valid
Education	0.622	0.254	Valid
Working Hours	0.512	0.254	Valid
Income	0.522	0.254	Valid

Source: Processed data by SPSS 24

Table 3. Reliability Test

Variabel	Cronbach Alpha	Standard	Explanation
Working Capital	0.622	0.6	Reliable
Labor	0.617	0.6	Reliable
Education	0.684	0.6	Reliable
Working Hours	0.696	0.6	Reliable
Income	0.662	0.6	Reliable

Source: Processed data by SPSS 24
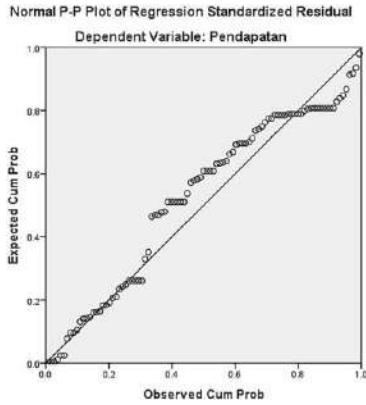
Fig. 2. Normality Test

Table 4. Descriptive Statistics

	Mean	Std.Deviation	N
Working Capital	14025773.20	8743727.256	97
Labor	22494845.36	17108796.29	97
Education	5.2784	.97620	97
Working Hours	12.2474	3.98433	97
Income	8.3918	.65442	97

Source: Output SPSS 24 (2022)

Table 5. Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-62943015.4	8106760.077		-7.764	000		
Working Capital	.050	.038	.097	1.308	.194	.898	1.114
Labor	1498220.528	792064.611	.617	1.892	.062	.630	1.587
Education	-233243	167738.547	-.106	-1.479	.143	.954	1.049
Working Hours	8437264.076	1154356.768	.631	7.309	.000	.660	1.515

Source: Output SPSS 24 (2020)

Table 6. Simultaneous Test Result (F-Test) Model ANOVAa

		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	401308331491443.100	4	10039582872860.780	27.741	.000b
	Residual	33272068508556.900	92	361674405353.231		
	Total	733960400000000.000	96			

a. Dependent Variable: Oncome
b. Predictors: (Constant), Working Hours, Working Capital, Education, Labor

Table 7. Coefficient of Determination Test Results **Model Summary**[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig. F Change	Durbin-Watson
1	.739a	.547	.527	6013456.033	.003	1.713

a. Predictors: (Constant), JWorking Hours, Working Capital, Education, Labor
b. Dependent Variable: income

Looking at the results of data processing the constant value of -62943015.4 this result proves that if there is no influence of working capital, labor, education and working hours, the income level of Songkok Recca Entrepreneurs is 386,100, while working capital has a negative and significant effect on the income of Songkok Recca Entrepreneurs, Working hours have a positive and significant effect on the income of Songkok Recca Entrepreneurs, Labor and working hours have a positive and insignificant effect on the income of Songkok Recca Entrepreneurs, while education has a negative and insignificant effect on the income of Songkok Recca Entrepreneurs (Table 5)

Based on Table 6, it can be seen that the calculated F value (27.741) has a significance of 0.000 < 0.05. So H0 is rejected and H1 is accepted. This means that simultaneously, the independent variables, namely X1 (Working Capital), X2 (Labor) X3 (Work Education) and X4 (Working Hours) have a significant effect on the Y variable (Songkok Recca Entrepreneur Income).

Coefficient of Determination Test (R2).

Based on Table 7 shows R Square is 0.547 or 54.7% of the income variation of Songkok Recca Entrepreneurs can be explained by variations of the four independent variables, namely Working Capital, Labor, Work Education, and Technology. While 45.3% can be explained by other factors not included in this study.

3.2 Discussion

3.2.1 The Effect of Working Capital on the Income of Songkok Recca Pengusaha Entrepreneurs

From the results of statistical tests, it was found that working capital had a positive and insignificant effect on the income of Songkok Recca entrepreneurs, these results proved that Songkok Recca entrepreneurs in Bone Regency in increasing their incomes were not

too influenced by the amount of working capital of each Songkok Recca entrepreneurs. From the results of this study there is a discrepancy with the initial hypothesis where the initial hypothesis of this study explains that working capital has a positive and significant effect on increasing the income of Songkok Recca Entrepreneurs. As found by who found the results of the study that: Revolving funds, working capital, marketing location, and product quality directly have a positive and significant impact on the income of MSME actors in Denpasar City. While the volume of production does not have a significant effect on the income of MSME actors in Denpasar City [8].

The same result was found in his research based on the results of the t test stating that working capital partially has no effect on income in the Tanggulangin bag and suitcase industrial center [9]. Working capital has no effect on income because the greater the amount of cash in an MSME, the higher the liquidity, but that does not mean MSMEs have to try to provide a lot of cash, because the large amount of cash reflects the existence of idle or unused cash so that MSMEs do not can maximize the cash. By providing receivables the goal is to increase sales, but with an increase in receivables it also requires additional financing, collection of receivables and the possibility of bad debts being uncollectible. The size of the inventory is able to affect the efficiency of inventory and working capital during the production process so that it affects the income of MSMEs, but with an inventory that is too large compared to the need it will increase maintenance costs, increase the possibility of losses due to damage, decrease in quality so that it will reduce income [5].

3.2.2 The Effect of Labor on the Income of Songkok Recca Pengusaha Entrepreneurs

From the statistical test results, it was found that the workforce had a positive and insignificant effect on the income of the Songkok Recca Entrepreneurs. This result was not in accordance with the initial hypothesis where the initial hypothesis of this study explained that the workforce had a positive and significant effect on increasing the income of the Songkok Recca Entrepreneurs.

The same results were found in a study of MSME entrepreneurs in East Langowan District. They found that labor variable. The variable number of workers has no real and significant effect on the income of MSME entrepreneurs in East Langowan Regency [6].

Different results were found who found that there was a positive and significant effect of the labor variable on the income of the Kanjeran Fish Cracker SMEs in Surabaya [7].

3.2.3 The Effect of Education on the Income of Songkok Recca Pengusaha Entrepreneurs

From the statistical test results, it was found that work education had a negative and insignificant effect on the income of Songkok Recca entrepreneurs, these results proved that education level did not have a major role in increasing the income of Songkok Recca SMEs in Bone Regency. This is because the average MSME entrepreneur in Bone Regency has an education equivalent to high school.

The same result was found in their research on MSME entrepreneurs in Purbalingga district, which found that education level did not have a significant effect on business income [10].

3.2.4 The Effect of Working Hours on the Income of Songkok Recca Pengusaha Entrepreneurs

From the statistical test results, it is found that working hours have a positive and significant effect on the income of Songkok Recca Entrepreneurs, these results prove that Songkok Recca Entrepreneurs in Bone Regency Entrepreneurs who have high working hours in carrying out their activities have a significant effect on increasing their income, this result is because entrepreneurs songkok recca has a high average so that they take longer to serve their customers both from the Bone Regency area and those from other regencies, besides that recca songkok entrepreneurs in Bone Regency also sell outside conventional working hours where they advertise recca songkok on social media, so they also serve customers outside of normal working hours.

The same result was found in his research on Indomaret MSME Entrepreneurs in the city of Malang [11]. In his research, he found the relationship between working hours that had a positive effect on income in line with the theory of work time allocation initiated by Adam Smith which was explained in the theoretical study chapter.

4 Conclusion

The conclusions in this study are:

1. Simultaneously working capital, labor, working education and working hours have a significant effect on the income of Songkok Recca entrepreneurs in Bone Regency
2. The working capital variable has a positive but not significant effect on the income of the Songkok Recca Pengusaha Entrepreneur
3. The labor variable has a positive but not significant effect on the income of the Songkok Recca Pengusaha Entrepreneur
4. Work education variable has a negative and insignificant effect on the income of Songkok Recca Pengusaha Entrepreneurs
5. Working hours variable has a positive and significant effect on the income of Songkok Recca Pengusaha Entrepreneurs

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The Effect of Competence on Organizational Performance in the Faculty of Economics and Business Muhammadiyah University Makassar

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Abstract. Organizational performance is one of the variables in assessing an organization. This study was is determine the impact of capability on organizational achievement in the Faculty of Economics and Business, Union of Muhammadiyah Makassar. This research uses primary data from observations and a list of questions to the educators at the Faculty of Economics and Business, University of Muhammadiyah Makassar. The analytical method used is simple and linear with the SPSS program. The population of this study amounted to 105. The determination of the sample of this study was carried out using the purposive sampling method. The total sample in this study was 34 educators. The results of the study explain that capability is conclusive and relevant to organizational capacity in the Faculty of Economics and Business, th ne Muhammadiyah University of Makassar, this can be seen from the results of the variable regression coefficient (X) or competence, which is 1.572. The conclusion of the regression analysis, t-test was 3.078 > t-table 2.036 and the significance value (sig.) was 0.004 < 0.05.

Keywords: Competence · Organizational Perfomance

1 Introduction

The success of organizational performance can be reflected in the resources they have through their competencies. Higher education is a new business world in the service sector that is starting to be taken into account in the education business because it has great potential in today's business world. The role of Muhammadiyah in educating the nation's life is marked by the establishment of various educational charities, including hundreds of universities that are currently scattered in South Sulawesi. The Faculty of Economics and Business as one of the faculties at the University of Muhammadiyah Makassar which has the highest interest must be able to manage all available resources to achieve superior organizational performance.

The organizational performance will run effectively if organizational actors in carrying out their duties are responsible for the realization of organizational goals so that

they can increase their competitiveness by utilizing all existing resources within the Muhammadiyah college.

Performa is a representation of responsibility to achieve goals that are supported by resources. The resources in question are in the form of human or non-physical resources, for example, abilities.

Keban (2004) states that work is another term for "performance" which means the ability to carry out tasks whose results are in accordance provisions of the organization. Performance is a person's success in carrying out assigned tasks [1].

(Nahrisah & Imelda, 2019), Organizational performance is something that has been achieved by the organization within a certain period of time, related to inputs, outputs, outcomes, benefits, and impacts [2].

Parameters used in the implementation of manifestation measurement, namely 1) Input parameters, everything it is hoped that the actualization will provide positive results for the development of the organization. Information on policies or laws and regulations. 2) System parameters are service reliability, responsiveness, assurance, empathy, and tangibles. 3) Output parameters, namely parameters that hold the output produced by the procedure. 4) Outcome parameters, namely the statement of results from the medium-term achievement level, are not directly obtained through activities and require some contribution from other parties (eg stakeholders, beneficiaries, media, work partners, and so on). 5) Parameters in the function, namely a variable whose value can change. This Parameter can be passed by value or passed by reference. 6) The Impact Parameter is a quantitative or qualitative measure (or both) where the results can be assessed either directly or indirectly, are simple, easy, and present their respective objectives comprehensively [3].

Competence is a characteristic related to superior and/or effective performance at work [4]. That competence is the basic characteristic of individual behavior related to effective reference criteria and or superior performance in work or situations. There are several indicators to measure competence, a) Intelligent b) Self-control c) The ability to interact with others [5].

The Faculty of Economics and Business, University of Muhammadiyah Makassar still need to fix itself. Of the many problems that exist, in the field of education workforce also should not go unnoticed. The competence of educators at the Faculty of Economics and Business, University of Muhammadiyah Makassar is in the spotlight considering that they are the ones who will be dealing directly with students in the dynamics of lectures on campus. An example of a case related to competence is the lack of scope for lecturers and students to carry out research and community service together. Which can be designed as a unique thing in improving organizational performance, even though these activities are part of the tri dharma of education.

Based on the description above, the researcher is interested in conducting a study entitled "The Influence of Competence on Organizational Performance at the Faculty of Economics and Business, University of Muhammadiyah Makassar".

2   Method

The data collection used is the method of observation and questionnaires. Observation is the direct monitoring of the object under study. The questionnaire is a list of written

questiobns that have been formulated responses from sources and as alternative answers. This research used a list of the question given to 105 lecturers from the Faculty of Economics and Business, University of Muhammadiyah Makassar. The sample selection was carried out using the purposive sampling method. The total sample in this study was 34 educators to obtain primary data [6].

The data analysis method used in this study is a simple linear regression analysis model that serves to test impact capacity to organizational manifestations in the Faculty of Economics and Business, University Muhammadiyah Makassar, with the SPSS program.

3   Results Validity and Reliability Test Results

Validity and reliability checking were used to test the questionnaires or questionnaires distributed were worthy of being used as research instruments. The following is the proof of Validity and Reliability that has been carried out by researchers.

The Table 1 shows that all the total r-estimate > of the total r-tabulation. Therefore, it can be said that all variables are declared valid because the value of r-count > the value of r-table, which is 0.339. This means that each indicator statement of the variables used in this study is declared valid (Table 2).

Table 1. Validity Test Result.

Instrument Variable	r-count	r-table	Information
Competence (X)	0.633	0.339	Valid
	0855	0.339	Valid
	0.818	0.339	Valid
	0.766	0.339	Valid
	0.736	0.339	Valid
	0.649	0.339	Valid
Organizational Performance (Y)	0.698	0.339	Valid
	0.896	0.339	Valid
	0.794	0.339	Valid
	0.846	0.339	Valid
	0.903	0.339	Valid
	0.904	0.339	Valid
	0.902	0.339	Valid
	0.940	0.339	Valid
	0.918	0.339	Valid
	0.903	0.339	Valid
	0.889	0.339	Valid
	0.659	0.339	Valid

Table 2. Reliability Test

Variable	cronbach's alpha	Reliability limit	Note:
Competence (X)	0.812	0.60	Reliable
Organizational Performance (Y)	0.966	0.60	Reliable

Table 3. Simple Regression Analysis Result

	Model Summary			
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of estimate**
1	.478[a]	.228	.204	7.22590

Table 4. Regression Coefficients Result

	Coefficients[a]					
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of estimate**	**t**	**Sig.**
1	(Constant)	6.551	14.236		.460	.649
	Competence	1.572	.511	.478	3.078	.004

[a]Dependent Variable: Organization Performance

Looking at the reliability test table, it can be seen that the value of Cronbach's alpha (r count) of the two variables is declared reliable because r count > r table is 0.60. Thus, it can be interpreted that the research variables used do not cause a double meaning so that consistency can be guaranteed (Table 3).

3.1 Simple Regression Analysis

In the model summary table, it can be seen that the value of "R Square" is 0.228, which is a meaningful competence effect that has an effect on organizational performance by 22.8% while the remaining 77.2% are other variables not examined. The results of the t-test using the SPSS 26 program can be described below.

In accordance, the t-test table explaining the regression coefficient of the variable (X) or competence is 1.572, so from these results, it can be explained that the competency variable (X) has a positive and significant effect on institutional achievement. From the regression analysis, the value of the the t-count is 3.078 > t-table 2.036, and the significance value (sig.) is 0.004 < 0.05. So it can be concluded that competence (X) has a significant effect on organizational performance (Y) (Table 4).

The regression equation is as follows:

$$Y = b - 0 + bX \, Y = 6.551 + 1.572 \, X \qquad (1)$$

Based on the test results above, it is known that competence has a positive and significant impact on institutional manifestations at the Faculty of Economics and Business, University of Muhammadiyah Makassar.

4   Discussion

In general, the test results indicate explicit fluency and relevance to organizational achievement in the Faculty of Economics and Business, University of Muhammadiyah Makassar. In this study, competence is measured by 3 indicators: a) Intelligent b) Self-control c) The ability to interact with others. By paying attention to these three indicators, it is expected to improve organizational performance at the Faculty of Economics and Business. The results of the validity test show that the emotional competence indicator has a high validity value compared to the other two indicators, namely intellectual competence and social competence.

The discussion in this study, namely the results of descriptive statistical analysis using simple regression analysis can be explained in the following discussion.

Based on the results of the calculations and analysis above, the regression equation is obtained:

$$Y = 6.551 + 1.572\,X \tag{2}$$

The regression equation can be concluded that in addition to the variables studied (competence), other variables affect organizational performance beyond those studied by researchers at the Faculty of Economics and Business, Muhammadiyah University of Makassar.

The results of simple regression analysis using SPSS Statistic 26 obtained the coefficient of the impact of capability on institutional achievement is 1.572 at p-value = 0.004 < 0.05, this is supported by the results of the t-test, namely the t-count value of 3.078 relevant with of 0.004 and t-table of 2.036 with a specified significance level of 0.05 or 5%. This proves the capacity to have concrete and relevant organizational achievements in the Faculty of Economics and Business, University of Muhammadiyah Makassar.

Based on the analysis above, it can be concluded that the competence variable is an important factor to improve organizational performance at the of Faculty Economics and Business, University of Muhammadiyah Makassar. Therefore, efforts and seriousness from the leadership of the Faculty are needed in improving the competence of educators so that organizational performance increases.

The findings resulting from this study have a significant influence between competence and institutional performa at the Faculty of Economics and Business, University of Muhammadiyah Makassar. This means that if the faculty leadership wants to improve organizational performance, they must pay attention and provide stimulus to their educators to improve their competencies, both intellectual, emotional, and social competencies.

The results of this study are in line with previous research, namely research conducted, where the result is that there is an influence of lecturer competence on academic performance at Singaperbangsa University Karawang [7].

Looking at previous research which is in line with this research, the author concludes that the competence of educators is indeed a determining factor for improving organizational performance. Thus, the competency variable becomes a very important thing for improving organizational performance.

5   Conclusion

Based on the results of research and discussions that have been carried out by researchers related to the impact of institutional manifestation capability in Faculty Economics and Business, University Muhammadiyah Makassar, the researchers conclude capacity has a direct and relevant to organizational manifestation in Faculty Economics and Business, University of Muhammadiyah Makassar. Seen from the results of the variable regression coefficient (X) or competence that is equal to 1.572. So it can be concluded that the competency variable (X) has a positive and significant effect on institutional manifestations. From the calculation of the regression elaboration, it is obtained that the t-count is 3.078 > t-table 2.036, and the significance value (sig.) was 0.004 < 0.05.

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Patterns of International Capital Flows
in Indonesia

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Abstract. Financial globalization is expected to be able to encourage the integration of financial markets and the economies of various countries, where it will have an impact on the movement and patterns of capital flows between countries. This will result in the accumulation of capital needed for investment in driving Indonesia's economic growth.

This study aims to look at the pattern of international capital flows in Indonesia by analyzing several variables that influence these capital flows internationally. These variables are interest rates, economic growth, inflation rates, and the real exchange rate of Rupiah and USD in Indonesia in the period of 2005–2019. The analytical method used is multiple linear regression with time series data. The research findings show that interest rates, the economic growth and the exchange rate have a positive effect on net capital inflows in Indonesia, while the inflation rate has no effect on net capital inflows in Indonesia.

Keywords: Net Capital Inflow · Interest Rate · Economic Growth · Inflation Rate · Real Exchange Rates

1 Introduction

International capital flows consist of capital inflows and capital outflows, where these two capital flows of course have opposite impact on a country's economy. Of the two capital flows, the one that has a positive impact on economic growth is capital inflows, so to see the net impact of these two capital flows, this study will focus on net capital inflows.

Generally, capital flows that move in international capital flows are in the form of direct investment, portfolio investment, and other forms of capital flows. Direct investment is a form of long-term foreign investment that generally has a direct impact on the real sector, while portfolio investment is a short-term investment that generally has a direct impact on the monetary sector, and other forms of capital flows include trade credit and government loans.

Figure 1 shows the trend of net capital inflows in Indonesia from 2013 to 2019. It can be seen that the volatility in net capital inflows is quite large, so the impact is also large. In 2013 net capital inflows were in the position of USD10,315 million and then increased in 2014 to reach USD17,992 million due to the increase in components in
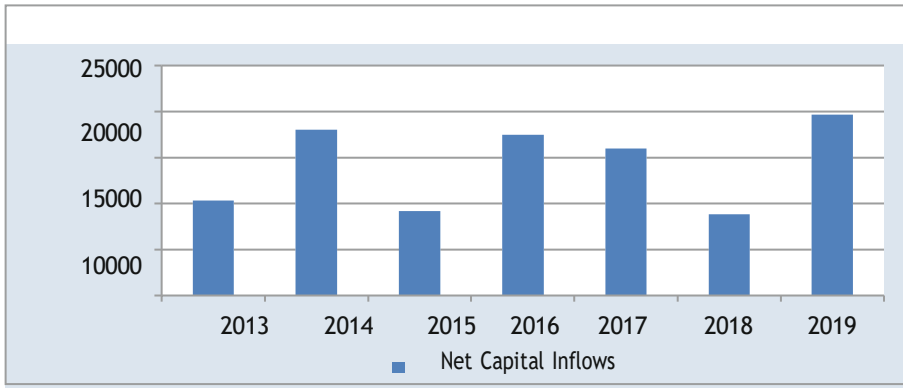
Fig. 1. Net Capital Inflows in Indonesia 2013–2019. Source: Bank Indonesia (data processed)

portfolio investment. Furthermore, net capital inflows decreased until 2018 was in the position of USD 8,843 million which illustrates the decline in investor confidence in economic conditions in Indonesia.

Net capital inflows are interesting and important to study in order to find out the pattern of international capital inflows so that capital can provide benefits to the economy and minimize risks. According to Agenor and Calvo et al. in Indawan et al. (2012) there are two main determinants of capital inflows, namely pull factors originating from within the country itself, and push factors related to global factors as drivers.

The international flow of capital is explained by Mundell-Fleming in their theory which explains that when domestic interest rates rise and the assumption of world interest rates remains constant, the gap between domestic and foreign interest rates will widen. This will encourage capital inflows, and vice versa if the interest rate gap narrows it will encourage capital outflows.

This is again explained by portfolio allocation theory which emphasizes that rates of return and risk factors can affect the movement of capital flows. The difference in rates of return is a driving factor for capital flows to a country. Rates of return as measured by interest rates, where when world interest rates become lower than domestic interest rates cause capital inflows [1].

Furthermore, the accelerator theory emphasizes that investment is not only influenced by interest rates but is also influenced by national income or national production. The increase in national income will encourage an increase in the demand for goods and services, and this becomes a special attraction for investors to invest, which will ultimately have an impact on capital inflows.

Furthermore, the inflation rate has an ambiguous effect on capital flows internationally. If the inflation that occurs is caused by an increase in demand, known as demand-pull inflation, investors will respond positively to the increase in the inflation rate and encourage capital inflows. However, if the inflation that occurs is caused by an increase in production costs, which is called cost-push inflation, then investors will respond negatively to the increase in inflation resulting in capital outflows.

Finally, purchasing power parity theory and interest rate parity theory also explain the international flow of capital in relation to exchange rates and interest rates. The theory explains that the price of goods and the rate of return of an investment instrument will be the same in any country, where if there is a difference, the exchange rate will adjust. So that when a country depreciates in its currency, this will encourage investors to buy that currency and have an impact on capital inflows from other countries, and vice versa.

2   Method

This research design refers to a conceptual framework based on theoretical and empirical reviews using the multiple regression estimation method, in which the analysis model to be used is as follows:

$$y = f\ x_1, x_2, x_3, x_4,$$
(1)

$$y = x_4^{\alpha_4} e^{\alpha_0 + \alpha_1 x_1 + \alpha_2 x_2 + \alpha_3 x_3 + \mu}$$
(2)

$$y = \alpha_0 + \alpha_1 x_1 + \alpha_2 x_2 + \alpha_3 x_3 + \alpha_4 ln x_4 + \mu$$
(3)

where:
  y = Net capital inflow
  x_1 = Interest Rate
  x_2 = Economic Growth
  x_3 = Inflation Rate
  x_4 = Exchange Rate
  μ = *errorterm*
  In this study, it will also be observed what variables most dominantly affect capital flow in Indonesia among the four variables of this study. This is intended to see the pattern of capital flows in Indonesia.

3   Results

The estimation results obtained in analysing the pattern of international capital flows in Indonesia by looking at the effect of interest rates, economic growth, inflation rates and real exchange rates on Indonesia's net capital inflows using multiple regression analysis can be seen in the Table 1.

Table 1. Estimation Results of the Effect of Interest Rate (X1), Economic Growth (X2), Inflation Rate (X3), and Exchange Rate (X4) on Indonesian Net Capital Inflow (Y)

Variable	Regression Coefficient	t-Statistic	Prob
X_1	$0.094**$	2.069	0.065
X_2	$0.815*$	2.953	0.014
X_3	0.035^{ns}	0.924	0.377
X_4	$1.505*$	2.801	0.019

*) Significant at $\alpha = 5\%$

**) significant at $\alpha = 10\%$
ns) not significant
$R2 = 0.701$

4 Discussion

The findings of the study indicate that interest rates have a positive and significant effect on net capital inflows, ie increasing interest rates can cause an increase in net capital inflows and vice versa, a decrease in interest rates can cause a decrease in net capital inflows. This is due to the increase in interest rates which illustrates that there is an increase in the reward of investment. Investors will always look for investment opportunities that can provide high rewards so that government policies in increasing interest rates can be used to attract capital inflows that can increase net capital inflows.

This is supported by several previous studies which also found that interest rates can increase investor interest in investing in the country so that it can increase net capital inflows. The implication of this finding is that the government through the Central Bank as the monetary authority should create attractive interest rates for investors to invest their capital domestically to increase net capital inflows.

Furthermore, economic growth which has a significant positive effect on net capital inflows, it can be explained that an increase in economic growth will increase national income which in turn will increase people's purchasing power and encourage an increase in aggregate demand. This will show the capacity and market opportunities that are getting bigger and open for the company's products and reflect the profit potential for companies that can take advantage of the open market. This signal will be seen by investors as something positive to gain profits by exploiting the potential of the open market to encourage an increase in investment demand and increase net capital inflows.

The increase in economic growth reflects the growing and increasing production sectors. The more production sectors can grow and develop properly and conducively, the output produced by the company in the form of goods and services will be abundant in the domestic market and the profits generated will be greater. This will attract investors to invest in the company and encourage an increase in net capital inflows. Therefore, the government needs to maintain sustainable economic growth conditions in order to attract investors to invest in the country, which in turn will increase net capital inflows.

On the other hand, the inflation rate does not have a significant effect on net capital inflows. This is due to the fact that the inflation rate during the research year was still

very controlled and not yet harmful to economic activity. As long as the inflation rate is not in the heavy category, inflation will not have a major impact on the returns obtained by investors. In addition, the phenomenon of inflation often occurs in countries in the world due to the increase in people's purchasing power so that investors see it as a natural thing. Thus, investors in order to move their capital to Indonesia do not really consider the inflation rate in Indonesia.

Finally, the appreciation of the USD against the rupiah caused the price of imported goods in Indonesia to become relatively more expensive for similar goods produced domestically. This will encourage the population to make substitutions by shifting their consumption from imported goods to locally produced goods. The next impact is that domestic production is getting more excited and becomes a special attraction for investors to invest in the country and ultimately increase net capital inflows.

The implication of this finding is that the depreciation of the domestic currency exchange rate does not need to be too worried, as long as the impact of the depreciation can be responded positively by the population by shifting their consumption from imported products to local products, so that domestic absorption increases, and is able to attract investors to flow their capital in. to Indonesia.

5   Conclusion

The conclusion of this paper can be written as follows:

1. Interest rates have a significant positive effect on net capital inflows in Indonesia from 2005 to 2019. This shows that foreign investors are still very sensitive to changes in interest rates.
2. Economic growth has a significant positive effect on net capital inflows in Indonesia from 2005 to 2019. The implication of this finding is that the government needs to maintain sustainable economic growth so that capital inflows are maintained.
3. The inflation rate has no effect on net capital inflows in Indonesia. This indicates that the behavior of foreign investors is not sensitive to changes in the price level that occur in the country.
4. The rupiah/USD exchange rate has a significant positive effect on net capital inflows in Indonesia, which means that net capital inflows are still highly dependent on how much the exchange rate is capable of adjusting to differences in price levels and rates of return between countries.

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Efficiency of the Intermediation Function of Regional Development Bank (BPD) in Indonesia

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Abstract. The purpose of this study is to analyze the efficiency of the intermediation function of Regional Development Banks throughout Indonesia by looking at the development of the level of Loan to Deposit Ratio (LDR). This study uses a quantitative approach by descriptively explaining the results and analyzing the efficiency of the intermediation function of Indonesia's regional development banks (BPD) over the period 2021 using Loan to Deposit Ratio (LDR) analysis. This study uses a sample of all Indonesian Regional Development Banks (BPD). Data from this survey were collected from Bank Indonesia and Financial Services Authority (OJK). The results of this study indicate that the Loan to Deposit Ratio (LDR) of Regional Development Banks in Indonesia during the study period was very good because it did not exceed the maximum limit set by Bank Indonesia of 110%, but there was a decrease every year during the time this research was conducted.

Keywords: Efficiency of Intermediation Function · Loan to Deposit Ratio

1 Introduction

Banking is a financial institution that has a role as an intermediary or financial intermediary. In the changing economic environment and developments in the financial market, the banking intermediation function also changed. Developments that occurred, especially in information technology, deregulation, liberalization, and internationalization, caused the theory of financial intermediation to be considered irrelevant to the current situation in the banking industry. This resulted in the intermediation function shifting to the capital market and other financial institutions such as insurance. The liberalization of financial institutions can be seen from their operating system in facilitating the public to save assets and make investments and causing disintermediation in the banking industry.

The main function of a bank is that of a financial intermediary, acting as an intermediary for parties with surplus funds to those in need of funds. This intermediary function arises from high oversight overhead, liquidity costs, and price risks due to information asymmetries between fund owners and fund users, and requires an intermediary to coordinate the needs of both parties [5].

The role of banks as financial intermediaries is expected to support the economic development of both domestic and regional economies. As part of the financial system, banks' contribution to the economy can be measured by the degree of economic progress and the extent to which banks can act as financial intermediaries. Bank contribution can be measured as the percentage of credit the banking sector provides through loans, asset purchases, and other claims. Bank Indonesia's Circular Letter (2011) states that the functioning of bank intermediation can be measured by the loan-to-debt ratio (LDR). This ratio indicates a bank's ability to redirect existing funds to the bank.

Banking efficiency is one of the key performance indicators to consider when measuring a bank's ability to become a sound and sustainable financial institution. Efficient banking can maintain customer loyalty, so banking efficiency is generally measured by the ability of a bank to optimally perform its intermediation function by lending cheaply.

[6] distinguishes efficiency into two types, namely technical efficiency from a microeconomic perspective and economic efficiency from a macroeconomic perspective. Technical efficiency states the relationship between inputs and outputs in a production process. Whereas in economic efficiency, companies must choose a combination of input and output levels such as minimizing costs (input approach) or maximizing profits (output approach) to optimize economic goals.

Efficiency in the banking industry needs to be done to improve banking performance. These results will be a stimulus for banks to compete with each other in achieving optimal performance. [2], considers that banking efficiency cannot be done partially, such as sales per employee or profit per employee, but is carried out comprehensively by taking into account all inputs and outputs that maximize profits.

[3] divides efficiency into two parts. Technical efficiency, which represents the firm's ability to produce the maximum output from various kinds of predetermined inputs, and allocative efficiency, which represents the firm's ability to use various kinds of inputs in an optimal production scale.

2   Method

This study uses a quantitative approach by descriptively explaining the results and analyzing the efficiency of the intermediation function of Indonesia's regional development banks (BPD) over the period 2021 using Loan to Deposit Ratio analysis. This study uses a sample of all Indonesian Regional Development Banks (BPD). Data from this survey comes from Bank Indonesia and Financial Services Authority (OJK).

3   Result and Discussion

3.1   Result

The Table 1 shows the development of intermediation efficiency of Regional Development Banks throughout Indonesia in 2017–2021 fluctuating and still in the efficient category in accordance with Bank Indonesia circular letter No. 3/30 DPNP dated December 14, 2001 regarding the amount of Loan to Deposit Ratio.

Table 1. Loan to Deposit Ratio calculation results Regional Development Banks in Indonesia (2017–2021)

Year	Total Loans (Juta) (1)	Deposits from Customers (Juta) (2)	Loan to Deposit Ratio (1:2) x 100%
2021	153,629,268	191,918,749	80.05
2020	189,387,858	236,881,290	79.95
2019	181,370,881	213,771,637	84.84
2018	164,367,114	188,687,807	87.11
2017	122,796,499	128,997,618	95.19

Source: Processed Data

The loan-to-deposit ratio (LDR) is the ratio of the total loan amount to the customer's deposit. The loan amount determines the bank's profit. If a bank is unable to disburse a loan despite having a large number of funds raised, the bank will end up incurring losses.

3.2 Discussion

After calculating the efficiency of the intermediation function of regional development banks throughout Indonesia, the overall efficiency is very high. We can see that his LDR calculation for regional development banks across Indonesia was 95.19% in 2017, but has been declining year by year.

The results of this study are consistent with studies conducted by (Hidayah, 2014), who also reached the same conclusions as this study. Overall, this indicates that traditional banking is superior to Islamic banking. Similarly, a study by (Saeed, 2013) shows that traditional banks outperform Islamic banks.

4   Conclusion

Loan-Deposit Ratio (LDR) Regional Development Banks across Indonesia performed very well during the period, staying within the 110% set by Bank Indonesia. Similar to Deposits from customers (DPK) successfully collected by regional development banks across Indonesia, loans disbursed decreased each year in the loan-to-deposit (LDR) ratio during the study period 2017–2021. It shows a trend. The highest LDR score was 95% in 2017. This proves that regional development banks across Indonesia are transforming intermediary efficiency for the better by increasing the number of loans disbursed year-on-year. 75%–110%

The role of banks as intermediaries is expected to remain stable even when the country is hit by economic turmoil. Because bank liquidity is fragile and can be suddenly withdrawn from the bank. Sudden changes (shocks) can lead to the emergence of liquidity spirals, causing banks to lose liquidity and leading to financial crises. Historically, the main cause of banking crises that have occurred has been the liquidity squeeze in banks, which has resulted in banks being unable to meet most of their obligations.

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The Effect of Entrepreneurial Orientation
on Company Performance

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Abstract. Entrepreneurial Orientation is a condition where individuals tend to innovate, be proactive, and are willing to take risks to start or manage a business. The main function of the importance of entrepreneurial orientation is how to involve risk measurement and risk-taking optimally in the work. Everyone can choose a business and a job according to their talents, skills, and environmental factors. The purpose of this study is to determine the effect of Entrepreneurial Orientation on Company Performance, whether involving large or small companies and including SMEs and schools. There five dimensions of entrepreneurial education to focus: Innovativeness, Proactiveness and risk taking, Autonomy and competitiveness. The method in this study is a systematic literature review of 20 articles in the last 10 years that examines entrepreneurial orientation and company performance. The results of this study show that Entrepreneurial Orientation has a positive effect on the performance of large or small companies, SMEs and schools.

Keywords: Entrepreneurial Orientation · Company Performance

1   Introduction

Entrepreneurial orientation is now considered the most important element of management [1], and academic research on EO is increasing and accelerating research on EO [2]. The EO dimension becomes much broader than the entrepreneurial concept of the company itself [3]. Companies that implement EO find that a strong scientific construct due to the continuous development of accumulated knowledge and growing interest in EO, has made it a mature concept with structure and stability Often entrepreneurs start their business and do not know how to strategically start-up their business using EO, so sometimes they experience stagnation in running their business [4].

However, if a company understands and appreciates what the various dimensions of what entrepreneurial orientation are, all of these obstacles and choices can be faced simultaneously. The various dimensions of EO must be understood by a company EO is important to minimize the risks which increase business operational uncertainty These risks can impact on and change the market, through market segmentation and through company performance fluctuation [5]. For example, recent research on the effect of entrepreneurial orientation on company performance was conducted found that strategic alignment and learning orientation enhanced the relationship between entrepreneurial

orientation and company performance [6]. However, based on the research findings on the impact of entrepreneurship on company/business.

2   Methodology

A previous literature review examined the entrepreneurial orientation, to provide an integrative guide that allows easier assimilation of the influence of EO on the performance of a company and organization. This research model also uses the literature review method by collecting several journal articles and is in line with the research in the study conducted by the author. This method is carried out to deepen knowledge, find out relevant results, know the development of science in a particular field, clarify the problem under study and find out the latest methods in solving problems.

The first step in this literature is to collect research studies that are consistent with the last ten years and then classify them based on the type of business and then analyze the influence of Entrepreneur Orientation on company performance. Several previous studies have examined the factors that affect the performance of companies both on a large and small scale.

There are also studies in an organizational environment that aims to measure the dimensions of entrepreneurial orientation where the five dimensions offered in the context of EO generally only focus on three dimensions that affect success company performance. The five dimensions in question are: Innovativeness, Proactiveness and risk taking, Autonomy and competitive, but the most frequently used of these five dimensions are Innovation, Pro-activeness and Risk taking.

3   Results and Discussion

3.1   Results

In short, the scope of this research is only to three sectors, namely companies, schools, and SMEs. By comparing similar sectors, globally on company performance is positive and from the results of the distribution of data that has been studied, it is found that the EO dimension used in influencing company performance is not only used in a company on a large and small scale but is also applied within the scope of schools and SMEs [7].

However, perhaps, it could be viewed as somewhat biased and should not be used as a literature reference since empirically, future research is expected to be able to compare the overall dimensions of EO which involves five dimensions of the five dimensions of EO, only three dominant concepts are used as factors that affect company performance based on research data that has been reviewed.

3.2   Discussion

The findings confirm that entrepreneurship education facilitates an individual's entrepreneurial orientation and entrepreneurial motivation and also has a positive relationship with entrepreneurial intention [8]. Which is associated with innovation and has a very strong positive relationship with performance [9]. This study shows that

managers can view their company's entrepreneurial strategy holistically as a pattern of related but independent strategic EO dimensions [10]. Existing research has shown that entrepreneurial orientation (EO) is positively related to company performance [11].

The results also show that lecturers and students have a strong entrepreneurial mindset. This study found that EO as a whole has a significant positive effect on the performance of SMEs. Further, the results of this study found that entrepreneurial orientation has a significant relationship with market [12]. A significant relationship between entrepreneurial orientation and market orientation illustrates the reciprocal relationship between transformational leadership, entrepreneurial orientation, and organizational effectiveness in the context of small businesses [11].

Overall, the 3 sectors studied in this study provide evidence that EO has a very positive effect on the performance of SMEs [13]. The EO dimension consists of risk-taking [14]. This relationship is not only found to be unidirectional but creates a reciprocal relationship between EO and business performance, meaning that when EO has a positive impact on SME performance, this will also have a positive effect on EO itself.

More specifically, the results of the study found that EO applied to schools and has proven to show that lecturers and students have a strong entrepreneurial mindset. In the future development of SMEs, in particular, the government must implement policies that are easy to use, consistent, and standardized in all SME sectors and all other stakeholders in encouraging these SME sectors.

4 Conclusion

In reviewing the entrepreneurial literature and the broader management literature, it is found that a deep interest in EO yields results that are not only important at the corporate level but also the school levels, and also to SMEs that have an impact further from a macroeconomic perspective [7]. The result of implementing a strategy based on an entrepreneurial orientation enables a company to adapt successfully to a change. It is found that Entrepreneurial orientation tends to have positive implications for company performance. Referring to several studies conducted by previous researchers, many of the research studies discussed concluded that entrepreneurial orientation has a positive influence on company performance.

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Analysis of Risk Management and Performance of SOEs in Infrastructure Services During COVID-19

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Abstract. The COVID-19 pandemic has changed corporate governance substantially. In Indonesia, which is building infrastructure, relies heavily on State-owned Enterprises (SOEs) in the service sector. This study aims to analyze the risk management function and its effect on company performance by comparing before and during the pandemic. Variables used to measure the effect are project innovation, and project life-cycle on company performance. This research uses Structural Equation Model with Partial Least Square technique. The results show that research model has a good fit with the SRMR value of 0.076 and the Normed Fit Index (NFI) showing a value of 0.627. The final result of this study is to answer all hypotheses about the performance of SOEs in the infrastructure sector before and during the pandemic. This study finds that risk management has a significant impact on project innovation, project life-cycle, company performance. As for project life-cycle, it influences innovation and company performance considerably. This study also confirms that innovation has a significant effect on company performance.

Keywords: infrastructure services · risk management · project life-cycle · project innovation · company performance

1 Introduction

The outbreak of the corona virus (covid-19) was first announced worldwide as a pandemic in March 2020, causing half of the world's population to go into lockdown and causing businesses to drastically change the way they work, produce and consume. According to the [1], in 2020 it is predicted that world real GDP growth will be around - 4.3% due to the pandemic. Even though infrastructure industry expected to contribute 13.4% to GDP in 2020 [2], however the pandemic led to a contraction in the sector in most markets around the world.

Despite the high level of uncertainty during the pandemic, economic activity could resume in early 2021 if the virus is contained and appropriate economic policies are implemented. Nevertheless, a long-term lockdown or other tight restrictions, even though temporary, could adversely affect the economic downturn, and national economy could resume as early as 2023.
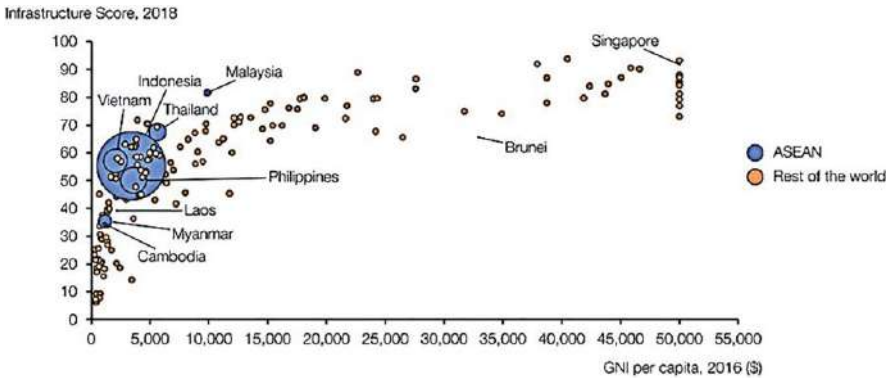
Fig. 1. Infrastructure and Economic Growth Chart

Increasing the availability and improving the quality of infrastructure can provide significant benefits for reducing operating costs for business owners and will then increase economic activity. Therefore, the relationship between infrastructure and a country's development has been studied for decades. The concept of the correlation between investments in infrastructure and national income was reviewed [3, 4] and it was discovered that there is indeed a significant positive relation between both the infrastructure variable and economic growth [5–7] (Fig. 1).

The economic growth potential of Southeast Asian countries is limited by the lack of investment in infrastructure development. It is estimated that the world requires an estimate of 3.3 trillion United States dollars in infrastructure investment per year, of which 60% is needed by developing countries and 24% is specifically allocated to the construction sector and roadwork [8]. However, until 2019 the existing investment is still in the range of 350 billion US dollars per year.

One of the Indonesian government's projects is the construction of a new capital city in East Kalimantan, adding about 33 billion US dollars to Indonesia's investment needs. Getting additional budget to reduce the infrastructure gap is becoming increasingly difficult due to the economic and financial crisis caused by the pandemic. This condition clearly has an impact on infrastructure development that is being carried out by State-owned Enterprises (SOEs) in infrastructure services.

The implementation of infrastructure project construction during the pandemic faced its own challenges, such as the limited project implementation schedule due to restrictions imposed by the government, changes in construction plans due to several adjustments, and limited funds. This requires a quick response from companies and overcome various risks that may arise.

Risk can be defined as unforeseen events that may have a positive or negative impact on the objectives of the project, such as circumstances or conditions, in all reasonable foresight, that have a negative impact through any factor of project implementation. Companies have to identify, categorize, and estimate risks before managing and controlling those. Risk management is a continual process that needs to be applied in any project

from beginning to end. In the construction industry, this entails planning, monitoring, and implementing countermeasures to prevent exposure to risk [9].

Construction projects are highly complicated and fraught with uncertainty. Risk management assists the project's key stakeholders, such as the client, contractor/developer, consultant, and supplier to meet their commitments and minimizing adverse impacts on construction project performance in terms of cost, time, and desired outcomes [9].

Each project also goes through several stages, such as initiation, planning, execution, supervision, control, and closure [10]. This stage is also known as the project life cycle (PLC). Good PLC planning includes schedules or activities to be carried out within a certain period. However, what is planned in the PLC can be different from the reality on the ground, especially in public infrastructure projects which are always influenced from the external side. One problematic stage can result in changes to the planned PLC pattern either in schedule changes or in activity changes. At the full risk stage, the project can experience challenges and even failures. The emergence of challenges indicates if the project has undergone changes in objectives, costs, timing, and specifications [11].

Furthermore, innovation and risk are strongly intertwined. Indeed, research on innovation management frequently recommends that businesses focused on innovation actively monitor, evaluate, analyze, and treat upcoming events in order to minimize risks at any time possible [12]. Risk is fundamental to innovation, although in order to be both theoretically and practically insightful, the relations between risk and innovation should be studied in more specific contexts [13].

Project innovation is the application of knowledge to the creation of renewable (or perceived new) methods for solving problems in projects in order to expedite the process. Innovation stands from several new ideas which are then implemented into something either in the form of products, processes, machines, or service renewals which contribute to the dynamic growth of achieving goals for individuals, groups or organizations.

The importance of strategically knowing project progress can provide an overview of the company's performance. Performance measurement is an important thing to do to evaluate and control within the scope of the company. The main purpose of performance appraisal is to help set standards and targets, a means for progress, motivate, communicate strategy & organization and influence behavior.

2 Methodology

This study will examine the relationship between variables based on the attitudes and behavior of respondents through a theoretical approach as well as the outcome of previous researches that provide consistency in the relations between variables. The variables studied are risk management, project performance, project life cycle, and innovation (Fig. 2).

The population in this study are important staff from state-owned companies engaged in infrastructure or construction services consisting of project managers, project engineers, and project workers with various positions or positions. The sampling technique used is the purposive method, which is a method based on certain parameters, which can be applied based on certain judgments or quotas.

A structured instrument was used to collect data (questionnaire) adopted from various previous studies that have been tested for reliability and validity. The data analysis
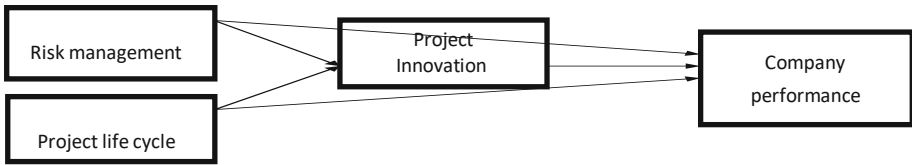
Fig. 2. Structural Research Model

technique in this paper uses the Structure Equation Model (SEM) with the help of SmartPLS software.

3   Result

Based on the results of the questionnaire, there were 100 respondents consisting of 68 male respondents and 32 female respondents. Researchers have analyzed each answer to each question posed to respondents to find out their response to an indicator. Analysis of answers to each respondent's statement is done by finding the average of the answers given by respondents to each statement using an interval scale.

On questions regarding the Work from Home (WFH) policy, and physical distancing before the Covid-19 pandemic, respondents did not provide an answer because there was no such thing, so the graph above has an empty scale. For company performance, project innovation, and project life cycle issues, respondents on average gave the same answers both during and before the COVID-19 pandemic.

In the Project lifecycle and project innovation variables, respondents' answers tend to be the same both during and before the pandemic. The following charts will show the details of respondents' answers to the research instrument for each of the indicators studied (Figs. 3, 4, 5 and 6).

This paper also uses the Heterotrait-Monotrait (HTMT) test which serves as an advised solution method for determining discriminant validity. The principle of measurement for this method is a multitrait-multimethod matrix with a value less than 0.9 to ensure discriminant validity between the two reflective indicators [14]. As a result, the model in this study is acceptable, with sufficient confirmation of reliability, convergent validity, and a verified research model both before and during the pandemic (Tables 1 and 2).

The following step is to take measurements the Inner Structural Model, which is to analyse the relevance of model predictions and the correlation between constructions. Coefficient of determination (R^2), path coefficient (β-value) dan T-statistic value, effect size (f^2), dan Goodness-of-Fit (GOF) index is the main standard for evaluating structural models.

R^2 value of 0.50 is considered moderate, and R^2 value of 0.25 is considered weak [14, 15]. Therefore, all R^2 values in the study both before the pandemic and during the pandemic were quite large, for Project Innovation is 0.624, Company Performance is 0.757, and Project Life Cycle is 0.604.

Through the β-value, the significance of the hypothesis is tested. β-value shows the expected variation in the dependent construct for the variation of units in the independent

Aspects of risk management before the COVID-19 pandemic
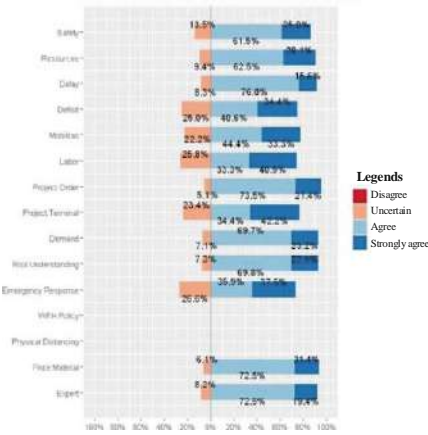
Aspects of risk management during the COVID-19 pandemic
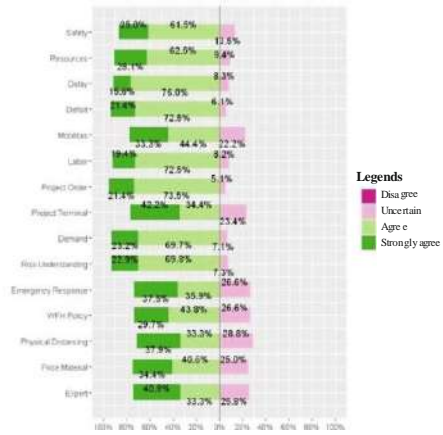
Fig. 3. The results of risk management Likert analysis, before and during the Covid-19 pandemic

Company performance before the COVID-19 pandemic
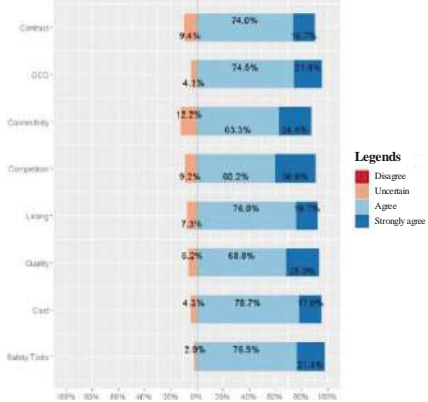
Company performance during the COVID-19 pandemic
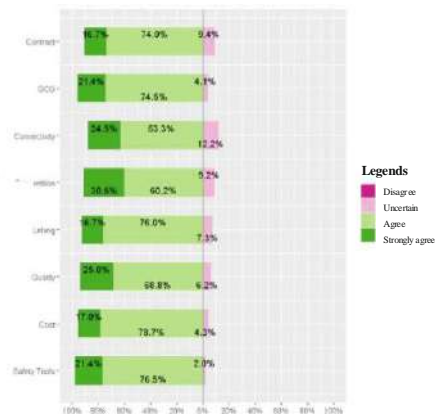
Fig. 4. The results of company performance Likert analysis, before and during the Covid-19 pandemic

construct, the greater the value, the greater the substantial effect on the endogenous latent construct. However, the β-value must be verified for significance level through T-statistic test.

To test the significance of the path coefficients and T-statistical values, the procedure uses 500 bootstrap samples (Table 3 and Table 4).

This study found that risk management had a significant effect on innovation both during and before the pandemic ($\rho_{value} < 0,025$). Likewise, risk management has a substantial impact on the project life-cycle. The impact of the project life-cycle on innovation was significant both during and before the pandemic. Risk management has
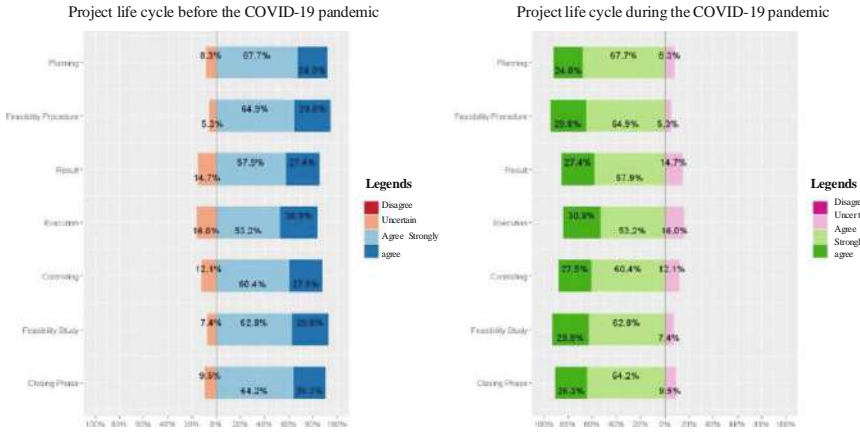
Fig. 5. The results of project life cycle Likert analysis, before and during the Covid-19 pandemic
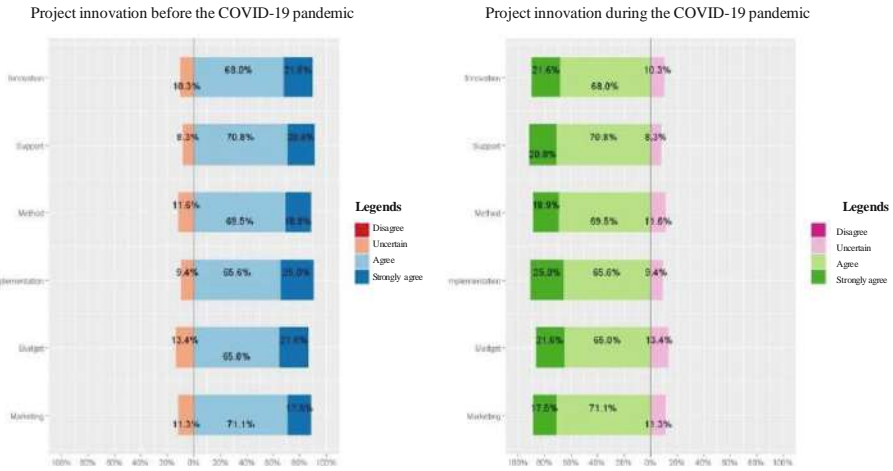
Fig. 6. The results of project innovation Likert analysis, before and during the Covid-19 pandemic

Table 1. HTMT test results, before the Covid-19 Pandemic

	Project Innovation	Company Performance	Project Life-cycle	Risk Management
Project Innovation		0.852	0.818	0.787
Company Performance	0,852		0.871	0.858
Project Life-cycle	0.818	0.871		0.834
Risk Management	0.787	0.858	0.834	

Table 2. HTMT test results, during the Covid-19 Pandemic

	Project Innovation	Company Performance	Project Life-cycle	Risk Management
Project Innovation		0.856	0.818	0.787
Company Performance	0.856		0.878	0.863
Project Life-cycle	0.818	0.878		0.834
Risk Management	0.787	0.863	0.834	

Table 3. Path Coefficient and T-statistics, before the Covid-19 Pandemic

Hypothesized Path	B	T-stat.	p-value
Risk Management → Project Innovation (H$_1$)	0.122	2,715	0.007
Risk Management → Project Life-cycle (H$_2$)	0,047	16,682	0.000
Project Life-cycle → Project Innovation (H$_3$)	0,102	4,941	0.000
Project Life-cycle → Company Performance (H$_4$)	0,090	3,704	0.000
Risk Management → Company Performance (H$_5$)	0,079	3,830	0.000
Project Innovation → Company Performance (H$_6$)	0,064	4,876	0.000

Table 4. Path Coefficient and T-statistics, during the Covid-19 Pandemic

Hypothesized Path	β	T-stat.	p-value
Risk Management → Project Innovation (H$_1$)	0.117	2,844	0.005
Risk Management → Project Life-cycle (H$_2$)	0,046	16,999	0.000
Project Life-cycle → Project Innovation (H$_3$)	0,098	5,140	0.000
Project Life-cycle → Company Performance (H$_4$)	0,089	3,861	0.000
Risk Management → Company Performance (H$_5$)	0,072	4,235	0.000
Project Innovation → Company Performance (H$_6$)	0,061	5,029	0.000

a significant impact on company performance as well. The impact of project life-cycle on company performance, and innovation on company performance is also very significant (Figs. 7 and 8).

The f^2 value can be used to analyze the contribution of exogenous variables to the value of R^2 endogenous variables. Changes in the value of R^2 when exogenous variables can be left out of the model used to evaluate whether the omitted variables have a substantive effect on the endogenous variables. This measure is referred to as the effect size (f^2) [16]. Depending on the value, the effect size of each variables has
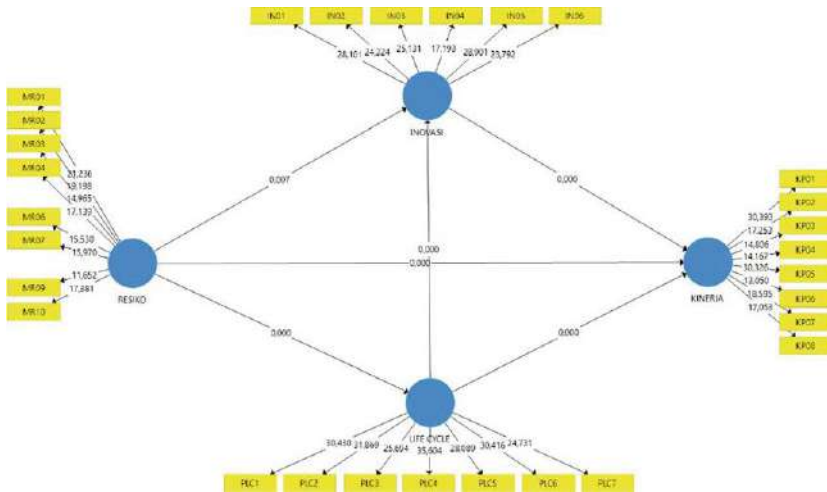
Fig. 7. Research Structural Equation Model (before the Covid-19 pandemic)
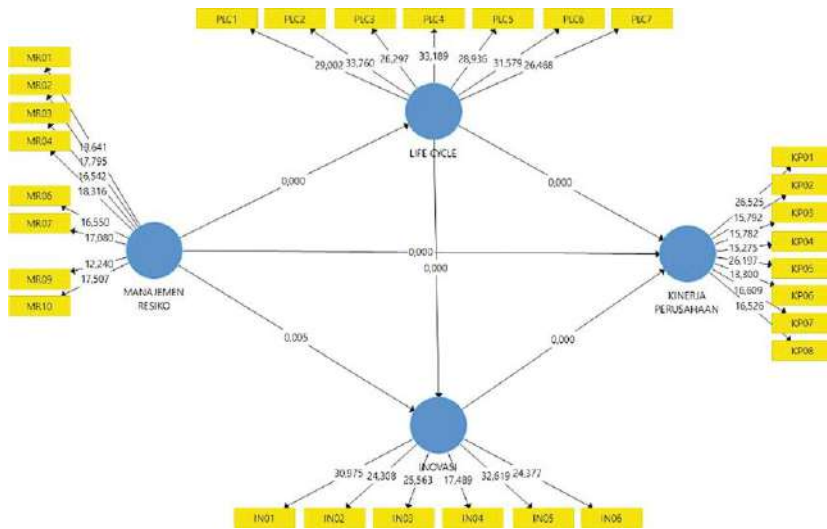
Fig. 8. Research Structural Equation Model (during the Covid-19 pandemic)

the potential to be represented as weak (0.02), moderate (0.15), and strong (0.35), and a value less than 0.02 indicates that there is no definite effect.

Based on the above results (Table 5 and Table 6), it demonstrates that there is a strong link between risk management and the project life cycle, this is because respondents who work in the project sector involve a lot of uncertainty. Companies that work on projects

Table 5. Effect size analysis, before the Covid-19 Pandemic

Hypothesized Path	f square	Relationship
Risk Management → Project Innovation (H$_1$)	0.116	moderate
Risk Management → Project Life-cycle (H$_2$)	1,527	strong
Project Life-cycle → Project Innovation (H$_3$)	0,267	moderate
Project Life-cycle → Company Performance (H$_4$)	0,143	moderate
Risk Management → Company Performance (H$_5$)	0,135	moderate
Project Innovation → Company Performance (H$_6$)	0.152	moderate

Table 6. Effect size analysis, during the Covid-19 Pandemic

Hypothesized Path	f square	Relationship
Risk Management → Project Innovation (H$_1$)	0.116	moderate
Risk Management → Project Life-cycle (H$_2$)	1,528	strong
Project Life-cycle → Project Innovation (H$_3$)	0,267	moderate
Project Life-cycle → Company Performance (H$_4$)	0,154	moderate
Risk Management → Company Performance (H$_5$)	0,140	moderate
Project Innovation → Company Performance (H$_6$)	0.152	moderate

will typically divide each project into several phases to provide better management control and appropriate relationships with ongoing operations within the company. Finally, the project's successful implementation will boost the company's performance.

The GOF is calculated using the geometric mean of the communality average (AVE value) and the R2 average value, to verify that the model adequately explains the empirical data. The GOF value is between 0 and 1, where the values are 0.10 (small), 0.25 (medium), and 0.36 (large) indicating global validation of the path model (Tables 7 and 8).

In relation to those values, the GOF index for this research model is 0.664, indicating that the empirical data fits the model and has significant predictive power when compared to the baseline value. SRMR is also an approximate measure of model fit, if the value is less than or equal to 0.08, then the research model has a good fit, the lower the more appropriate. The table above shows that the SRMR value in this study is 0.076 which indicates that this research model has a good fit. NFI or Normed Fit Index values range from zero to one. The closer to 1 the model is said to be fit. In the table above, the NFI shows a value of 0.627.

Table 7. Calculation of Goodness-of-Fit index

Constructs	AVE	R^2
Risk Management	0.602	
Company Performance	0.626	0,764
Project Life-cycle	0.714	0,604
Project Innovation	0.710	0,624
Average	0.663	0.662
AVE x R^2	0.438	
GOF = SQRT (AVE x R^2)	0.662	

Table 8. Model Fit Summary

	Before Covid-19 Pandemic	During Covid-19 Pandemic
SRMR	0,076	0,076
d_ULS	2,533	2,499
d_G	4,050	3,108
NFI	0,594	0,627

4   Conclusion

According to the findings of study on risk management analysis on the performance of state-owned enterprises in the infrastructure services sector during the Covid-19 pandemic it can be established that, (1) Risk management has a significant effect on project innovation; (2) Risk management has a significant effect on the project life-cycle; (3) Project life-cycle has a significant effect on innovation; (4) Risk management has a significant effect on company performance; (5) Project life-cycle has a significant effect on company performance; (6) Innovation has a significant effect on company performance; (7) The coefficient of determination (R2), it is known that risk management has an effect of 76.4% on company performance, 60.4% on project life-cycle, and 62.4% on project innovation; and (8) GOF index for this research model is 0.664, which indicates that the empirical data is in accordance with the model. This shows that the empirical data obtained have similarities with the theory that has been built.

However, this study still leaves a gap that can be studied further in the future. Through a different approach or method may provide more comprehensive and in-depth results regarding the variables studied, or other variables that have not been studied in this study.

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Employee Performance Improvement Based on Talent Management

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Abstract. This study focuses on the population of BUM Desa (Village Owned Enterprises) in Seram District West, totaling up to 90 units and spread across 11 districts. Improvement in Employee Performance that relies on talent Management as a result of rapid technological changes has led to increased responsibility within the organization to predict the skills needed in the future and to recruit and retain employees who have the strengths and skills needed to achieve long-term strategy. The performance of human resources is the result of work that has been done achieved by employees who are oriented towards company goals. Each performance must be assessed to determine its level success that has been achieved in the work performed. One of the things that affect the high-performance achievement is the implementation of Talent Management which consists of recruitment, selection, orientation, mentoring, performance management, career development, leadership development, replacement planning, career planning, recognition and reward. This study used a qualitative research method with a descriptive approach analyze the performance of BUM Desa which focuses on various solutions to problems that exist in BUM Desa and the possibility of developing BUM Desa in the future. The data used is qualitative data in the form of direct interviews with BUM Desa management. Data collected through observation, conduct interviews according to guidelines, study documents, which are then processed through recording and edit document. Researchers use triangulation as a technique to check the validity of the data. Informants for this study are village heads and village BUM administrators.

Keywords: performance · planning · talent management

1 Introduction

Rural development is a method to reduce poverty in Indonesia. Building economic centers in rural areas has long been carried out by the government through encouraging various programs. However, these efforts have not shown satisfactory results in accordance with the society's needs. One of the factors which quite dominant in this issue is the limitation of human resources, which resulting in the inhibition of the creativity and innovation of rural communities in organizing and managing the available economic centers. It is consistent with the opinion of [1] that rural areas in general have abundant of potential, especially natural resources. However, the low quality of human resources

and the lack of availability of supporting facilities and infrastructure are obstacles in managing the existing potential in order to strengthen village economic resilience.

Village-Owned Enterprises (BUM Desa) are institutions established by the Village. Establishing BUM Desa is part of performing the mandate of laws and regulations and is based on various legal regulations. Law Number 6 of 2014 concerning Villages, Chapter X, Articles 87, 88, 89, and 90, particularly Article 87, states that 1). Villages can establish Village Owned Enterprises called BUM Desa, 2). BUM Desa is managed in a spirit of kinship and mutual cooperation, 3). BUM Desa can run a business in the economic sector and/or public services in accordance with the provisions of the legislation. Furthermore, in Article 88, it is stated that 1). The establishment of BUM Desa is decided through village deliberation, 2). The establishment of BUM Desa as referred to in clause (1) shall be stipulated by a Village Regulation. As in Article 89, it is also stated that BUM Desa business results are used for, a). Business development; and b). Village development, village community empowerment, and assistance provision to the poor through grants, social assistance, and activities with revolving fund, which stipulated in the Village Revenue and Expenditure Budget. Similarly, Article 90 explains that the Central Government, Provincial Government, District/City Government, and Village Council encourage the development of BUM Desa by, a). Providing grants and/or access to capital b). Offering technical assistance and access to markets; and c). Prioritizing BUM Desa in managing natural resources in the Village.

In line with the regulations regarding BUM Desa above, the underlying thought of the establishment of BUM Desa is the needs and potential of the village, [2] as the implementation of effort to improve community welfare. The planning and establishment of BUM Desa is carried out through community initiatives, with member-based mechanisms, based on cooperative, participatory, transparent, emancipatory, accountable, and sustainable principles. Overall, the most important thing, in regards of BUM Desa, is that its management must be conducted professionally and independently. According to Rivai, Basri in [3], performance is a person's achievement or level of success in performing tasks during a certain period, based on various matters, such as work standards, targets or targets or criteria that have been determined in advance and have been agreed upon together.

Performance is the work result or work achievement and the ongoing process of a job. Armstrong and Baron, in [4] stated that improvement the performance of BUM Desa causes the necessity for efforts to improve the performance of BUM Desa administrators.

The notion of talent management that is widely used is the use a holistic human resources strategy for recruiting, upgrading, protecting, and using the workforce in a productive way with the required skills, in meeting current and future business requirements. Talent management was originally conceived to improve the hiring and development process human beings with the skills and abilities needed to fill the organization's current needs. Lardner in [5] explains various aspects talent management namely recruitment, selection, orientation, mentorship, performance management, future career planning, leadership development, succession planning, career planning, recognition and awards.

[6] talent management is a very important tool to achieve high performance in an organization. Maintain Talented employees are the key to improve the excellent performance of an organization. This making talent management a very important issue

for organizations today. Moreover [7], talent management is an existing activity and process carried out systematically and contribute to sustainable organizational development excellence and development of employees with high potential. [6] stated that rapid technological and organizational change led to an increase in responsibility on the organization to forecast future skills requirements and the company must be able to attract and retain employees with the skills and abilities that will be needed to achieve long-term strategy.

To achieve organizational goals, talented employees are required to create more competitive companies. [8] "Talent management is carried out by getting workers with the appropriate skills for the appropriate positions. [9] explained that there is a connection between HR implementation and organizational tactics in improving performance. In practice, human resource management requires the ability to describe all the skills possessed as a competitive advantage. For organizations. Currently, strategic HRM has become important for companies. This is further strengthened by changes in the social environment related to the current characteristics of human resources which are influenced by the digital information era. Companies compete on the individual level of productivity improvement. If a company has employees who on average have better skills than other companies, then the company concerned will have better performance. Therefore, the current challenge for companies is to win the talent war, because having better talent will have a positive effect on the ability to win the market.

Based on the data obtained, until 2021, BUM Desa in the area of the District of Seram Bagian Barat (SBB) is as many as 90 units which spread over 11 Sub-districts. Among those 90 BUM Desa, there are 61 active units, 25 inactive units and 4 units currently in the process of being established. One method to find out about the development and impact of BUM Desa on economic activities and the level of community welfare is by looking at data on poverty rate in the District of Seram Bagian Barat.

Table 1 shows that the number of poor people in the District of Seram Bagian Barat is 21,077 households out of the total population of 420,334 people. (BPS data, 2020). This means that BUM Desa as one of the institutions established by the Village Council to spur the improvement of the village's economy has not been fully managed properly. Based on the above background, the scope of this research is limited to the issue of Employee Performance Improvement on the basis of Talent Management as a result of rapid technological changes, which leads to an increase in organizational responsibility for estimating future skill needs, attracting and retaining employees with skills and the abilities required to accomplish the long-term strategy.

1.1 Village-Owned Enterprises (BUM Desa)

According to the Law Number 6 of 2014 regarding Villages, Villages are legal community units that have territorial boundaries, which are authorized to regulate and manage governmental affairs, the interests of local communities based on people's initiatives, origin rights and/or traditional rights that are recognized and respected in the governmental system of the Republic of Indonesia (Law Number 6 of 2014). Thus, this law is intended to improve the welfare and quality of life of rural communities, by encouraging the development of independent and sustainable villages which possess social, economic and environmental resilience. It is also explained in this law, that the Village

Table 1. Poverty Rate in the District of Seram Bagian Barat 2017–2018

Sub-districts	Households
Kairatu	1.274
Kairatu Barat	2.878
Elpaputih	490
Seram Barat	2.094
Huamual	4.671
Huamual Belakang	4.771
Kepulauan Manipa	532
Taniwel	1.892
Taniwel Timur	897
Ina Mosol	539
Amalatu	1.039
Total	21.077

Source: Government of the District of Seram Bagian Barat, 2022

Chief (or other similar titles), as the head of village council, has 15 authorities. Of those 15 authorities, there are 5 authorities related to village finances, such as, to manage village finances and assets, to determine the village's income and expenditure budget, foster and improve and integrate the village economy in order to achieve the economy maximum productive scale for the prosperity of the village community, to develop village income sources and, to propose and accept the delegation of portions of the state's wealth in order to improve the welfare of the people in the village.

Supposedly, there are many efforts that the Village Council can do to improve the economy for the welfare of the village community. One of them is by establishing a Village Owned Enterprise (BUM Desa). The purpose of establishing BUM Desa, which is stated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration number 4 of 2015, is to increase Village Original Income (PADes). BUM Desa is established on the initiative of both the council and the people of the village based on the village's unique potential. This potential can be developed using local resources, both natural and human. Activities towards village's economic sovereignty, which is performed through BUM Desa, are the efforts to achieve prosperity [10]. BUM Desa is one of the government's efforts to encourage the improvement of the village economy. The village fund budget, which is used to establish BUM Desa, must be accounted for by the Village Council through continually socializing the disbursement of the village fund budget as a form of accountability Ismail et al., 2016 in [11].

1.2 The Performance of BUM Desa

HR performance is the output that has been obtained by a worker who company goal oriented. Each performance must be assessed to determine the extent of the work that has been achieved Saryanto & Amboningtyas, 2016 in [12]. [13] stated that individual performance appraisal is very beneficial for growth company as a whole. Through employee assessment will be known actual conditions of employee performance. Mahmudi 2010:21 in [3] said that performance is influenced by:

a. Personal factors, which include: expertise and capabilities, skills, abilities, and have a strong drive;
b. Leadership, namely people who are able to direct the team. Direction, and support provided by managers and team leaders.
c. Team factor, namely the ability to work together among fellow workers to achieve common goals
d. System support, namely the support of all elements of the organization, both culture and available equipment.
e. situation, namely readiness in dealing with all forms of change both internally and externally

Furthermore, according to [14] that performance is the level of success of a person in a certain time frame when carrying out work and various possibilities, for example the standard of work, the target predetermined and mutually agreed upon. Besides that The factors above are driving economic performance according to Ridwan 2016 in [15] is expertise, which is a human resource factor that can be developed through education/training.

1.3 Talent Management

[12] Talent management consists of a series initiatives driven by the company by carrying out the process of identifying, improving, and retain employees who have talent, in order to be combined with employees who fit the needs of the job. to answer the company's strategic needs and company priority policies, then the performance of talented employees is optimized for the creation of business excellence and achieving the company's vision. Ability management is an HRM process related to three processes [8]. First, improve and strengthen new employees during the recruitment process Second, developing old employees. Third, recruiting as many employees as possible who have a strong will and commitment to the company.

[16] define talent management as a tactic in order to design the benefits of talent within the organization, which is directed at ensuring the availability of talent and synchronizing the right people with the right jobs, based on strategic business goals or company activities. Talent management is also closely related to a person's ability when placed in a higher leadership position with superior staff, when this happens the company's confidence will increase. This process is related to the opinion of experts that the implementation of talent management will encourage the creation of a high- performing

workforce. Starting from this condition, it can be concluded that there is a significant relationship between management and employee performance.

Referring to the explanation above, it can be concluded that talent management is related for how to manage the available employees and channel them according to the capabilities they have and can start with the initial selection process then place them, evaluating employee performance, the career development process until the employee leaves the company, is expected to have an impact on the company's competitive advantage. [17] state that several indicators of talent management are career experience, potential, initiative, cooperation, behavior, character qualities, personality, enthusiasm for learning.

In research conducted by [18], Talent management provides reinforcement of how to apply tactics that can answer which refers to the management of human resources based on a transformation strategy by strengthening several pillars including the implementation of talent management for the future continuity of the organization through training and development to get a reliable workforce.

Tour activities through training and development of high potential workforce. In implementing talent management, it is very important for companies to define the definition of talent. According to [19], talent is a collection of employees that the company wants to survive because they are employees who are identified as having the ability and opportunity to become leaders in the future. Thus it can be concluded that talent management relates to how to manage employees and channel them according to their talents, starting from the recruitment process, employee placement, performance appraisal, training, and career development, until employees leave the company, with the aim of having an impact on the company's competitive advantage.

2 Methodology

This research is qualitative descriptive research, which its main purpose is to systematically describe the facts and characteristics, of the object or subject being studied, in an appropriate manner, and to provide as accurate data as possible about humans, circumstances, or other phenomena. Its main function is to reinforce hypotheses, in order to assist in strengthening old theories, or in the framework of developing new theories [20]. Therefore, qualitative research is a tool to examine the extent to which a process occurs in social phenomena. Qualitative research in general does not assess facts or social phenomena in question using numbers, but by applying quality standards expressed in words [21] Population is the whole object of research with certain qualities and characteristics that are determined by researchers to be studied and then drawn conclusions upon Sugiyono, 2004:72 in [22]. This research focuses on the population of BUM Desa in the District of Seram Bagian Barat, numbering up to 90 units and spread over 11 Sub-districts. Meanwhile, sample is a portion or part of a specific population that is of concern. For sampling, the method applied is the purposive sampling method, namely the method of determining the sample intentionally (Lin, 1976: 158–159). This determination is based on the similar (homogeneous) business character of the BUM Desa. The number of samples employed in the research is 22 BUM Desa which spread over 8 Sub-districts. Researchers use triangulation as a technique to check the validity of the data. Informants for this research are Village Chiefs and BUM Desa administrators.

3 Result and Discussion

3.1 The Profile of District of Seram Bagian Barat

The profile of an area is an important part to explain the strategic position of the area. Territory ownership is one of the absolute requirements to get recognition as a country/province/district/city. Ownership of the territory will determine the existence of government for the residents/communities who live in it. The District of Seram Bagian Barat is located between the Latitude of 1°19'–7°16' South and between the Longitude of 127°20'–129°1' East. Based on its geographical position, the District of Seram Bagian Barat has the following borders: - to the North it is bordered by the Seram Sea; To the South it is bordered by the Banda Sea; - To the West it is bordered by the Buru Sea; - to the East, it is bordered by the District of Maluku Tengah. The District of Seram Bagian Barat is a maritime district, which consists of 11 Sub-districts and has 67 islands.

3.2 The Performance of BUM Desa

Based on the answers of key informants shown in Table 2 and in accordance with the facts in the field when conducting direct interviews, the researcher finds that there were failures in the initial planning to determine the type of business. In this case, the BUM Desa management made mistakes because they were too hastily preparing plans to run the business. This immaturity of planning is caused by the lack of experience among the BUM Desa administrators.

The informants' answers and the results of interviews conducted by researchers find that for the sake of the validity or legality of BUM Desa, the Village Council has issued a decree (SK) as the basis for running or managing every BUM Desa business.

Table 2. Triangulation of BUM Desa Performance Achievements

Informants	Interview Results
Key Informant	With the initiative of the people and the Village Council, in accordance with the mandate of the Law, our BUM Desa has been established since 2017. In its development, this BUM Desa has several types of businesses, which are adjusted to the potential of natural resources in the village. Unfortunately, BUM Desa still has not gained any profits from the business it is running.
Key Informant	This BUM Desa has been established since 2017. In its business activities, BUM Desa takes advantage of business opportunities obtained from the potential of the Village, such as copra and tubers planted by the local community. BUM Desa also sells fuel. However, the level of profit expected by the BUM Desa management has never been achieved.
Key Informant	When it was established in 2017, our BUM Desa initial activity is a meeting between the BUM Desa management and the Village Chief to determine the amount of subsidy that should be given to BUM Desa. We, then, agreed to run a water refilling business, and to trade various village products such as cloves, nutmeg, and copra. However, all BUM Desa businesses suffered losses.

Table 3. Triangulation of Talent Management Factor

Informants	Interview Results
Key Informant	Through a mutual agreement between the Village Council and the people of the village, the BUM Desa administrators are selected based on the representation of clans or associations of several clans, in accordance with local customs, and adapted to the requirements of the organizational structure.
Key Informant	Some of the names nominated to be included in the structure of BUM Desa management are proposed directly by the Village Chief
Key Informant	The limited level of education in the village makes the management of BUM Desa is mostly filled by high school graduates.
Key Informant	Since being appointed as the administrator, capacity building activities, such as training on the management of BUM Desa, have only been held once in a period of 5 years

Legal certainty for every BUM Desa in running a business is required so that there are no overlapping claims to a business, especially in businesses related to the natural potential in the village. However, not all villages support the establishment of a Notary Deed and/or Certificate from the Food and Drug Inspection Agency (POM) for certain products. Another obstacle is that producers usually prefer to market their own products rather than through BUM Desa. An example is the product of eucalyptus leaf as raw material for eucalyptus oil in Piru, Buano, Kelang, and Manipa which is more often directly sold to Namlea, than through BUM Desa.

3.3 Talent Management Factor

Table 3 discloses the answers of key informants related to the Talent management aspect. In accordance with the results of the interviews, the researcher finds that, the selection process to fill the positions in the management of BUM Desa, is still strongly influenced by local customary rules, resulting in a tendency to override the recruitment of administrators based on one's abilities and talents. In addition, the authoritarian behavior of the Village Chiefs who chooses some/all of the names of the management himself, and ignores the joint election process with the community, is still common. It is usually the beginning of the emergence of internal conflicts between fellow BUM Desa administrators. Training for management capacity building is still very rarely held and has a negative effect on the management of BUM Desa, considering the educational background and skills of most of the administrators are very limited.

4   Conclusion and Suggestion

4.1   Conclusion

In order to support the village economy and improve the standard of living of its people, the Village Council is equipped in various means. One of them is by establishing a

Village-Owned Enterprise (BUM Desa). Since the purpose of establishing BUM Desa, as stated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration number 4 of 2015, is to increase Village Original Income (PADes), BUM Desa is established on the initiative of the Village Council and the people based on the unique potential of the village. This potential can be developed using local resources, both natural and human.

The Sustainability Principle shows that business activities must be developed by the community in the form of BUM Desa. However, it must be admitted that most BUM Desa that have been established at this time do not yet have a good development plan for a certain period of time. This has resulted in the management of BUM Desa being limited to activities of establishing BUM Desa without any follow-up. It can also be found that a number of BUM Desa have experienced business sustainability problems, and even stopped operating, as a result of the absence of careful planning.

Human Resource Performance is the achievement of work results by workers within a certain period of time when doing work and then being assessed according to the ability of the employee, such as regulations, targets to be achieved according to what has been mutually agreed upon. Therefore, performance improvement on the basis of talent management is about managing employees and channeling work according to their talents. Talent management includes a number of things such as the initial process when recruiting employees, when employees are distributed to positions that match their talents then carried out, a thorough evaluation and determining programs that can encourage employee skill improvement to the management leaving/dismissing from BUM Desa.

4.2   Suggestion

Based on the data and discussion in this research, it is imperative that the Government of District Seram Bagian Barat (SBB), in the future, to try to find and understand the various factors causing the underdevelopment of BUM Desa and develop strategies for overcoming problems in order to successfully improve community welfare. This effort must be carried out holistically by mapping the problems that exist around BUM Desa and focusing on the capacity building strategy of BUM Desa, namely developing the capacity (capacity building) of BUM Desa from the aspect of institutional governance and increasing management knowledge from managers, as well as helping to foster wider partnerships for BUM Desa through the implementation of measurable talent management.

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Implementation of Integrated District Administrative Services (Patent) Policy in the Order of Improving the Quality of Public Services in Cipondoh District, Tangerang City

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Abstract. Optimizing the role of sub-districts in building access and improving service quality, so that services become fast, easy, affordable, professional so as to encourage the realization of the sub-district as a service center carried out through the District Integrated Administrative Service (PATEN) which aims to assist local governments in improving services and community welfare. The PATEN concept is the administration of administrative services in the sub-district from the application stage to the issuance stage of documents in one place. This is, based on the Minister of Home Affairs Regulation Number 4 of 2010 concerning Guidelines for District Integrated Administrative Services (PATEN) and Domestic Decrees Number 138–270 of 2010 concerning Technical Guidelines for Subdistrict Integrated Administrative Services (PATEN), and followed up by the Tangerang City Government based on Tangerang Mayor Regulation Number 22 of 2018 concerning Amendments to Mayor Regulation Number 13 of 2016 concerning the Implementation of Integrated District Administrative Services in Tangerang City.

Keywords: Policy Implementation · District Integrated Administrative Services · Public Services

1 Introduction

Regional governments as autonomous regions have broad freedom to regulate and manage the interests of their people to obtain quality public services and continue to increase from time to time. These demands are growing in tandem with the growing awareness that citizens have the right to be served and the government's obligation to fulfill these needs. The challenge faced by the government in providing public services is not only creating an efficient service, but also how to make the service possible without discriminating against the status of the community and creating a fair and democratic service.

The 1945 Constitution mandates that the State is obliged to serve every citizen and resident to fulfill their basic needs in order to improve the welfare of the community. All public interests must be carried out by the government as a state administrator, namely in various service sectors, especially those concerning the basic needs of the community.

Protecting and serving the community is the main function of government administrators. With the duties and functions of the government optimally, it will guarantee the satisfaction and trust of the community towards the government in power. Service is an essential task rather than the figure of the government apparatus as a public servant, meaning that in carrying out its duties it must always try to serve the interests of the community and facilitate the affairs of each community in accordance with applicable regulations.

The authority of the sub-district is enshrined in Law Number 23 of 2014 concerning regional government, which states that the camat in carrying out his duties obtains a portion of the delegation of authority from the Regent/Mayor to handle some autonomy matters. On this basis, the sub-district as a district/city regional apparatus has a very strategic role, because the sub-district is the spearhead of services and a barometer of the performance of public services in the district/city, this strategic role needs to be continuously supported by all stakeholders in order to provide public services [1].

Optimizing the role of sub-districts in building access and improving service quality, so that services become fast, easy, affordable, professional so as to encourage the realization of sub-districts as service centers carried out through District Integrated Administrative Services (PATEN) which aims to assist local governments in improving services and community welfare. The PATEN concept is the administration of administrative services in the sub-district from the application stage to the issuance stage of documents in one place. This is, based on the Minister of Home Affairs Regulation Number 4 of 2010 concerning Guidelines for District Integrated Administrative Services (PATEN) and Domestic Decrees Number 138–270 of 2010 concerning Technical Guidelines for Subdistrict Integrated Administrative Services (PATEN) [2]. Followed up by the Tangerang City Government based on Tangerang Mayor Regulation Number 22 of 2018 concerning Amendments to Mayor Regulation Number 13 of 2016 concerning the Implementation of Integrated District Administrative Services in Tangerang City [3].

The implementation of the PATEN policy is a service function carried out in the district in order to realize prosperity, as a benchmark for the implementation of good governance and realizing good sub-district governance, because PATEN focuses on improving the quality of public service delivery. The quality of service in the sub-district is not optimal due to limited service facilities, the behavior of officers who are not yet serving, unclear time and costs required to obtain public services, and the length of procedures that must be passed to complete a type of public service.

Other problems, the lack of response and attention of officers in providing services and not understanding the procedures and stages of the service flow, are still obstacles that often occur. As a result, people who will perform services do not feel comfortable and are helped by service officers. The explanation and flow of services and what conditions must be met, have not been fully socialized to the community. For example, in making a KK, the first thing that must be done is to ask for a cover letter from the RT/RW and kelurahan accompanied by a stamp for the change in KK, but there are still people who come to the sub-district without bringing a cover letter and a form for the change in KK, and there are still people who come to the sub-district without bringing a cover letter and a form of KK change have not fulfilled the requirements.

Based on this background, the researcher intends to conduct a study with the title "Implementation of the Integrated District Administrative Service Policy (PATEN) in Cipondoh District, Tangerang City".

2 Theoretical Basis

2.1 The Nature of Public Policy

The nature/definition of public policy by Carl Frederich which says that policy is "a series of actions or activities proposed by a person, group, or government in a certain environment where there are obstacles (difficulties) and possible - the possibilities (opportunities) in which the policy is proposed to be useful in overcoming it to achieve the intended goal. For the purpose of the policy as part of the activity [4].

Federich added his provision that the policy relates to the completion of several purposes or objectives. Although the intent or purpose of government activity is not always easy to see, the idea that policy involves intentional behavior is an important part of the definition of policy. However, the policy should show what is actually being done rather than what is proposed in some activities on a given problem [5].

Policies are the same as the provisions applied to regulate the lives of many people, they can also be a guide for the community to do and not to do something as a rule that must be followed by the community in carrying out community life. While the understanding of public policy itself is still a cross of opinion from experts. However, from several opinions regarding public policy, there are several similarities, including those conveyed by Thomas R. Dye who defines public policy as "is what ever government chose to do or not to do". Government to do or not to do [6]. If the government chooses to do something, then there must be a goal (objective) and the state's policy must cover all government "actions", so it is not merely a statement of the government's desire or government officials. In addition, "something that is not implemented" by the government is also a state policy.

This is because "something that is not done" by the government will have the same effect (impact) as something that is done by the government. George C. Edward III and Ira Sharkansky have almost the same opinion as Thomas R. Dye regarding public policy, namely "…is what government says to do or not to do, it is goals or purposes of government program…" (… is what is stated and done or not done by the government, public policy is in the form of goals or objectives of government programs…). However, it is said that public policy can be clearly defined in laws and regulations or in the form of speeches by top government officials or in the form of programs and actions taken by the government.

Based on several expert opinions regarding the policy, there is a correlation that policies are made to achieve goals where policy is an action or a way to solve problems. Policies are made by decision makers and then implemented by implementers as orders that must be implemented.

Therefore, in this terminology, public policies are carried out by the government to overcome real problems that arise in the midst of society to find a way out either through laws and regulations, government regulations, decisions of bureaucratic officials and other decisions including regional regulations, official decisions. politics and so on. In

his role for problem solving, Dunn argues that the important stages in solving public problems through policy are:

1. Setting the policy dairy.
2. Policy formulation.
3. Policy adoption.
4. Policy implementation.
5. Policy assessment.

On this occasion, researchers will discuss more deeply on the policy implementation process because implementation according to the Minister of Home Affairs Regulation Number 04 of 2007 is an activity or process of implementing or implementing public policies that have been determined [7].

2.2   The Nature of Policy Implementation

The essence of implementation is an activity to distribute policy outputs (to deliver policy outputs) issued by implementers to target groups as an effort to realize the policy objectives that have been determined during the policy formulation process. Policy objectives are expected to emerge when the policy can be accepted and utilized properly by the target group so that in the long term the policy results will be able to be realized.

Furthermore, the implementation of public policy can also be interpreted as the activity of completing or implementing a public policy that has been determined/approved by using means (tools) to achieve policy objectives. Policy implementation in principle is a way for a policy to achieve its goals. No more and no less.

Meanwhile, according to Van Meter and Van Horn defines policy implementation, as actions taken either by individuals or officials or government or private groups directed at achieving the goals outlined in the policy decision [8].

From the top-down approach model formulated by Van Meter and Van Horn in it is called A Model of The Policy Implementation. This implementation process is an abstraction or performance of a policy implementation which is basically deliberately carried out to achieve high performance of public policy implementation that takes place in the relationship of various variables.

This model controls that policy implementation runs linearly and the available political decisions, implementation, and performance of public policies. According to Van Meter and Van Horn there are six variables that influence the implementation of these public policies, namely:

1. Policy Size and Objectives. This variable is based on the main importance of the factors that determine policy performance. The performance of policy implementation can be measured for its success if and only if the size and objectives of the policy are realistic with the socio-culture that exists at the level of implementing the policy. When the policy measures or policy objectives are too ideal (even too utopian) to be implemented at the citizen level, it is rather difficult to actually realize public policies to the point that it can be said to be successful. Meanwhile, according to Van Meter and Van Horn the identity of performance indicators is a crucial stage

in analyzing policy implementation. These indicators assess the extent to which baseline measures and objectives are useful in outlining the overall policy decision objectives.

2. Resources. Besides the basic measures and policy objectives, what needs to get attention in the policy implementation process are the available resources. Resources deserve attention because they support the success of policy implementation. These sources include funds or other incentives that encourage and facilitate effective implementation. Humans are the most important resource in determining a successful implementation process. Certain stages of the success of the implementation process require the existence of qualified human resources in accordance with the work required by politically determined policies. But when the competition and the capability of these resources are nil, then the performance of public policies is very difficult to expect. But apart from human resources, other resources that need to be taken into account are: financial resources and time resources. Because like it or not, when competent human resources are available while the disbursement of funds through the budget is not available, then it is indeed a complicated problem to realize what the goals of public policy are trying to achieve. The same is true of time resources. When human resources are actively working and the disbursement of funds is going well, but collided with the issue of time being too tight, then this can also be the cause of the unsuccessful implementation of policies.

3. Characteristics of Implementing Agents. Achievement of policies that have been influenced by the characteristics of implementing agents. In looking at the characteristics of implementing agents, as stated by Van Meter and Van, this discussion cannot be separated from the bureaucratic structure. Bureaucratic structure can be interpreted as the characteristics, norms and patterns of relationships that occur repeatedly in executive bodies that have both potential and real relationships with what they have by carrying out policies. The focus of attention of implementing agencies includes formal organizations and non-formal organizations that will be involved in implementing public policies. This is very important because the performance of (public) policy implementation will be very much influenced by the right characteristics and matches the implementing agents. For example, the implementation of public policies that seek to radically change human behavior or behavior, the project implementing agent must have strict characteristics or be strict with the rules and legal sanctions. Meanwhile, if the public policy does not change the basic human behavior too much, then the implementing agency may be lowered not as hard and as firm as in the first picture. In addition, the scope or area of policy implementation needs to be taken into account when determining the implementing agent. The wider the scope of policy implementation, the greater the number of agents involved.

4. Attitude/Tendency (Disposition) of the Executors. The attitude of acceptance or rejection of the implementing (agent) will greatly affect the success or failure of the performance of public policy implementation. This is very likely to happen, therefore the policies implemented are not the result of the formulation of local residents who are well acquainted with the problems and problems they feel. But the policy that will implement the implementation is a policy from the top (top down) where it is very possible that the decision makers will never know (not even be able to touch) the needs, desires, or problems that residents want to solve.

5. Communication between organizations and implementing activities Coordination is a powerful mechanism in the implementation of public policies. The better the coordination of communication between the parties involved in an implementation process, the assumption is that very small errors will occur, and vice versa. Implementation will be effective if the measures and objectives are understood by the individuals who are responsible for policy performance. Thus, it is very important to pay great attention to the clarity of the basic measures and objectives of the policy, the accuracy of their communication with implementers, and the consistency or uniformity of the baseline measures and objectives communicated with various sources of information. The basic measures and objectives cannot be implemented unless the basic measures and objectives are stated clearly enough, so that the implementer can know what is expected from the measures and objectives.

6. Economic, Social and Political Environment. The last thing is the extent to which the external environment contributes to the success of the public policies that have been set. An unfavorable social, economic, and political environment can be the root cause of the failure of policy implementation performance. Efforts to implement policies must also pay attention to the conducive conditions of the external environment.

2.3 The Nature of Public Service

The essence of service is closely related to the community. So that the service is better known as public service. Public services are often seen as a representation of the existence of a government bureaucracy, because it is in direct contact with the demands of the community's needs, according to Law Number 25 of 2009 concerning Public services, namely: Activities or series of activities in order to fulfill service needs in accordance with statutory regulations for every citizen and resident of goods, services and/or administrative services provided by public service providers [9].

Based on the description of the definition of public service, it can be concluded that public service is every service activity provided by the government to the community, both public goods and public services. Meanwhile, what is meant by District Integrated Administrative Services or PATEN is the implementation of public services in the District from the application stage to the issuance stage of documents in one place. In the Regulation of the Minister of Home Affairs Article 3 Number 4 of 2010 concerning Guidelines for District Integrated Administrative Services, the purpose of implementing PATEN is to realize the sub-district as a community service center and become a service node for integrated service offices/agencies in districts/cities. In addition, the implementation of PATEN aims to improve the quality and dedicate services to the community [10].

In organizing a PATEN there is a substantive requirement, namely delegation so that the authority of the regent/mayor is to the camat. The delegation of part of the authority of the regent/mayor is carried out so that efficiency and effectiveness and the provision of such services are achieved. The implementation of this PATEN includes licensing and non-licensing services. The PATENT service standards include:

– Kind of service;
– Service requirements;

– Service process/procedure;
– The official responsible for the service;
– Service time;
– Service fee.

As part of efforts to improve the quality of public services, especially the types of administrative services, PATEN adheres to the principles of public services in accordance with Law Number 25 of 2009 concerning public services [11]. These principles are:

1. Public interest which means that the provision of services by PATEN implementing officers may not prioritize personal or group interests.
2. Legal certainty means that there is a guarantee for the realization of rights and obligations between service recipients (citizens) and service providers (districts) in administering PATEN.
3. Equality of rights means that the provision of services in PATEN does not discriminate against ethnicity, race, religion, class, gender, and economic status.
4. The balance of rights and obligations means that the fulfillment of these rights must be proportional to the obligations that must be carried out, both by the service provider and the recipient.
5. Professionalism means that every PATEN implementer must have competence in accordance with his/her field of work.
6. Participatory means increasing community participation in the administration of PATEN by taking into account the aspirations, needs, and expectations of the community.
7. Equality of treatment/non-discrimination means that in the administration of PATEN every citizen has the right to receive fair services. h. Openness means that each recipient of the service can easily access and obtain information about PATEN.
8. Accountability means that the PATEN administration process must be accountable in accordance with the laws and regulations.
9. Facilities and legal treatment for vulnerable groups means that there is provision of facilities for vulnerable groups so as to create justice in services.
10. Timeliness means that the completion of each type of service that is managed is carried out on time in accordance with the PATEN service standard.

3   Discussion

3.1   Cipondoh District Overview

The sub-district is one of the city's regional apparatuses as regional technical implementers which has a certain work area and is led by the Camat which is formed based on the Tangerang City Mayor Regulation Number 82 of 2016 concerning Position, Organizational Structure, Duties and Functions and Sub-District Work Procedures [12].

Cipondoh District is a District in the Tangerang City area which was formed based on Regional Regulation No. 16 of 2000 concerning the Establishment of 7 (seven) Districts in the Tangerang City area. Cipondoh District is located in the south of Tangerang City

with the following territorial boundaries: In the north it is bordered by Batuceper District; In the east, it is bordered by the DKI Jakarta District; In the south, it is bordered by Pinang District and Karang Tengah District; and in the west it is bordered by Tangerang District [13].

Cipondoh sub-district has an area of 1.791 ha with the number of sub-districts included in the Cipondoh sub-district as follows: 1) Cipondoh sub-district; 2) Cipondoh Makmur Village; 3) Cipondoh Indah Village; 4) Gondrong Village; 5) Kenanga Village; 6) Lightning Village; 7) Ketapang Village; 8) Poris Plawad Village; 9) North Poris Plawad Village; and 10) Poris Plawad Indah Village.

Cipondoh District seen from its development potential seen from the MSME, Trade and Services Sector is a sector that has a considerable contribution to economic development in Tangerang City. The development of this sector will have a significant impact on the people of Cipondoh District and Tangerang City in general.

The potential for superior development in the Kelurahan area in Cipondoh Subdistrict is trade, home industry/MSMEs and services (commercial), because of the 10 existing Kelurahans are metropolitan areas and support the State Capital City (DKI Jakarta) thus making this region a region densely populated with a variety of wants and needs for goods and services.

Meanwhile, one of the attractions in the Tangerang City area is Situ Cipondoh-Cipondoh. Geographically, Situ Cipondoh is located in the Cipondoh and Pinang sub-districts, with an area of approximately 170 ha, consisting of 50 hectares of water and 120 ha of land. Cipondoh Lake is an area that physically has the area and characteristics as a lake and functions hydrologically as a water reservoir for the Cipondoh District, Cipondoh District and its surroundings, as well as a reservoir.

Based on the RDTRK (Detailed Urban Spatial Plan) of Situ Cipondoh, the arrangement of the water area of Cipondoh Lake is planned as a conservation area, preservation, recreation area, while the land area is planned as a green belt area and residential area.

The Vision and Mission of the Cipondoh sub-district refers to the Vision and Mission of the Tangerang City Government is "The Realization of a Prosperous, Good and Competitive Tangerang City" and its Mission are: a) Together developing the quality of human resources through improving the quality of education, health and social welfare by realizing professional governance and integrity; b) Together increasing the development of sustainable and environmentally friendly urban facilities and infrastructure; and c) Together to increase independent and just economic growth.

3.2   Implementation of the Subdistrict Integrated Administrative Service Policy (PATEN) in Cipondoh District, Tangerang City

District Integrated Administrative Services, hereinafter abbreviated as PATEN, is the implementation of public services in the sub-district from the application stage to the issuance of documents in one place. The Patent Policy is a mandate from the Minister of Home Affairs Number 4 of 2010. The Regulation of the Minister of Home Affairs clearly regulates the implementation of PATEN, starting from general provisions, scope, aims and objectives, requirements to provisions governing targets for all sub-districts in the district/city. Cities throughout Indonesia are designated as PATENT organizers.

The delegation of some authority which is one of the requirements for holding a PATEN must be fulfilled by the regions in order to support the successful implementation of the PATEN policy. As with the City of Tangerang, which already has a legal basis that regulates the delegation of authority from the Mayor to the Camat, namely the Tangerang Mayor Regulation Number 22 of 2018 concerning Amendments to Mayor's Regulation Number 13 of 2016 concerning the Implementation of Integrated District Administrative Services in Tangerang City. PATEN itself has the aim of providing convenience to the community in terms of managing administrative issues in the sub-district. As in the field, "This patent is really very good, because people need convenience in terms of service, don't get confused. This patent regulates the SOP, which fields are regulated both in the licensing and non-licensing fields. Indeed, basically the duty of the government is to serve the people" [14].

The implementation of the PATEN policy is not in line with the expectations of the Tangerang Mayor Regulation Number 22 of 2018 concerning Amendments to the Mayor's Regulation Number 13 of 2016 concerning the Implementation of Integrated District Administrative Services in Tangerang City. The theory of Van Meter and Van Horn states that there are six important factors in the process of implementing government policies on PATEN, namely the size and purpose of the policy, resources, characteristics of implementing agents, attitudes/tendencies of implementers, communication between organizations of implementers, and the socio-economic, social, and environmental environment. political.

Meanwhile, the implementation of the PATEN policy in the Cipondoh sub-district cannot be separated from the obstacles and obstacles that occur in the field faced by policy implementers in implementing the program. For this reason, in order to provide excellent service according to the vision of the Cipondoh sub-district. The success of policy implementation can be measured through six variables from Van Meter and Van Horn, namely: 1) the size and objectives of the policy; 2) Resources; 3) characteristics of implementing agents; 4) attitude tendencies (disposition) implementers; 5) communication between organizations and implementing activities; and 6) the economic, social, and political environment.

Therefore, the researchers used these six variables as dimensions in the research on the implementation of integrated administrative service policies in the sub-districts in Mustikjaya District, Tangerang City. So the researchers conducted research into the field and will be described in detail below.

3.3 The Size and Objectives of the Policy in the Implementation of the Policy for Integrated District Administration Services in Cipondoh District

According to Van Meter and Van this variable is based on the importance of the factors that determine policy performance. The performance of policy implementation can be measured by the level of success. The size and objectives of the policy in implementing the policy must be in accordance with what is meant by the formulation of a government policy or program.

As for the existing policies, they must be implemented appropriately, the size and objectives of implementation must also be clear, not just accepted. This variable assesses

the extent to which the policy is realized, where the implementation of the policy can be said to be successful if the size and objectives of the policy are realistic.

Meanwhile, the success rate in implementing the PATEN policy is based on the results of research in the field, the policy is successfully implemented if the community feels helped by the presence of the PATEN policy. As happened in the field, one of the services to the community that takes care of making electronic ID cards at the Cipondoh District Office is the hope that the community will feel very helped by this PATEN policy, of course before the PATEN it was difficult and uncomfortable to have to enter the room. But with a service like this it becomes one counter. Just go to one counter and wait in the waiting room until it's finished.

The process of implementing the PATEN policy in Cipondoh sub-district is based on the results that the policies made have been implemented successfully. So that the policy can be felt by the community. The purpose of this PATEN policy is clear to provide excellent service to the community in terms of management both in the licensing and non-licensing fields and also to provide convenience for the community. The PATEN program in Cipondoh District, according to the existing description, has been said to be successful.

Thus there is a harmony of information that can be obtained in the field, that the PATEN program is very helpful for the community. With the PATEN, the community is no longer confused with the complicated flow of administrative arrangements, and it is also easier for the community to take care of administration in the sub-district. Furthermore, this PATEN is very helpful and provides a solution to our complaints so far. In the past, administrative management seemed complicated and there were many extortion practices, now they are no longer. With the community counter system, it is easy to make anything. And it can minimize meeting with government officials directly so that there is no extortion, even now trying to go online to avoid Covid 19 conditions.

3.4 Resources in the Implementation of Integrated District Administration Services Policy in Cipondoh District

According to Van Meter and Van, the success of the policy implementation process depends on the ability of the available resources. Humans are the most important resource in determining a successful implementation process. In addition to human resources, other resources that need to be taken into account are financial resources and time resources. The availability of human resources in carrying out the process of implementing the PATEN Policy in Cipondoh District is sufficient. With the program implementers who have expertise in their respective fields. So that the implementation process runs smoothly.

Availability of reliable resources is a mandatory thing, but in practice there are still officers who are far from expectations. For example, officers who do not provide services, are less clear in providing explanations to the public regarding the administrative requirements needed. In addition, there is also unfriendly service.

In addition to human resources, other sub-merdaya are also needed, one of which is financial resources. Of course, in the implementation of the service there is no charge and no illegal fees are allowed in the implementation process. So in terms of financial

resources there are no obstacles. Both in the process of issuing permits and civil records, funds are also fulfilled to support the implementation of PATEN.

Based on the results in the field, it can be said that the policy resources in the implementation of integrated administrative service policies in the sub-districts in Cipondoh District have not been implemented properly, it can be seen that there are still some officers who are not friendly to the community. In the field of financial resources, it can be concluded that there are no obstacles. However, the sub-district is less able to utilize the sources of funds provided by the local government to fulfill the facilities in accordance with the provisions contained in the Tangerang Mayor Regulation Number 22 of 2018 concerning Amendments to Mayor Regulation Number 13 of 2016 concerning the Implementation of Integrated District Administrative Services in Tangerang City. Such as the air conditioner that is not functioning properly, and also the availability of inadequate seats.

3.5   Characteristics of Implementing Agents in the Implementation of Integrated District Administrative Services Policies in Cipondoh District

According to Van Meter and Van Horn variable is the center of attention of implementing agents including formal organizations and non-formal organizations that will be involved in implementing public policies. In the PATEN policy, the executor is tasked with facilitating the needs of the community in terms of fulfilling services at the sub-district level. The role of the implementers is very important for the program implementation process. The implementers are only tasked with providing excellent service in accordance with the service motto in Cipondoh District, namely "CIPONDOH BISA" which is an acronym for all things that CAN be completed and served properly. So in this case the implementing agent does not have to be hard-pressed because the PATEN policy is not to change human behavior.

The characteristics of implementing agents in implementing the PATEN policy require characteristics that are able to protect and serve seriously all the needs of the community. The implementing agent for the PATEN policy does not need to have a strong character, because this policy is not a regulation that has sanctions. PATEN policy as a government program to provide services in the field of providing administrative needs. In the implementation of PATEN in Cipondoh District, the sub-district secretary is very supportive of the PATEN program.

Attitudes/Tendencies (Disposition) of Implementers in Implementing Integrated District Administration Service policies in Cipondoh District.

According to Van Meter and Van Horn this variable is the attitude of acceptance or rejection of the implementing (agent) will greatly affect the success or action of the performance of public policy implementation. The tendency or attitude of policy implementers plays an important role in realizing policy implementation in accordance with the objectives of the policy itself.

That the important attitude that must be had by policy implementers is to accept the policies that have been made by policy makers. Attitudes that reflect the implementer's acceptance of the policy, such as exemplary, honesty, and high commitment. One of the factors that influence policy implementation is the attitude of policy implementers. If the implementers agree with the contents of the policy, the implementers will carry out

their functions with pleasure, but if they are seen as different from the policy makers, the policy process will experience obstacles.

The attitude of the policy implementer will greatly influence the implementation of the policy. If the implementers of the policy have a good attitude, the implementers will be able to carry out the policy well as desired by the policy maker, preferably if the attitude is not good, then in carrying out their duties it will be good.

3.6   Inter-organizational Communication and Implementing Activities in Implementing Integrated District Administrative Services Policies in Cipondoh District

Meanwhile, coordination is a powerful mechanism in the implementation of public policy. The better the coordination of communication between the parties involved in an implementation process, the assumption is that very small errors will occur and vice versa.

Communication carried out by policy implementers is smooth by holding meetings between implementers to be optimal if in the process the implementers must know what policy implementers should do. This communication requires clarity, so that there are no different responses in conveying the PATEN program. Policies must be implemented appropriately, implementation measures must not only be accepted or just known, but the policy must be impacted by the policy targets themselves.

Based on the results, it can be seen that communication between organizations and implementing activities in the implementation of integrated administrative service policies in Cipondoh District has not been carried out properly, it can be seen from the socialization that was carried out only at the beginning of the implementation of the PATEN implementation in 2015. carried out in the sub-district environment in the form of information boards containing all information related to procedures and requirements. Communication is the most important part for the implementation of PATEN. Socialization of this program by holding a meeting with the heads of RT and RW in Cipondoh sub-district.

3.7   Conditions of the Economic, Social, and Political Environment in the Implementation of the Policy for Integrated District Administration Services in Cipondoh District

Still according to experts Van Meter and Van state this variable is the extent to which the external environment contributes to the success of public policies that have been implemented. The unfavorable economic, social and political environment can be the root cause of the failure of policy implementation performance. The external environment also needs to be considered in the implementation process, to find out to what extent the economic, social and economic environment encourages the success of public policies. External environment such as the surrounding community, namely community support in the PATEN program in the implementation process. In order to get optimal results in the implementation process requires support from the external environment. The community has so far been very supportive of this PATEN program.

Based on the results in the field, it can be seen that the environmental, economic and political conditions in the implementation of integrated administrative service policies in Cipondoh District have not been carried out properly, it can be seen from the social, economic and political environment so far have not fully supported the implementation of the PATEN policy. The external environment includes the community who support the PATEN program so that the implementation process can be optimal.

4   Conclusion

The implementation of the District Integrated Administrative Service Policy in Cipondoh District, Tangerang City has the size and policy objectives in implementing the integrated sub-district administration service policy in Cipondoh District, this can be seen from the service process that is not complicated.

Policy resources in the implementation of integrated sub-district administrative service policies in Cipondoh District are carried out well, this is that the existing officers must be friendly to the community. Furthermore, the characteristics of implementing agents in implementing integrated administrative service policies in Cipondoh District must be able to carry out their duties properly, lest there be double jobs carried out by PATEN officers.

Attitudes/tendencies (disposition) of the implementers in the implementation of integrated administrative service policies in Cipondoh District must be carried out properly, this requires a democratic attitude and consistency of officers in providing services. And communication between organizations and implementing activities in the implementation of integrated administrative service policies in Cipondoh District must be carried out properly.

Meanwhile, further suggestions that are expected to help improve the PATEN implementation process, the Cipondoh Camat must further improve services in the PATEN program so that services are more effective and efficient. The Cipondoh Sub-district Head must add Human Resources for PATEN officers so that there are no officers who do double work. The Cipondoh sub-district head must emphasize to PATEN officers to be more democratic in providing services. And the Cipondoh Sub-district Head must often disseminate the PATEN program in sub-district weekly meetings so that village officials can pass on the information to the community. The Cipondoh Sub-district Head must make the sub-district environmental conditions conducive so that the community feels comfortable, safe and satisfied in getting services.

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Effect of Entrepreneur Capability on Competitive Advantage on MSMEs Makassar City Through Innovation Capability

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Abstract. MSMEs contributes greatly to the economy of a country, including Indonesia. This research is to determine the effect of entrepreneurial capability on competitive advantage in MSMEs in Makassar City through entrepreneur capability as well as innovation capability. The methodology used in this research is a quantitative method. The samples used in this study were 85 MSMEs located in Makassar City. The data collection technique used was a questionnaire. Methods of data analysis using SmartPLS. The results of the study show (1) Entrepreneur Capability has a significant influence on the Competitive Advantage of MSMEs in Makassar City with a t-statistic value of 8.203 > 1.96 and a p-value of 0.000 < 0.05.; (2) Entrepreneur Capability has a positive-significant effect on the Competitive Advantage of MMSMEs in Makassar City through Innovation Capability with a value of 0.376 (positive value), a t-statistic value of 7.340 > 1.96 and a p-value of 0.000 < 0.05.

Keywords: Entrepreneur capability · Competitive Advantage · Innovation Capability · Makassar City MMSMEs

1 Introduction

Micro, Small and Medium Enterprises (MSMEs) are factors driving economic growth in a country, Indonesia is no exception. Data on the development of Micro, Small and Medium Enterprises in Indonesia in 2019 the number of business units is around 65 million units and is able to absorb a workforce of around 119 million people [1]. On the other hand, the contribution of MMSMEs to the Gross Domestic Product (GDP) in the 2018 period amounted to 61.1% and a contribution of 38.9% was only contributed by large business actors, who numbered 5,550 or 0.01% of all business actors [1].

The development of MMSMEs in Indonesia has been hampered due to Covid-19 due to regulations limiting community activities. These activity restrictions have implications for the declining performance of MSMEs. According to the South Sulawesi Cooperatives and MSMEs Service, in 2020 there were around 1,143,700 MSMEs in South Sulawesi experiencing a decrease in income due to restrictions on community activities during the Covid-19 pandemic.

Table 1. MMSMEs in Makassar City for the 2018–2021

Year	Number of MMSMEs
2018	2683
2019	4441
2020	4478
2021	5387

Data Source: Makassar City Cooperatives and MSMEs Office, 2022

Makassar City, which is the center of South Sulawesi Province, has become one of the big cities in Indonesia as well as the gateway to the Eastern Indonesia region which is experiencing quite rapid economic development. In the 2015 to 2019 period, Makassar City's economic growth was quite impressive, reaching an average of 8.09 percent per year. However, Makassar City's economic growth contracted in 2020 around minus 1.27 [2]. One of the sectors driving the economy of Makassar City is the Micro, Small and Medium Enterprises sector or called MMSMEs. MMSMEs in Makassar city in the 2018–2021 period can be seen in the Table 1.

The data in the Table 1 shows that in the 2018–2021 period the number of MSMEs has increased quite well, has great economic potential and is very likely to be developed. In the current situation of facing a new normal due to the Covid-19 pandemic, MSMEs must be able to innovate to achieve competitive advantage. Innovation is a process of turning opportunities into ideas that can increase the value of an item and Competitive advantage is obtained by an organization when it is able to build, develop and or acquire a series of attributes (or execution actions) that enable it to outperform its competitors [3]. In addition, MSMEs must also be flexible so that they can respond quickly and make the best decisions in the environment to market changes that tend to be difficult to predict and predict, especially during this pandemic.

Seeing these conditions, entrepreneurial capability is needed in order to be able managing a business to survive in the midst of increasingly fierce market competition. Entrepreneur capability must have an innovative, proactive attitude, and dare to take a risk which is expected to provide success for MSMEs [4]. In addition, the ability to innovate is one of the most important characteristics possessed by an entrepreneur [5]. Companies will not be able to survive long without innovation because consumer behavior, needs, wants and demands are always changing. From the description above, a research conceptual framework is developed as shown in Fig. 1.

2   Methodology

This type of research uses a quantitative model in the form of a value or score for the answers given by respondents to the questions or statements in the questionnaire.

The population used in this study is all MSMEs in Makassar City. The sample in this study were MSME actors registered at the Makassar City Cooperative and MSME
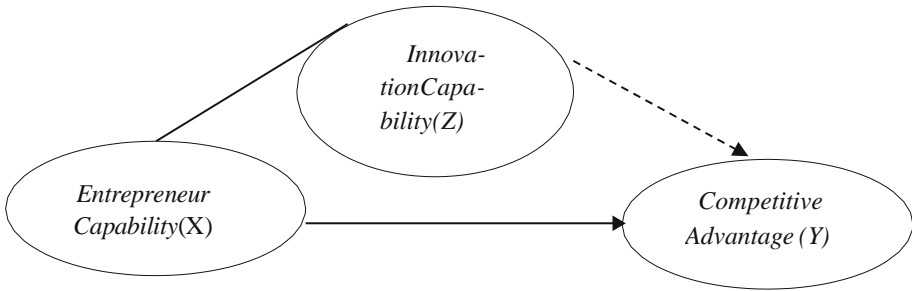
Fig. 1. Conceptual Framework

Service. If there is a sample that is too large, then the results of data processing will be very sensitive so that it will be difficult to obtain good goodness-of-fit measures [6]. So that the sample size in this study used a sampling technique of 5 to 10 observations which were used as estimates. So the number of samples used in this study were 85 samples.

Research variables are attributes, properties, or values of a person, object, or activity with special variables that research can apply to examine and draw conclusions [7]. The research variables used as exogenous variables are Entrepreneur Capability (X); Endogenous Variables (Dependents), in this study the Endogenous Variables are Competitive Advantage (Y); and the intervening variable in this study is Innovation Capability (Z).

The data analysis model uses SEM analysis, with the help of SmartPLS software. In the analysis test, PLS uses two measurements, namely the measurement model (outer model) in testing the validity and reliability of a study and the structural model (inner model) which is used to test the causality of a variable or test hypotheses [8].

3 Result

3.1 Measurement Model Test Result (Outer Model)

Measurement model testing was carried out using SmartPLS software. The results of testing the measurement model (outer model) can be seen in the description (Fig. 2).

In evaluating the measurement model (outer model) there are several things that need to be considered, namely:

3.2 Convergent Validity Results

The results of convergent validity can be seen in the outer loading value or size and also the Average Variance Extracted value. The results of convergent validity meet the requirements if the value of each loading factor indicator is >0.7 (Table 2).

The results of convergent validity on all indicators of this study show that all indicators are declared valid because they have a loading factor value of >0.7. So that all indicators meet the requirements of convergent validity.
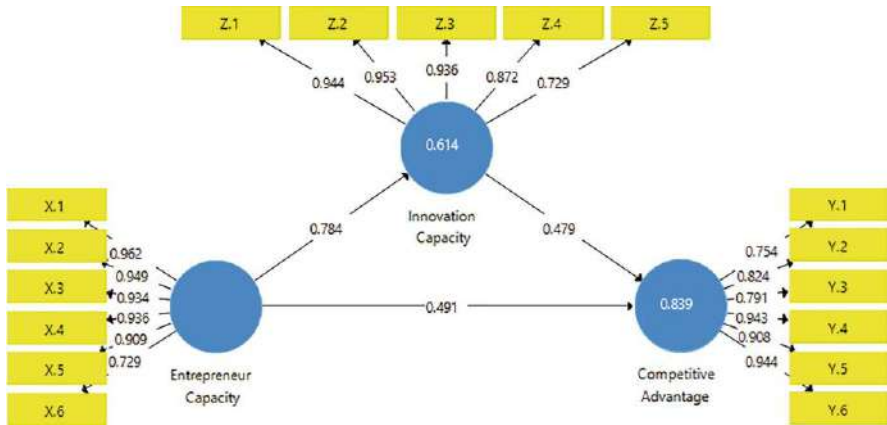
Fig. 2. Outer Model Test Result Smart-PLS 3

Table 2. Convergent Validity Results

Variable-Indicator		Loading factor	Valid
Entrepreneur Capability	X_1	.962	*Valid*
	X_2	.949	*Valid*
	X_3	.934	*Valid*
	$X_\#$	.936	*Valid*
	$X_\$$	.909	*Valid*
	$X_\%$	.729	*Valid*
Innovation Capability	$Z_\&$	.944	*Valid*
	Z_2	.953	*Valid*
	Z_3	.936	*Valid*
	$Z_\#$	.872	*Valid*
	$Z_\$$	.729	*Valid*
Competitive Advantage	$Y_\&$	.754	*Valid*
	Y_2	.824	*Valid*
	Y_3	.791	*Valid*
	$Y_\#$	.943	*Valid*
	$Y_\$$	.908	*Valid*
	$Y_\%$	.944	*Valid*

Table 3. Test Results Average Variance Extracted

Variable	AVE	Information
Entrepreneur Capability	.822	Valid
Innovation Capability	.793	Valid
Competitive Advantage	.746	Valid

3.3 Average Variance Extracted (AVE)

In the SEM measurement model, indicators can be declared valid if the AVE value is >0.5. AVE (Average Variance Extracted) is used as a form of testing to support the discriminant validity test (Table 3).

Based on the table above, each variable as a whole shows AVE > 0.5, so that these variables is valid and meet the criteria of discriminant validity.

3.4 Cross Loading

The indicator used is declared valid in the discriminant validity test if the value of the cross loading factor that is owned is the highest value for the variable in question compared to the cross loading factor for other variables (Table 4).

Based on the Table 4, the value of cross loading on each variable has a higher value when associated with cross loading to other constructs. This shows that each indicator is appropriate to explain its construct for each variable and proves the discriminant validity of all valid items.

3.5 Reliability Test

Composite Reliability
Composite reliability is used as a tool to identify all research variables that have a level of consistency and are adequate in measuring construct variables. Reliability testing is done by looking at the value of composite reliability and Cronbach alpha contained in each variable. The values that must be fulfilled so that each variable can be declared valid is >0.7 for the composite reliability value and Cronbach alpha value.

Based on the Table 5, the variables as a whole have a composite reliability value of >0.7, so the variables are declared reliable. The results of the composite reliability test that have been carried out certainly need to be supported by Cronbach alpha testing to determine whether the variables used are fully reliable or not.

Based on the table, each variable as a whole has a Cronbach alpha value > 0,70, that the variable is declared to meet the criteria of composite reliability, supported by the Cronbach alpha test and it is stated that all variables are reliable (Table 6).

Table 4. Cross Loading Test Result

Variable	Competitive Advantage (Y)	Entrepreneur Capability (X)	Innovation Capability (Z)
X_1	.828	.962	.688
X_2	.747	.949	.694
X_3	.726	.934	.631
X_4	.822	.936	.674
X_5	.713	.909	.660
X_6	.822	.729	.853
Y_1	.754	.467	.751
Y_2	.824	.764	.794
Y_3	.791	.793	.747
Y_4	.943	.813	.779
Y_5	.908	.792	.676
Y_6	.944	.804	.730
Z_1	.879	.819	.944
Z_2	.828	.718	.953
Z_3	.882	.833	.936
Z_4	.683	.597	.872
Z_5	.449	.389	.729

Table 5. Composite Reliability Test Results

Variable	Composite Reliability	Information
Entrepreneur Capability	.965	Reliable
Innovation Capability	.950	Reliable
Competitive Advantage	.946	Reliable

Table 6. Cronbach Alpha. Test Results

Variable	Cronbach Alpha	Information
Entrepreneur Capability	.955	Reliable
Innovation Capability	.935	Reliable
Competitive Advantage	.930	Reliable

Table 7. R-Square (R^2) Test Results

Variable	R^2	R^2 Adjusted
Competitive Advantage	.839	.835
Innovation Capability	.614	.610
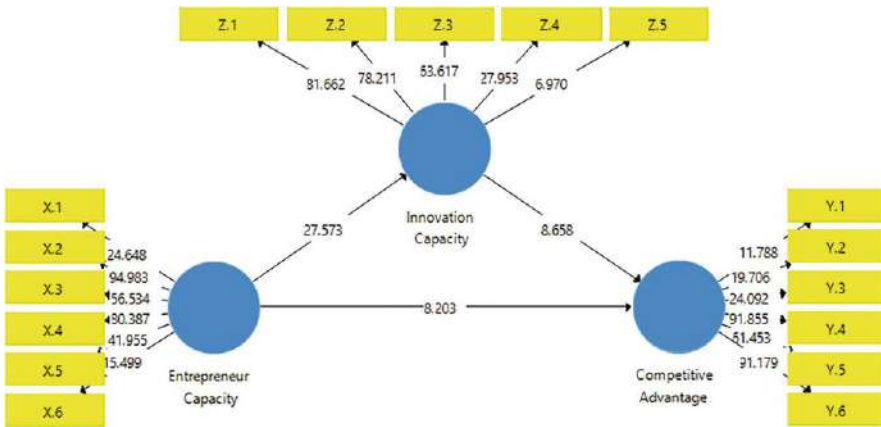
Fig. 3. Inner Model Test Results using Smart-PLS 3

3.6   Structural Model Test Result (Inner Model)

Structural Model Testing aims to determine and measure the relationship between construct variables, significance and R-Square in a study.

R-Square (R^2)

Based on the test results above, it can be concluded that the competitive advantage construct variable has a strong relationship and can be explained by the entrepreneur Capability and innovation Capability variables of 83.9% and 16.1% can be explained by other variables outside the variables determined in this study. Whereas the construct variable innovation Capability has a strong relationship and can be explained by the entrepreneur Capability variable of 61.4% and 39.6% explained by other variables outside of this research variable (Table 7).

To see whether a hypothesis can be accepted or rejected in research, among others, by looking at the significance value tested between constructs, t-*statistics* and p-*values*. In testing the structural model, the significance value set is (two-tailed) t-value of 1.96 (significance level = 5%) and with the provision that the t statistic value must be >1.96 (Fig. 3).

Based on the results of the data test above, Original Sample of the influence of entrepreneur capability on Competitive Advantage is 0.491 (positive value) so it can be concluded that entrepreneurial capability has a positive relationship to competitive

Table 8. Coefficients Test Results

Variable Effect			(O)	(M)	(STDEV)	T Statistics	P-value
X	Y		.491	.491	.060	8,203	.000
X	Z	Y	.376	.378	.051	7,340	.000

Information:
O = Original Sample
M = Sample Mean STDEV = Standard Deviation

advantage, when entrepreneurial capability increases, competitive advantage will also increase for MSMEs. Then based on the results of the data test, there is a statistical t value > 1.96 is 8,203 and P-*values* of 0.000 < 0.05. Thus, it can be said that entrepreneur capability a significant effect the competitive advantage of MSMEs (Table 8).

Analysis of the path coefficients results test on the relationship between the construct variables in an indirect effect get the results that the variable *entrepreneur capability* to *competitive advantage* through Innovation Capability has a P-*value* of 0.000 with a significance of 0.05, t-*statistic* value of 7,340 the significance value set is (two-tailed) t-value of 1.96 (significance level = 5%) and Original Sample value is 0.376 (positive value) which shows that *entrepreneur capability* positive and significant effect on competitive advantage by *Innovation capability* an intervening variable. The results of testing the data can be concluded that entrepreneurial capability is able to mediate competitive advantage.

4   Discussion

Based on the results of this research data analysis shows that entrepreneurial capability has a positive and significant effect on the competitive advantage of MSMEs in Makassar City. This means that if MSMEs in Makassar City have high entrepreneurial capability, it will also have a high effect on increasing Competitive Advantage. MSMEs that have entrepreneurial capacity will try to find various alternatives and business strategies so that they can produce different competitive advantages that are not owned by their competitors. Increasing competitive advantage in Makassar City MSMEs can also be formed through good entrepreneurial capacity, because with good leadership skills in running a business, it will be able to move and direct MSMEs to have high competitiveness and generate competitive advantages. In accordance with the results of research conducted by Yusnita and Wahyudin (2017) who examined Micro Enterprises in Bangka Regency which showed that entrepreneurial capability influences competitive advantage in micro-enterprises in Bangka Regency [4].

The results of this study's data analysis also show that entrepreneurial capability has a positive and significant effect on the competitive advantage of MSMEs in Makassar City through innovation capacity. These results it can be concluded that innovation capability is able to mediate entrepreneur capability towards competitive advantage. A very important character possessed by an entrepreneur is the ability to innovate, where innovation in product development will produce its own value for the product so as to create a competitive advantage.

5   Conclusion

Based on the presentation of the results of the research and discussion that has been described previously, the following conclusions can be drawn:

1. Entrepreneur capability has a positive and significant effect on the Competitive Advantage of MSMEs in Makassar City with value of 0.491 (positive value), t-statistic of 8.203 > 1,96 and P-values of 0.000 < 0,05.
2. Entrepreneur capability has a positive and significant effect on the Competitive Advantage of MSMEs in Makassar City through Innovation Capability with an value of 0,376 (positive value), t statistic value of 7.340 > 1,96 and P values of 0.000 < 0,05.

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Analysis of the Implementation of the Pentahelix Model as a Way Out to Save Micro, Small and Medium Enterprises (MSMEs) During Covid 19 in Tangerang City

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Abstract. The COVID-19 outbreak hit all over the world, including Indonesia. This disease affected all aspects of people's lives in Indonesia. Micro, small, and medium-sized enterprises (MSMEs) on a large scale are among those affected. MSMEs are one of the most important foundations of the economy in this country, accounting for 64,19 million of the total number of businesses in Indonesia. The government is working with all parties to be able to help revive or find a strategy to be able to recover this sector again. The purpose of this article/research is to analyze the role of the government, academics, community, business world, and media in encouraging the development of MSMEs in Tangerang City during the COVID-19 pandemic. Using a qualitative descriptive method to describe the actual conditions that occurred in Tangerang City. This study finds that the application of the pentahelix model is that the role of five actors or sectors, namely government, business, community, academics, and media, in developing MSMEs has been carried out by the government of Tangerang City.

Keywords: MSME development during COVID 19 · pentahelix model · collaboration

1 Introduction

During the COVID-19 pandemic, MSME players were faced with four problems: decreased sales as a result of the Large-Scale Restrictions (PSBB) regulations; capital difficulties due to difficult capital turnover; product distribution barriers; and raw material difficulties [1]. These issues cannot be solved solely by MSME actors but require assistance from a variety of parties, including the government with its policies and programs, academics with their community service programs, the business world, in this case banking, with the ability to provide funds, communities with social capital built in the UMKM Forum in each sub-district in Tangerang, and the media with its publication network. This is in line with Saputri, who found that MSME players were faced with four problems: decreased sales as a result of the Large-Scale Restrictions

(PSBB) regulations; capital difficulties due to difficult capital turnover; product distribution barriers; and raw material difficulties [1]. These issues cannot be solved solely by MSME actors, but require assistance from a variety of parties, including the government with its policies and programs, academics with their community service programs, the business world, in this case banking, with the ability to provide funds, communities with the social capital built in the UMKM Forum in every sub-district in Tangerang, and the media with its publication network. This is in line with [2], which states that there are five stakeholders involved in developing MSMEs based on the pentahelix model, namely: companies (business), communities (community), academics (academic), government, and media. Based on the explanation above, it is hoped that this research will find the application of the Pentahelix model as a way out for saving and developing MSMEs during the COVID-19 pandemic in Tangerang City.

Due to the outbreak of COVID-19, research findings explain that nearly 165,000 MSME actors in the culinary sector have shown a very large impact on COVID-19. The results of this study were also supported by data from the government, which reported that more than half, or 50%, of MSMEs were affected by a decrease in their trade turnover, more than 20% in financing, more than 15% in the distribution of goods, and 4% experienced problems with raw materials. Other research explains that the reason for the decline in turnover of MSME players is caused by 63% of people's declining spending power; 46% of consumers are worried about buying plus tightening rules; and 42% have difficulties with shop opening hours. Due to the decrease in turnover, more than 30% of MSMEs chose to stop production, 19% spent the remaining stock of goods returned, 8% produced based on orders, and the remaining 27% opened very limited trade.

1.1 Pentahelix Model

The pentahelix model is defined in [3] concerning Guidelines for Sustainable Tourism Destinations, which states that a driving system is required in order to create, ensure the quality of activities, facilities, and services, and to create experience and value for tourism benefits in order to provide benefits and benefits to society and the environment tourism through optimizing the roles of business, government, community, academia, and the media [4]. Stakeholders involved in developing MSMEs based on the pentahelix model are companies (business), communities (community), academics (academic), government (government), and media (media) [2]. The Pentahelix model can be applied to revive MSMEs during a pandemic. This is because MSMEs will not rise and grow big if stakeholders do not coordinate and collaborate with each other. In this context, the government is the leading sector in mobilizing these five stakeholders because the government has full power in policy making.

2   Methodology

The research method was carried out using a descriptive approach by focusing on actual problems as they existed when the research was in progress. To reinforce the analysis, a literature review study is also added, which examines several empirical studies from

journals, articles, and other reports related to research material. Researchers use this to describe gap research, making it easier to identify the steps and positions of this research. The data collection technique used is observation and documentation.

3   Result and Discussion

It is known that micro, small, and medium enterprises (MSMEs) are the largest actors in the regional and national economies. It can be said that MSMEs are the biggest driver of the community's economy, so they must be taken very seriously. MSMEs in the national economy have a role: (1) as the majority or main actor in economic activity; (2) as the largest provider of livelihoods; (3) as a subject in advancing the local economy and empowering communities; (4) as discoverers of economic markets and a source of inspiration; and (5) as the biggest contributor to the balance of payments. MSMEs also have a big role in opening employment opportunities and sources of income for the poor; there is equity in the distribution of income and in reducing poverty, and MSMEs also play a role in rural economic development.

The outbreak of the COVID-19 pandemic at the end of 2019 became a problem throughout the world, including in Indonesia. The COVID-19 pandemic has had economic, social, and political implications in all regions, including the city of Tangerang. The impact caused by this pandemic includes five aspects, namely: 1) aspects of sales. The average decline in MSME sales is 61%. 2) Aspects of operating profit the average decline in operating profit is 61%. 3) Aspects of capital The number of MSMEs experiencing capital problems increased to 71.4% in some aspects, including the number of employees. In this aspect, MSMEs reduce the number of employees by 22%. 5) Aspects of the ability to pay bank installments Almost all MSME actors (especially microbusiness actors) experience problems carrying out their obligations to banks. This research also found that MSME actors in Tangerang City have implemented an online sales strategy, although not all of them have. The number of MSMEs implementing online strategies increased during COVID 19. The survival ability of MSMEs selling online was stronger than that of MSMEs selling only offline.

The following is an analysis of the application of the pentahelix model to the development of MSMEs in Tangerang City.

3.1   Government Role

Various efforts were made by the government to increase MSMEs in every region during the pandemic, including in Tangerang City. The role of the government is to provide stimulation to business actors based on applicable regulations. Government efforts to support convenience for MSMEs have also been shown in various ways. Such as the simplification of licensing procedures, the waiver of licensing fees for the establishment of small businesses, and the waiver of licensing fees for microbusinesses. For the Tangerang City government, provide marketing centers for MSME products (a type of souvenir market center) in 13 sub-districts. Later, this place will be used as a promotion site as well as a place for selling MSME products. Aside from that, the City of Tangerang has provided a market place for UMKM players to develop marketing of their products

through Ayo!RanGkul on the Tokopedia application in collaboration with e-commerce vendors. Therefore, MSME actors in Tangerang City must carry out self-reconstruction by increasing the entrepreneurial spirit, increasing business resilience, legalizing businesses, and most importantly, changing their way of thinking so that they are more ready to transform towards a digital marketing system.

The Department of Trade, Industry, Cooperatives, and SMEs should carry out training and mentoring activities that support online-based marketing (digital marketing). These activities should be carried out in stages and continuously to ensure that MSME actors have the ability to adapt to market developments. The intended training materials are in the form of: 1) governance and procedures for using social media, such as Facebook, Instagram, marketplaces, and the like. 2) The introduction and implementation of the online mobilization mix include sharing, hype, actionable, relevant, and emotional. This marketing mix is a response to market changes. The connected society era is an era where technology is present in every human activity and changes human life, including changing markets (consumer behavior). 3) Packaging skills training (product packaging). This ability is absolutely necessary as a response to market demands. 4) Training related to product branding So far, this ability has been relatively neglected because there is a tendency for MSME players to focus more on production activities. 5) Training related to self-motivation by presenting a competent coach or motivator This activity is important to be carried out to pump up and maintain the spirit of MSME players and be ready to face all the challenges that exist.

3.2   The Role of Academics

In the limited conditions of society when PSBB and various other restrictions exist, creativity and empathy are required of all parties to carry out activities that encourage, strengthen, or even increase the existence of MSMEs to survive, in this case academics. To maintain the sustainability of MSMEs, universities and educational institutions actively participate in providing innovative knowledge and skills. Academics, who are part of a collection of intellectuals, have a fundamental obligation to perform community service. This type of innovation or knowledge sharing is becoming more common and widespread in the community, particularly among MSME actors. The indepth research on MSMEs has become more widespread, and apart from their knowledge being a driving force for MSME actors, it has also become a breakthrough that is passed on to the government as a strategy that can be used as a reference between regions. Apart from that, what is sustainable is creating agents of change that are expected to be able to turn existing challenges into opportunities to be able to develop a people's economy through micro-enterprises in the midst of a pandemic.

3.3   Business Roles

During the COVID-19 pandemic, people were asked to remain silent for a very long time. Many businesses have stagnated, the circulation of money has slowed down, and this has resulted in people who work for daily wages getting worse off. For MSMEs, it has an impact on the limited operations of MSMEs and a decrease in consumers who shop directly compared to normal days. To normalize or adjust to reduced income,

medium-sized and large businesses that employ a large number of employees also carry out termination of employment (PHK). Reduced production and, of course, decreased company productivity Many companies went out of business when the pandemic spread from the end of the first year to the middle of the second year. Stakeholders who act as businesses in the MSME development program have basically carried out their roles well according to the indicators in the pentahelix model. This can be seen because actors representing businesses have played a role as enablers by supporting business actors to develop their businesses through capital assistance and increasing human resource capabilities through training to support business process changes in the digital era.

3.4   Community Role

The community in the pentahelix collaboration context contains a group of people who have the same interests and are relevant to the concept being developed. The community acts as an accelerator, not only by promoting the community's products and services but also by acting as a liaison between stakeholders to assist the community in the entire process of building social change.

In Tangerang City, many communities empathized with MSMEs during the pandemic. Starting from the sports community, the animal observer community, and the socio-religious community For communities that are directly related to MSMEs, currently 13 communities have been formed in each sub-district of the Sub-district MSMEs Forum, whose members are MSME actors in each sub-district of the 13 sub-districts in Tangerang City. There are many kinds of actions aimed at supporting MSMEs, for example, taking turns buying food to distribute to people who are in poor conditions. Many are moved. Starting from rotational purchases for MSME players, especially culinary, to empowering taxi drivers/ojek who are also banned from carrying passengers, except for bringing food orders.

In addition, the community can be a forum for sharing and exchanging ideas for the progress of each business. Communities can also have a major influence on business development, just as a community support system can become a forum for sharing experiences and providing access to information about various business development programs.

3.5   Media Role

Conventional Media acts as an expander in supporting publicity promotion publications for products and services produced by the community. The media also plays an important role in building a brand image for the social changes that are being built in society so that access to information is easy to obtain. With easy access to information, it will invite and add new collaborators to jointly create social change that has an impact on society. We can maximize the application of the pentahelix collaboration concept as a basis for collaboration to build social change in society. Many MSME actors are unfamiliar with this brand image building strategy, so the media can support it by doing lots of endorsements so that the product image gets better and wider. In the city of Tangerang, especially online media, cooperate in promoting MSMEs. Alternatively, offer low-cost promotional opportunities.

This media's role will inspire MSME actors to make changes, beginning with how they shop, communicate, distribute, and look for ways to reduce operational and non-warehouse costs.

The selection of marketing communication media is based on the type of product to be marketed, the target audience, the time to send the message, and the promotion costs. Consideration is needed in choosing an effective marketing communication medium. Thus, MSME actors must carefully consider choosing the right media for promoting their products so that they can be accepted by the public.

3.6 Social Media

Social media is growing very rapidly, and its reach is unimaginable. Social media platforms even run algorithms based on user preferences. Nothing but the ability to use social media to accelerate the results obtained. The role of social media in creating a brand image for MSME actors can use a variety of social media, with goals and users that have been automatically directed. Facebook and Tiktok can be said to be the majority of e-commerce sites that support MSMEs in Tangerang City.

There is a virtual "market," and there are offers on social media and has formed a lot of habits and new ways of transacting. For transaction security, the use of social media is quite safe. The Pentahelix Model of Collaboration Patterns in MSME Development Based on research, stakeholders collaborate in MSME development. Following is an explanation of the types of cooperation patterns between stakeholders in the development of MSMEs.

3.7 Pattern of Government Cooperation with Academics

The pattern of cooperation between government and academia is collaboration. In Tangerang City, at least some examples of academic activities supporting MSMEs include:

1. UMN (Multimedia Nusantara University) through the Assistance Program for MSMEs in Tangerang City conducts education on digital marketing, brand and packaging design, financial reports, and bookkeeping;
2. Universitas Brawijaya through community service activities that are distributed in 13 sub-districts and become a companion for 13 UMKM forums in each sub-district;

Academics, as stakeholders who are a source of knowledge with the latest and most relevant theories and concepts, can help the government if there are obstacles to developing MSMEs.

3.8 Pattern of Government-to-Business Cooperation

The pattern of cooperation between government and business is collaboration. Businesses can help by providing capital assistance, facilities, training, and access to facilitate business processes. With this assistance, it is necessary to have good coordination between the government and businesses to be mutually accountable so that they understand what assistance should be provided and according to needs.

There are several collaborations between the government and businesses in the city of Tangerang for MSMEs, including:

1. Bank Jabar Banten (BJB) through CSR in the Tangerang Emas Program (Prosperous Community Economy) in the form of revolving loans without interest and without collateral in groups of up to 2 million MSMEs and can be in groups of 1 MSME actor;
2. BRI through KUR Loans (People's Business Credit), which opened outlets in 104 sub-districts throughout Tangerang City targeting MSME players;
3. Hotel Annara Soeta Airport through the provision of space for Tangerang City MSME outlets, which are filled with superior MSME products from Tangerang City in 13 districts. 3. Tokopedia, through the provision of the Ayo! RanGkul page, which markets local products from SMEs throughout Tangerang City. Through this collaboration, MSMEs in Tangerang City can directly market their products to Tokopedia application users.

3.9   Pattern of Government Cooperation with the Community

The Tangerang City Government is ready to work together and collaborate with community networks to support MSMEs, including in efforts to overcome the impact of the pandemic. Community is one of the important strengths of civil society. Moreover, the majority of the millennial generation is creative, critical, and connected to social media and digital technology. The community is expected to be able to work together with the city government in advancing the area and dealing with various problems in the community. In the context of a pandemic situation, this is also the case. It is hoped that the community will assist in encouraging the revival of MSMEs that have been decimated by the CO-19 pandemic.

3.10   The Pattern of Cooperation Between the Government and the Media

The principle of equality in cooperation is needed between the government and the media because the two parties need each other. The government needs the media as a place to socialize what has been done to the public, and the media itself needs the government as a source of news. In the context of supporting MSMEs during the pandemic, the Tangerang City government and the media, both conventional and online, are supporting the promotion and encouraging the recovery of MSMEs in Tangerang City. There are publications by providing program information; for example, when there are events and product promotions, there is collaboration and joint commitment in accordance with the roles played.

4   Conclusion and Suggestion

4.1   Conclusion

Based on the results of the research that has been described, the conclusion that can be drawn from the analysis of the application of the pentahelix model is that the role of five

actors or sectors, namely government, business, community, academics, and media, in developing MSMEs has been carried out by the government of Tangerang City. So as to be able to increase product innovation, skills, marketing, and knowledge of business actors. The main thing is to start recovering from the pandemic situation that has occurred for the past 2 years or so. In addition, collaboration between stakeholders creates a new atmosphere that can creatively improve the capabilities of MSMEs in Tangerang City.

4.2 Suggestion

The main thing in the synergy of other sectors that play a role in the development of MSMEs in the Tangerang City area is the government's role as a catalyst and decision-maker. Thus, the city government needs to increase cooperation in a more sustainable, scheduled, and well-planned manner with all stakeholders or all sectors that have capabilities in terms of technology, marketing, knowledge, and others. The MSME community also needs to embrace all MSMEs in their area and make plans both short- and long-term for the development of UKM, which results in economic growth both locally and nationally.

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The Effect of Regional Original Income, Special Allocation Funds and General Allocation Funds on Economic Growth in Makassar City for the 2010–2021 Period

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Abstract. Economic growth is the main target to be achieved by every region in Indonesia, including the city of Makassar. In its development, economic growth does not necessarily grow by itself, but there are many factors that support the increase in sustainable economic growth. The purpose of this study is to analyze and determine the effect of local revenue, general allocation funds and special allocation funds on economic growth in the city of Makassar. The data used in this study is secondary data. The data analysis technique in this research is multiple linear regression method. The results of the analysis show that partially local revenue has a positive effect on economic growth, while general allocation funds and special allocation funds have no significant effect on economic growth in the city of Makassar. Regional original income, general allocation funds and special allocation funds simultaneously have a significant effect. These results prove that local revenue is still an important factor in economic growth in the city of Makassar.

Keywords: Economic Growth · Regional Original Income · Special Allocation Funds · General Allocation Funds

1 Introduction

National development is one of the efforts to improve the welfare of all aspects of the nation's life, including full human development as well as infrastructure development or existing resources in Indonesia. Economic growth and development are two concepts that cannot be separated. In terms of the economy in Indonesia, the process of development and economic growth has various challenges, including poverty. Sustainable problems that are closely related to economic development, namely poverty and economic growth are an illustration of the development process.

Development is a multidimensional process that involves major changes in social structures, mental attitudes and national institutions, including patterns of acceleration or acceleration of economic growth and absolute poverty eradication.

Regional governments have the authority to determine the allocation of sources of funds for financing regional government programs by adhering to the principles of compliance with laws, regional needs, and regional capabilities. Permendagri No. 77 of 2020

states that Regional Financing is all revenues that need to be repaid and/or expenses that will be received back, both in the relevant fiscal year and in the following fiscal years. In this case, local governments are required to be independent in managing their finances, including financing the implementation of government programs, financing the implementation of government programs based on the principle of decentralization is carried out at the expense of the APBD. In the context of administering government programs and services to the community, each region is given the authority to collect regional taxes/levies and manage natural resources owned by the region. Tax is a compulsory levy paid by the people to the state and will be used for the benefit of the government and the general public [1].

The sources of funds obtained by the regions consist of 3 sources of income, namely Regional Original Income (ROI), Balancing Funds consisting of General Allocation Funds (GAF), Special Allocation Funds (SAF) and the regional share of tax and non-tax Revenue Sharing Funds (RSF), as well as other legitimate regional income. The General Allocation Fund or regional GAF is calculated based on the regional financial capacity obtained from the difference between regional needs and regional capabilities [2]. Provision of General Allocation Funds for regions that have sufficient finances but small financial needs will receive a small General Allocation Fund budget, and vice versa.

UU Number 1 (2022-chapter 1 verse 11) states that Regional Original Revenue, here in after abbreviated as Regional Original Income, is regional income obtained from regional taxes, regional levies, results of separated regional wealth management, and other legitimate regional original revenues in accordance with statutory regulations.

The central government has a program to reduce regional inequality in the form of a Special Allocation Fund or SAF obtained through APBN revenues that are given to selected regions with the aim of financing according to regional needs that are uniform with the national program. The use of the SAF budget is intended for long-term investment activities, short-term investment, regional performance improvement, repair and improvement of public service facilities and infrastructure classified as national priorities with a long economic life and included in capital expenditure expenditures [2].

Regional expenditure consists of indirect expenditure and direct expenditure, indirect expenditure in the form of: personnel expenditure, interest expenditure, subsidy expenditure, grant expenditure, social assistance expenditure, profit sharing expenditure to regency/city and village government, financial aid expenditure to district/city and village government, and unexpected expenditures, while direct expenditures consist of personnel expenditures, goods and services expenditures and capital expenditures. Regional Original Revenues and Regional Expenditures are directly managed by the Regional Government through the APBD, while others are managed by the Central Government in collaboration with the Regional Government.

In the process towards the independence of an autonomous region, in this case, especially in the field of financing, management and administration of government in the field of development, it is still lacking. This fact is reflected in the contribution or contribution of ROI to the Regional Revenue and Expenditure Budget (APBD), which is still considered low, especially for district/city ROI and is still receiving assistance from the central government through transfer funds and assistance from the provincial

government. The same problem is also faced by the local government in the Regency/City of North Sumatra Province, in this case the increase in regional financial financing originating from balance fund assistance.

Studies that show a negative relationship between government spending and economic growth include: Barro and Salla-I Martin (1995) who divide government spending into productive and unproductive spending. Productive expenditure if the expenditure has a direct effect on economic growth [3]. Most studies on the relationship between government spending and economic growth assume that all government spending is productive, Alexiou (2009) researching 27 developing countries concluded that large government spending, especially consumption spending, will reduce per capita income growth [4]. Devarajan (1996) found a negative and insignificant relationship between productive spending and growth [5].

The existence of regional autonomy and fiscal decentralization will more evenly distribute development in accordance with the wishes of the regions in developing according to their respective potentials. According to Saragih (2003: 74), regional autonomy and fiscal decentralization will provide optimal benefits if followed by adequate financial capacity by autonomous regions [6]. According to Susanti (2008: 85), with the existence of fiscal decentralization, regions are required to improve the economic capacity of their regions so that they are able to compete with other regions through raising government capital for investment needs and or the ability to interact with other regions [7].

To implement regional autonomy and fiscal decentralization that is broad, real and responsible, it is necessary to have the authority and ability to explore their own financial sources. Regional Original Revenue is one of the main sources of revenue obtained by the region which is collected based on regional regulations in accordance with statutory regulations. With fiscal decentralization, regions have greater authority to optimize local government revenue so that the portion of local government revenue as a component of regional revenue should also increase.

Economic growth on Makassar city from 2011 until 2021 was fluktuative, in the 2011 until 2014 the percentage of economic growth in Makassar city was drop from 10,36% down to 7,39% in 2014, but in 2015 until 2019 the economic growth was up from 7,55% in 2017 up to 8,79% in 2019 [8].

From the explanation this Research Aims is: "To find out how the impact of Regional Original Income, General Allocation Funds, & Special Allocation Funds on Economic Growth in Makassar City".

In accordance with the background that has been explained, the problems can be formulated as follows:

a. How effect of the Regional Original Income, General Allocation Fund and Special Allocation Fund on Economic Growth.
b. How effect of the Regional Original Income on Economic Growth.
c. How effect of the Special General Allocation Fund on Economic Growth.
d. How effect of the Special Allocation Fund on Economic Growth.

2   Literature Review

2.1   Regional Original Income (ROI)

Regional Original Revenue (ROI) is all Regional Revenue originating from Regional Original economic sources, which is measured by the size of the district/city ROI target each fiscal year [9]. Original Regional Revenue aims to give authority to Regional Governments to fund the implementation of Regional autonomy in accordance with Regional potential as a manifestation of decentralization. Regional Original Revenue can be used as an indicator in assessing the level of independence of a region in managing its Regional finances, the higher the ratio of Regional Original income compared to total income, the higher the level of independence of a region area [10].

2.2   General Allocation Fund (GAF)

The General Allocation Fund (GAF) is a fund sourced from APBN revenues allocated with the aim of equitable distribution of financial capacity between regions to fund regional needs in the context of implementing decentralization. [13] stated that as a form of transfer from the central government, The GAF Allocation has a fairly large role for regional revenues, considering that The GAF occupies the largest portion compared to other components in the balancing fund. One of the objectives of the existence of The GAF in the financial balance system of the central and regional governments is as an equalization grant, especially to neutralize the impact of disparities caused by other transfers, such as The Revenue Sharing Fund. One of the benchmarks for the success of The GAF is the achievement of the best possible distribution of total regional revenue per capita [10].

2.3   Special Allocation Fund (DAK)

The Special Allocation Fund (SAF) is one of the central government financial transfer mechanisms to the religions which aims, among other things, to increase the provision of regional physical facilities and infrastructure according to national priorities and reduce the gap in growth rates between religions and services between sectors [10]. SAF plays an important role in the dynamics of the development of basic service facilities and infrastructure in the religions because in accordance with the principle of decentralization – responsibility and accountability for the provision of basic public services have been transferred to local governments. Special allocation funds are funds allocated from the APBN to certain regions to fund special needs which are regional affairs as well as national priorities, including: needs for transmigration areas, needs for several types of investment or infrastructure, road construction in remote areas, primary irrigation canals, and others-other.

2.4   Gross Regional Domestic Product (GRDP)

Gross Regional Domestic Product can be interpreted as an estimate of the total product of goods and services received by the people of a region as a reward for using the production

factors they have. In this case, the income generated by using the factors but outside the area 14183 is not taken into account. The regional concept of Gross Domestic Product is known as Gross Regional Domestic Product (GRDP). GRDP is a macroeconomic indicator of a region, which describes the presence or absence of regional economic development. By calculating GRDP carefully and accurately both on the basis of current prices and on the basis of constant prices, several conclusions can be drawn regarding the success of development in an area, which shows the rate of economic growth that represents an increase in production in various existing business sectors then in the regional concept, regional economic growth is a number indicated by the magnitude of the growth rate of the gross regional domestic product of an area measured on the basis of constant prices.

3 Methodology

This type of research is empirical research with hypotheses testing, using multiple linear regression analysis method which aims to test the hypothetical model. The population used in this study is the City/Makassar. The sample in this study used the purposively sampling method, namely sampling based on subjectively considerations of research that were adjusted to the research objectives. In the following, the author determines several criteria when taking samples to be used as research material, like:

a. Financial Report of Makassar City Regional Expenditure and Expenditure Budget from 2010–2021.
b. Data on Regional Original Income, General Allocation Funds, Special Allocation Funds and Economic Growth from 2010–2021 in the Financial Statements of the Makassar City Regional Expenditure and Expenditure Budget.

Types and Locations of this Research is quantitatively research. This research emphasizes on testing the theory between research variables with numbers and data analysis.

This study uses software applications in analyzing the data. The application used is Statistical Product and Servilely Solution (SPSS). The methods used to analyze the data and test the research hypotheses are multiple linear regression analysis test, normality test, classical assumption test and hypothesis testing (T test and F test).

The data source used is secondary data. The data collection technique used in this research is the Documentation Method. This method is carried out by studying or using the financial reports of the Makassar City government.

The hypotheses in this study are:

a. It is assumed that the Regional Original Income, General Allocation Fund and Special Allocation Fund have a significant effect on Economic Growth.
b. It is suspected that Regional Original Income has a significant positively effect on Economic Growth.
c. It is suspected that the Special General Allocation Fund has a positively and significant effect on Economic Growth.

d. It is suspected that the Special Allocation Fund has a positively and significant effect on Economic Growth.

Variable Operational Limits

Regional Original Income (ROI). In this study we use the data of regional original income (ROI) from 2010 until 2021, that the measured with unit million rupiahs.

General Allocation Fund (GAF). In this study we use the data of general allocation fund (GAF) from 2010 until 2021, that the measured with unit million rupiahs.

General Allocation Fund (GAF). In this study we use the data of special allocation fund (GAF) from 2010 until 2021, that the measured with unit million rupiahs.

Economic Growth. In this study we use the data of Economic Growth from 2010 until 2021, that the measured with percentage.

4   Results

4.1   Classic Assumption Test

From Fig. 1 the data obtained follow a diagonal line so that we can conclude that the data in the study are local revenue, general allocation funds, special allocation funds and normal economic growth (Fig. 2).

4.2   Descriptive Statistics Test

Statistics in this study are used to provide information on research variables such as Regional Original Income, General Allocation Funds, Special Allocation Funds, and Economic Growth.

Table 1 shows descriptively research variables with the amount of data for each valid variable as much as 12 years of data processing.
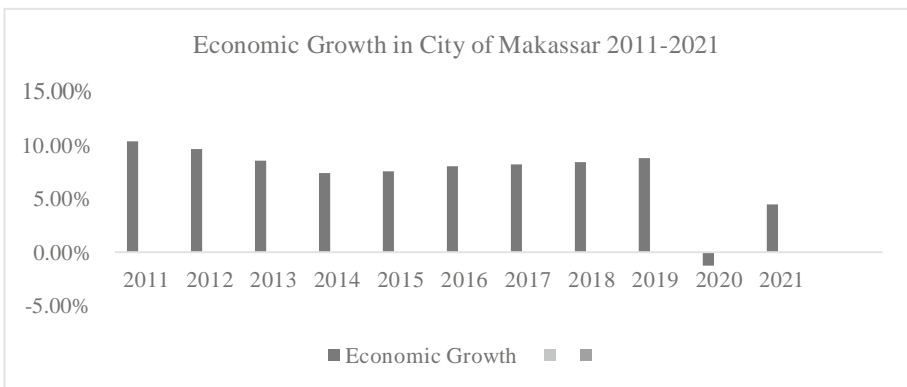
Fig. 1. Economic Growth in City of Makassar 2011–2021 (BPS, 2021).
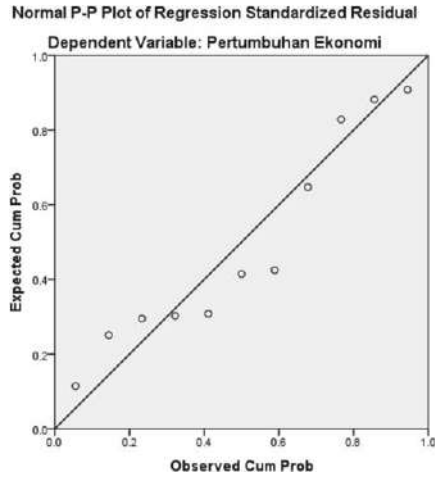
Fig. 2. Normality Test

Table 1. Descriptively Statistics of Variables.

	Mean	Std. Deviation	N
Economic Growth	685.7500	365.05520	12
Original Religion Income	1017236264.2500	419075653.20730	12
General Allocation Fund	1200616924.9167	2771605.75818	12
Special Allocation Fund	1177428240.0000	12941174.19786	12

Source: Output SPSS 24 (2022)

Table 2. Multiple Linier Regression Analysis.

Model		Unstandardized coefficients		Standardized coefficients	t	sig	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	Constant	60950.582	50870.395		2.398	.045		
	ROI	5.070El-7	.000	.582	2.346	.047	.887	1.128
	GAF	−5.212El-5	.000	−.396	−1.039	.329	.377	2.654
	SAF	1.521El-6	.000	.054	.138	.894	.358	2.790

Source: Output SPSS 24 (2022)

4.3 Multiple Linier Regression Analysis

Based on Table 2, the regression model is obtained as follows:

PE = 60950.582 + 5.070 x1(Silg.0,047) – 5.212 x2(Silg.0,329) + 1,521x3(Silg.0,138) + el

As the results of data processing in this research, the constant value is 60950,582 these results prove that if there is no effect from the variables of Regional Original Income, General Allocation Funds and Special Allocation Funds, the value of economic growth is 0.60%, while Regional Original Income has a positively and significant effect on economic growth. The General Allocation Fund has a negatively and insignificant effect on economic growth, and the Special Allocation Fund has a positively and insignificant effect on economic growth.

4.4 Simultaneous Test

Based on Table 3, it can be seen that the F-count value (23,438) has a significance of 0.002 < 0.05. So H0 is rejected and H1 is accepted. This means that simultaneously, the independent variables, namely X1 (Regional Original Income), X2 (General Allocation Fund) and X3 (Special Allocation Fund) Have a significant effect on the Y variable (Economic Growth).

4.5 Determination Coefficient Test (R2)

Based on the Table 4 shows R Square is 0.563 or 56.3% variation in Economic Growth can be explained by variations of the three independent variables, namely Regional Original Income, General Allocation Funds and Special Allocation Funds. While 43.7% can be explained by other factors which not included in this research (Table 5).

Table 3. Simultaneous Test Results (F-Test).

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	825583.621	3	275194.540	23.438	.002[b]
	Residual	640334.629	8	80041.829		
	Total	1465918.250	11	275194.540		

[a] Dependent Variable: G
[b] Predictors: (Constant), GAF, SAF, ROI

Table 4. Determination Coefficient Test (R2) Results

Model R R Square			Adjusted R Square	Std. Error of the Estimate
1	.750[a]	.563	.399	282.91665

[a] Predictors: (Constant), ROI, GAF, SAF
[b] Dependent Variable: Y

Table 5. Partial Test (T-Test).

Model		Unstandardized coefficients		Standardized coefficients	t	sig	Collinearity Statistics	
		B	Std. error	Beta			Tolerance	VIF
1	Constant	60950.582	50870.395		2.398	.045		
	ROI	5.070El-7	.000	.582	2.346	.047	.887	1.128
	GAF	−5.212El-5	.000	−.396	−1.039	.329	.377	2.654
	SAF	1.521El-6	.000	.054	.138	.894	.358	2.790

Source: Output SPSS 24 (2022)

5 Discussion

5.1 The Effect of Regional Original Income

Regional original income is one of the indicators in measuring the economic growth of a region. The greater the regional original income, the greater the economic growth, if a region has a low regional original income, lit will reduce economic growth. In theory, local revenue comes from local taxes, regional retribution, the results of regionally-owned companies, and other legitimate regional revenues. According to the author, the greater the regional taxes, regional levels, the results of regionally owned companies, and other legitimate income, the regional original income will increase. The smaller the local taxes, levels, the results of regionally owned companies, and other legitimate regional income, the lower the original regional income in an area. This is due to a component in economic growth that reflects indicators of Gross Regional Domestic Product which will increase the rate of growth of Gross Regional Domestic Product.

This study shows that Regional Original Income has a positively and significant effect to economic growth in the city of Makassar. From the results of the t-test imply, the resulting value for the local government revenue variable is 2,398 (referring to the table of t-test results). This value is larger than the t table value of 1.662. With the value of t count $>$ t table, the local government revenue variable has a positively effect on economic growth (GRDP). This is reinforced by the resulting probability value of 0.047 which is smaller than the probability value of $=0.05$. Thus, Regional Original Income (ROI) has a significant effect on economic growth in the city of Makassar.

The results of this study area Regional Original Income (ROI) has a positively and significant effect on Economic Growth. Regional autonomy gives full authority to regional governments to regulate and manage their own income including Regional Original Income (ROI). Regional Original Income (ROI) is one source of income that functions to finance the needs of the area such as the development of infrastructure and infrastructure. The pace of the economy in an area is also influenced by the infrastructure in the area, the better the facilities and infrastructure in the area, the morel lit will affect the rate of economic growth in the area.

5.2   The Effect of the General Allocation Fund on Economic Growth

The General Allocation Fund is one form of revenue originating from the balancing fund with the aim of financial equity between regions to finance expenditure needs. General allocation funds given to regions area adjusted to the conditions and potential of the region so that misallocations do not occur. The determination of general allocation funds is carried out to pay attention to the needs of a region. This indicates that if there is an increase in general allocation funds, the independence of a region will be lower.

Based on the results of the research conducted, the general allocation fund did not have an effect on economic growth in Makassar City. This can be seen from the coefficient value obtained by -5.212 with a significant probability of 0.329. these results indicate that the t-count value is smaller than the t-table value and the probability value is significantly greater than the probability value of 0.05, so it can be said that the general allocation fund variable has no effect on economic growth in the city of Makassar, this result is in line with research conducted by Putri (2016) which also found that the General Allocation Fund had no significant effect on Economic Growth in Central Java Province [11].

5.3   The Effect of Special Allocation Funds on Economic Growth

Variable X3 (Special Allocation Fund) has a t-count value of 0.138 with a significance of 0.894 which is greater than (0.05). This test shows that H0 is accepted and H1 is rejected so lit can be concluded that the variable X3 (Special Allocation Fund) has a positively and insignificant effect on the variable Economic Growth. These results were also found in a study conducted by Lukitasari et al (2016) which examined the effect of DAU, DAK, PAD on economic growth and poverty in the city of Manado in 2001–2013 [12].

6   Conclusion

The purpose of this study was to determine the effect of Regional Original Income, General Allocation Funds and Special Allocation Funds on Economic Growth in Makassar City. The analysis in this study uses multiple linear regression. So the results of the study show:

a. Based on the calculation of the F test or simultaneous testing, it shows that Regional Original Income, General Allocation Funds and Special Allocation Funds have an effect on Economic Growth.
b. The Regional Original Income has a positively and significant effect on economic growth.
c. The General Allocation Fund has a negative and insignificant effect on economic growth.
d. The Special Allocation Fund has a positively and insignificant effect on economic growth.

For citations of references, we prefer the use of square brackets and consecutive numbers. Citations using labels or the author/year convention are also acceptable. The following bibliography provides a sample reference list with entries for journal articles [1], an LNCS chapter [2], a book [3], proceedings without editors [4], as well as a URL [5].

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Performance Analysis of Tangerang City of Education in Improving Education Accessibility and Education Quality

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Abstract. Accessibility of education and the quality of education Tangerang City remains a problem. The main problems (strategic issued) faced include the quality of education services is not optimal, the competence of educators and education personnel is not optimal, the quality and competence of graduates is not optimal, and the provision of educational infrastructure is not optimal. Therefore, strategic efforts are needed to overcome these problems. The research methodology used is descriptive qualitative approach and data collection techniques are carried out through observation, interviews, and documentation studies. The results of the study show that the Tangerang City Education Office has shown performance that leads to overcoming the problems of education accessibility and quality of education. The evidence is based on research results and findings in the field as follows: (1) Tangerang City Education Office intervened in subsidizing education costs through the Education Operational Assistance Program and the Smart Tangerang Program to increase school participation rates and minimize dropout rates. (2) The Education Office for 2021 will receive a Budget allocation of Rp. 1,176,793,132,835. Based on the results of performance achievements both physically and financially, the results of measuring the achievement of targets that have been carried out from various activities, which compare between plans, achievement of activities and realization of targets, based on indicators that have been set in general, the performance of the Tangerang City Education Office has been in accordance with the predetermined plan.

Keywords: Education · Performances · Accessibility · Quality

1 Introduction

Education is the most important thing for humans. One of the goals of the Unitary State of the Republic of Indonesia is the intellectual life of the nation. To achieve this goal, efforts that can be made are through the field of education. Therefore, education is a basic capital for the development of the Indonesian nation. Through education a person will be equipped with knowledge, both formal education and non-formal education. Article 31 paragraph (1) of the 1945 Constitution states that: "Every citizen has the right to education". This shows that all Indonesian citizens are entitled to a proper education

without exception. As stated in Government Regulation Number 17 of 2010 concerning Management and Implementation of Education, Article 3 states that Education Management is aimed at ensuring: (a) public access to adequate, equitable, and affordable education services; (b) the quality and competitiveness of education and its relevance to the needs and/or conditions of the community; and (c) effectiveness, efficiency, and accountability of education management. So the government must be able to manage and organize education to be able to meet the community's need for education.

According to Law Number 20 of 2003 concerning the National Education System, formal education is a structured and tiered educational path, consisting of basic education, secondary education, to higher education. The education required for all citizens is twelve years of basic education, including primary, junior secondary, and senior secondary education. The implementation of compulsory education is regulated more broadly in Government Regulation Number 47 of 2008 which is contained in article 1 paragraph 1, compulsory education is a minimum education program that must be followed by Indonesian citizens on the responsibility of the Government and Regional Government. The purpose of compulsory education is so that all children receive educational services until they graduate and prevent the possibility of dropping out of school.

In its implementation, this compulsory education program did not run as expected due to many obstacles faced by the government. One of them is still found cases of students who drop out of school and cannot continue their education to a higher level. For this reason, it is hoped that the cooperation of the Regional Apparatus Work Unit in order to make the compulsory education program run well. This Regional Apparatus Work Unit is an apparatus of local government both at the provincial and district/city levels based on the principle of autonomy.

Tangerang City is an autonomous region resulting from the division of Tangerang Regency which is in the province of Banten based on Law Number 2 of 1993 concerning the Establishment of Tangerang City. Currently, Tangerang City is divided into 13 subdistricts with the central government located in Tangerang District. As an area directly adjacent to the capital city of Jakarta, Tangerang City has a rapid growth. Due to the high flow of population mobility, the ethnic and cultural population in Tangerang City is very diverse. Many new residents come from outside, be it from other areas on the island of Java and from outside Java, or foreign nationals. Therefore, socially, the problems that occur in Tangerang City are the same as problems in other big cities, namely problems related to population, spatial planning, to social inequality.

In line with the objectives of regional autonomy, which is defined as the transfer of central government affairs to the regions, the management of education has changed from a centralized system to a decentralized system. The Tangerang City Education Office has the task of assisting the Tangerang City Government in implementing education decentralization or government affairs in the education sector. This task means assisting the Mayor in carrying out government affairs in the field of education which is the authority of the Region and the assistance tasks given to the Region in accordance with the vision, mission, and program of the Mayor as described in the Regional Medium-Term Development Plan. In carrying out these main tasks, the Tangerang City Education Office has the functions regulated in the Tangerang City Mayor Regulation Number 58 of 2016 as follows:

1. formulation of technical policies for the implementation of regional government affairs in the field of education;
2. implementation of policies in accordance with the field of education;
3. development and implementation of tasks in the field of education;
4. implementation of evaluation and reporting in the field of education;
5. implementation of the administration of the Service in accordance with the field of education;
6. management of the Technical Implementation Unit; and
7. Carrying out other tasks assigned by the Mayor in accordance with the scope of duties and functions.

With some good results in the implementation of affairs in the field of education, the Tangerang City Education Office in reality still encounters various obstacles faced in providing proper education in Tangerang City.

Based on the results of initial observations, researchers can put forward the basic assumption that the performance of the Tangerang City Education Office in improving the accessibility of education and the quality of education still has several problems. The main problems (Strategic Issued) faced include the quality of education services is not optimal, the competence of educators and education personnel is not optimal, the quality and competence of graduates is not optimal, and the provision of educational infrastructure is not optimal. Therefore, strategic efforts are needed to overcome these problems. The author is interested in conducting research by analyzing the performance of the Tangerang City Education Office in improving the accessibility of education and the quality of education. The focus of the problems that are analyzed are 1) how the Tangerang City Education Office provides free education services to elementary and junior high school students, 2) how the Tangerang city government supports in improving the competence of educators and education personnel, both in the form of training and providing incentives, and 3) how to improve supporting facilities and infrastructure in improving the quality and accessibility of education in Tangerang City.

1.1 Performance Concept

Performance in English is performance is a noun where one of the meanings is "thing done" (something that has been done). The term performance is often Indonesianized as perform comes from the word "to perform" which can be interpreted as something that is done by a person or group within an organization in accordance with their respective responsibilities.

Organizational performance is an indicator of the level of achievement that can be achieved and reflects the success of an organization, and is the result achieved by members of the organization. Performance can also be said as a result (output) of a certain process carried out by all components of the organization against certain sources used (input). Performance is also the result of a series of process activities carried out to achieve certain organizational goals. The good performance standards include [1]:

1. Achievable, in accordance with the efforts made under the expected conditions.
2. Economical, low cost associated with the activities covered

3. Can be applied, according to existing conditions. If there is a change in conditions, a standard must be developed that can be adapted at any time to the existing conditions.
4. Consistent, will help uniform communication and operation of the entire function of the organization.
5. Comprehensive, covering all interrelated activities.
6. Can be understood, easily expressed, clear to avoid communication errors, the instructions used must be specific and complete.
7. Measurable, must be communicated with precision.
8. Stable, must have a sufficient period of time to predict and provide for the business to be carried out.
9. Adaptable, must be designed so that elements can be added, modified, and engineered without making changes to the entire structure.
10. Legitimacy, officially approved.
11. Balanced, accepted as a basis for comparison with the activities carried out.
12. Focus on customers, must be focused on the important things that customers want.

1.2 Performance Indicator

Performance indicators are something that will be calculated and measured and used as a basis for assessing or seeing the level of performance both in the planning, implementation and after activities are completed and functioning. Performance indicators are used to ensure that the day-to-day performance of the organization or work unit in question shows the ability to and towards the goals and objectives that have been set [1]. Thus performance indicators can be used as a benchmark in achieving organizational goals.

Nawawi suggests performance indicators as quantitative and/or qualitative measures that describe the level of achievement of a predetermined target or goal [2]. Therefore, performance indicators must be something that will be calculated and measured and used as a basis for assessing or seeing the level of performance both in the planning stage (ex-ante), the implementation stage (on-going), as well as the stage after the activity is completed and functioning (ex). -post).

Performance indicators to be used as guidelines in assessing the performance of the public bureaucracy, including [3]:

1. Efficiency, which involves considerations about the success of public service organizations in utilizing production factors as well as considerations originating from economic rationality.
2. Effectiveness, namely whether the goals established by the public service organization are achieved. It is closely related to technical rationality, values, mission, organizational goals and functions of development agents.
3. Justice, namely questioning the distribution and allocation of services provided by public service organizations. This criterion is closely related to the concept of adequacy or appropriateness.
4. Responsiveness, namely public service organizations are part of the responsiveness of the State or government to urgent community needs. Therefore the organization as a whole must be accountable in a transparent manner in order to meet these responsiveness criteria.

Thus the actual performance of the bureaucracy can be seen through various performance indicators in assessing the performance of the public bureaucracy, namely efficiency, effectiveness, fairness and responsiveness. Various literatures that discuss bureaucratic performance basically have substantial similarities to see how far the level of achievement of results carried out by the bureaucracy in providing services and performance is also a concept composed of various indicators that vary greatly according to the focus and context of their use.

There are several performance indicators consisting of [4]:

1. Tangibles or physical appearance, meaning the physical appearance of buildings, equipment, employees, and other facilities owned by providers.
2. Reliability or reliability is the ability to carry out the promised service accurately.
3. Responsiveness is the willingness to help the community and provide services sincerely. Assurance is the knowledge and courtesy of employees and their ability to trust customers.
4. Empathy is the treatment or personal attention given by the government to the community.

The functions of performance indicators are as follows [1]:

1. Clarify what, how much and when activities are carried out.
2. Create a consensus that is built by various related parties to avoid misinterpretation during the implementation of policies/programs/activities and in assessing their performance, including the performance of government agencies that implement them.
3. Establish a basis for measurement, analysis, and evaluation of organizational/work unit performance.

From the above opinion it can be concluded that the concept of performance indicators is a brief description that describes a performance that will be measured in the implementation of a program against its objectives, and is the key in the implementation of performance monitoring and evaluation.

2 Research Methods

The approach used in this research is descriptive using qualitative methods with case studies. Location The research was conducted at the Tangerang City Education Office. The author chose this location because of the ease of access to conduct research.

Data collection techniques are the methods used by researchers to obtain data in a study. Researchers used two methods in data collection. First, the observation method which is a data collection technique carried out by observing various activities carried out during the research process and then recording them in a structured and systematic manner. Observations made by researchers related to various activities related to the performance of the Department of Education. Researchers made observations to see the performance activities of the Tangerang City Education Office during the study starting

from July 28, 2022–August 10, 2022. Second, Literature Studies, literature study literacy activities were carried out by researchers by analyzing work programs and performance reports from the Tangerang City Education Office.

The data analysis method used in this research is interpretive descriptive. The author analyzes the data through the stages of data analysis suggested by Miles and Huberman, namely: data condensation, presenting data and conclusion drawing and verification. Data condensation refers to the process of selecting, focusing, simplifying, abstracting, and transforming data [5].

3   Research and Discussion

The results of the research on the analysis of the performance of the Tangerang City Education Office in improving the accessibility of education and the quality of education. The focus of the research is 1) the analysis of the Tangerang City Education Office in providing free educational services to elementary and junior high school students, 2) the support of the Tangerang city government in improving the competence of educators and education personnel, both in the form of training and providing incentives, and 3) improving facilities. and supporting infrastructure in improving the quality and accessibility of education in Tangerang City.

3.1   The Performance Achievement of the Tangerang City Education Office

The Performance Achievement of the Tangerang City Education Office can be seen through the presentation of the Performance Accountability Report of Government Agencies which was prepared based on the Decree of the Head of the State Administration Agency number 239/IX/6/8/2003 concerning Guidelines for Compilation of Performance Accountability Reports of Government Agencies, where the Performance Report of Government Agencies It describes the level of success or failure over a period of one year based on the targets, programs, activities and sub-activities that have been set in the strategic plan.

Net Participation Rate. The Pure Participation Rate at the elementary school level with a 2021 target of 97.63 percent and realized at 97.91 percent with an achievement of 100.29% of the target. This data is based on the Primary Data Educators system and Education Management Information System by the Directorate General of Islamic Education, this shows the achievement of the Tangerang City Pure Participation Rate from the targets that have been set. Compared to the realization in 2020, there was an increase, where the Pure Participation Rate for elementary schools in 2020 was 97.51 percent.

This elementary school net enrollment rate is seen from the population of school age students 7–12 years in Tangerang City and Tangerang City residents who study outside Tangerang City, this is due to the geographical location of Tangerang City which is adjacent to cities and regencies outside Tangerang City, with comparison of the population of school age 7–12 years in Tangerang City (Fig. 1).

At the junior high school level, the Pure Participation Rate with a target in 2021 is 98.99 percent and is realized at 99.00 percent with an achievement of 100.01 percent of
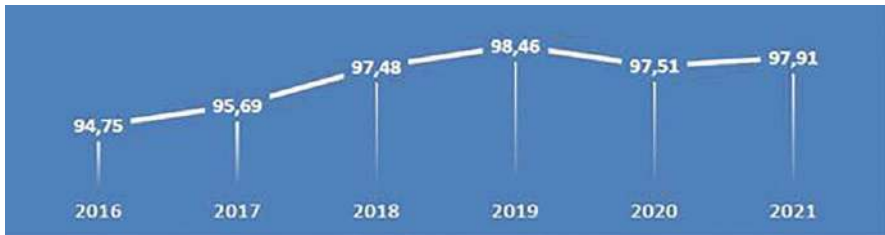
Fig. 1. Progress Graph of Primary School Net Enrollment Rate. Source: Government Agencies Performance Report Tangerang City Education Office Year 2021

Fig. 2. Progress graph of junior high school net enrollment rate. Source: Government Agencies Performance Report Tangerang City Education Office Year 2021

the target. This data is based on the Principal Data for Educators and Education Management Information System by the Directorate General of Islamic Education. Compared to the realization in 2020, there was an increase, where the Pure Participation Rate for Junior High School in 2020 was 87.23 percent.

This junior high school net enrollment rate is seen from the population of school students aged 13–15 years in Tangerang City and Tangerang City residents who study outside Tangerang City, this is due to the geographical location of Tangerang City which is adjacent to cities and regencies outside Tangerang City, and at the junior high school level, some students choose to continue their education to Islamic boarding schools or other boarding schools outside the city of Tangerang. As for comparison, the Pure Participation Rate for junior high schools is to the total population of school age 13–15 years in Tangerang City (Fig. 2).

Efforts that have been made to increase the net enrollment rate for elementary school and junior high school levels are as follows:

a. By providing assistance to schools in improving school operations and providing assistance to underprivileged students
b. Continually strive to improve school facilities and infrastructure
c. Improving the competence of educators and education personnel

These efforts are implemented through activities and sub-activities which are budgeted as follows:

a. Primary School Education Management with a total budget of Rp. 422,158,353,806, with the following sub-activities:

1) Procurement of Student Equipment with the output of procurement of 1 set of public elementary school computer laboratory equipment
2) Provision of Personnel Costs for Elementary School Students, with outputs including:

    a) Provision of Education Operational Cost assistance to 338 state elementary schools and also to 15,200 private school students.
    b) Provision of Smart Tangerang Program for 6815 Elementary School students with the amount of Rp. 80,000/student/month

3) Provision of Educators and Education Personnel for Elementary School Education Units, with the following outputs:

    a) Providing incentives for 6985 educators and education staff
    b) Providing welfare to 4334 public elementary school educators and non-civil servant education staff in State Elementary Schools
    c) Provision of health insurance for 7770 educators and education personnel

4) Institutional and School Management Development with the output of implementing the Healthy school competition program and the literacy school program.
5) Management of Elementary School Operational Assistance Funds, with the output of providing School Operational Assistance to 338 State Elementary Schools

b. Management of Junior High School Education with a total budget of Rp. 186,040,403,678, with the following sub-activities and outputs:

1) Procurement of Student Equipment, with the output of report cards for 33 State Junior High Schools. Provision of Personnel Costs for Junior High School Students, with the following outputs:

    a) Providing school operational assistance for 190 junior secondary schools.
    b) Providing assistance to support 4 inclusive junior secondary schools with a budget of Rp. 100,000,000,-/school/semester
    c) Providing assistance in the form of Smart Tangerang to 3571 junior high school students with a budget of Rp. 100,000,-/student/month
    d) Scholarships to enter private schools for 4000 junior high school students with a budget of Rp. 1.000.000,-/student

2) Procurement of Student Practice Tools and Displays, with the output of providing assistance in the procurement of Natural Science laboratory equipment for 9 State Schools
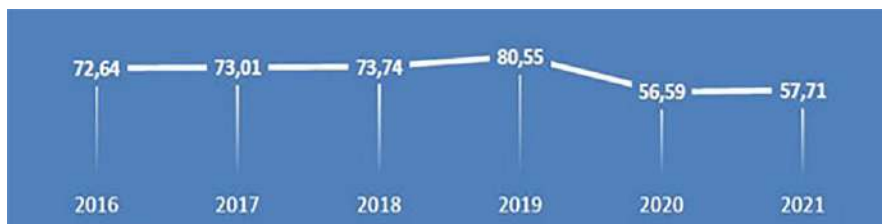
Fig. 3. Graph of Gross Enrollment Rate for Kindergarten and Early Childhood Education. Source: Government Agencies Performance Report Tangerang City Education Office Year 2021

3) Provision of Educators and Education Personnel for Junior High School Education Units, with the following outputs:

   a) Providing incentives for 4795 educators and junior high school level education
   b) Providing welfare for 793 educators and non-civil servant education staff in public schools at the Junior High School Level
   c) Provision of health insurance for 3990 educators and education personnel at the Junior High School level

4) Management of Junior High School Operational Assistance Funds, with the output of providing School Operational Assistance to 33 State Junior High Schools.

Gross Participation Rate. The Gross Enrollment Rate for Kindergarten and Early Childhood Education with a target in 2021 of 74.55 percent and realized at 57.71 percent with an achievement of 77.40%. This shows an increase from 2020 where the Gross Enrollment Rate for Kindergarten and Early Childhood Education is 56.59 percent. The Gross Enrollment Rate for Kindergarten and Early Childhood Education is seen from the population of the number of Kindergarten and Early Childhood Education students attending school in the City of Tangerang to the total population of school age 5–6 years in the City of Tangerang (Fig. 3).

The Gross Enrollment Rate for elementary schools with a 2021 target of 108.26 percent and realized by 103.18 percent with an achievement of 95.31%. This data is based on the Primary Data for Educators and Education Management Information System by the Directorate General of Islamic Education, this shows the Gross Participation Rate of Tangerang City compared to the realization in 2020 there was an increase, where the Gross Enrollment Rate for elementary schools in 2020 was 102.74 percent. This elementary school gross enrollment rate is seen from the population of school students in Tangerang City and Tangerang City residents who study outside Tangerang City, this is due to the geographical location of Tangerang City which is adjacent to cities and regencies outside Tangerang City, by comparison with the population school age 7–12 years in Tangerang City (Fig. 4).

Fig. 4. Progress graph of the Gross Enrollment Rate for elementary school. Source: Government Agencies Performance Report Tangerang City Education Office Year 2021
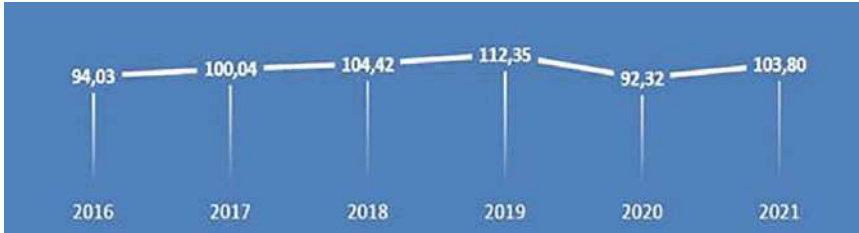
Fig. 5. Graph of Gross Enrollment Rate for junior high school. Source: Government Agencies Performance Report Tangerang City Education Office Year 2021

The Gross Enrollment Rate for junior high schools with a 2021 target of 105.93 percent and realized at 103.80 percent with an achievement of 97.99 percent. This data is based on the Primary Data for Educators and Education Management Information System by the Directorate General of Islamic Education. Compared to the realization in 2020, there was an increase, where the Gross Enrollment Rate for junior high schools in 2020 was 92.32 percent.

This junior high school gross enrollment rate is seen from the population of school age students in Tangerang City and Tangerang City residents who study outside Tangerang City, this is due to the geographical location of Tangerang City which is adjacent to cities and regencies outside Tangerang City, as well as at school level. In Junior High School, some students choose to continue their education to Pesantren or other Boarding School Middle Schools located outside Tangerang City. As for comparison, the Gross Enrollment Rate for junior high schools is against the population of school age 13–15 years in Tangerang City (Fig. 5).

The efforts that have been made to increase the Gross Participation Rate are as follows:

a. By providing operational assistance for kindergarten and early childhood education, elementary and junior high schools in Tangerang City
b. Improving suggestions and infrastructure, such as educational aids, report cards, and stationery
c. By increasing the competence of educators and education staff

These efforts are implemented through activities and sub-activities which are budgeted as follows:

a. Management of kindergartens and early childhood education with a total budget of Rp. 57,599,332,545, - with sub activities and their outputs as follows:

   1) Procurement of household appliances for kindergarten and early childhood education, with the output of providing school operational assistance to 1 public kindergarten in Tangerang City

   2) Procurement of Kindergarten and Early Childhood Education Equipment with the output of procurement of equipment for 1 State Kindergarten School in Tangerang City.

   3) Provision of Educators and Education Personnel for Kindergarten and Early Childhood Education, with the outputs of the following sub- activities:

      a) Providing incentives to 5845 educators and education personnel at the Early Childhood Education level

      b) Providing welfare to 11 educators and non-civil servant education staff in State Kindergartens

      c) Provision of health insurance to 4112 educators and education personnel at the Early Childhood Education level

      d) Management of Kindergarten education costs, with the output of providing educational operational assistance to 694 kindergarten institutions in Tangerang City.

b. Management of Elementary School Education with a total budget of Rp.422,158,353,806, with the following sub-activities:

   1) Procurement of Student Equipment with the output of procurement of public elementary school computer laboratory equipment 1 set Provision of Personnel Costs for Elementary School Students, with outputs including:

      a) Provision of Education Operational Cost assistance to 338 public elementary schools and also given to 15,200 private school students.

      b) Provision of Smart Tangerang Program for 6815 Elementary School students with the amount of Rp. 80,000/student/month

   2) Provision of Educators and Education Personnel for Elementary School Education Units, with the following outputs:

      a) Providing incentives for 6985 educators and education staff

      b) Providing welfare to 4334 public elementary school educators and non-civil servants in public elementary schools

      c) Provision of health insurance for 7770 educators and education personnel.

3) Institutional and School Management Development with the output of implementing the Healthy school competition program and the literacy school program.
4) Fund Management for Elementary School Operational Assistance, with the output of providing School Operational Assistance to 338 State Elementary Schools

Rates Continuing elementary school to junior high school. The rate of continuing elementary school to junior high school with a 2020 target of 100 percent and realization of 100 percent or 100.00% of the target, as for 2019 the realization of the rate of continuing elementary school to junior high school is 100 percent. This shows that Continuing from elementary school to junior high school in Tangerang City has achieved the targets that have been determined at the Regency/City and National levels. The rate of continuing elementary school to junior high school is seen from the number of new students at level I at the junior high school level to the number of graduates at the elementary school level in the previous academic year.

Although the rate of continuing elementary school to junior high school in Tangerang City has reached the desired target. However, there are still problems that must be faced, including economic factors from poor families so that they are unable to continue their education to the next level, and some want to continue to non-formal education in pesantren and other skills courses.

Efforts to be made to overcome the problems mentioned above are by optimizing activities that directly support the achievement of Continuing Figures from elementary school to junior high school by prioritizing priority activities as mentioned above, the Tangerang City Education Office carries out follow-up activities, and maximizes the output of these activities. in the form of providing Elementary School Student Personnel Costs, providing Education Operational Cost assistance, Providing Smart Tangerang Program and providing Junior High School Student Personnel Costs.

Based on the results of performance achievements, both physical and financial, the results of measuring the achievement of targets that have been carried out from various activities, which compare the plans, the achievement of activities with the realization of targets, based on the indicators that have been set in general the performance of the Tangerang City Education Office has been in accordance with the predetermined plan.

4 Discussion

In this discussion, researchers will discuss the performance of the Tangerang City Education Office in improving the accessibility of education and the quality of education, with a focus on research based on indicators of public bureaucratic performance [3]. To determine the performance of the public bureaucracy, the researchers measured it with performance indicators, including: Productivity, Service Quality, Responsiveness, Responsibility, and Accountability. Based on the results of research conducted by researchers regarding the performance of the Tangerang City Education Office in improving the accessibility of education and the quality of education are as follows:

4.1   Productivity

Productivity aspects can be seen in the ratio between work inputs and work outputs, namely how much the Tangerang City Education Office has the expected results, therefore the concept of this input researchers looks at human resources and budgets owned in services in the field of education as well as budget allocations for dropouts. school. Based on the results of the study, it can be concluded that human resources in this case are related to employees within the Department of Education are adequate. However, when viewed in an ideal setting, of course it still has limitations because the scope of work in the Education Office is very wide. The Education Office takes care of educational units in Tangerang City, including teaching staff and students.

The education budget owned by Tangerang City through the Education Office can be said to be good. Where the budget allocation to meet the educational needs of the people of Tangerang City has fulfilled Law Number 20 of 2003 Article 49 paragraph 1 which mandates that the education budget must be at least 20% of the Regional Revenue and Expenditure Budget (APBD). So it can be concluded that the Department of Education has fulfilled the mandate of the Mayor of Tangerang who hopes to create an intelligent society and do not let anyone drop out of school and at least complete 12 Years of Compulsory Education.

4.2   Quality of Service

Ease of getting services and convenience in service can be a benchmark in knowing the extent of the service quality of the public bureaucracy. The ease of getting services can be seen by the extent to which the public knows about the educational assistance programs owned by the Education Office as the implementer of the Regional Work Units in the field of education. It should be noted that currently the Education Office has two excellent programs to help increase community participation in schools so as to minimize dropouts, namely Education Operational Assistance and Smart Tangerang. The program provides assistance in the form of education subsidy funds. The Education Operational Assistance Program is stated in the Tangerang Mayor Regulation Number 109 of 2020 where the target recipients of this program are State elementary schools, State junior high schools and private elementary and junior high schools in Tangerang City as evidenced by identity cards and family cards of students' parents. The fee given is Rp. 50,000.00 for elementary schools and Rp. 105,000.00 for junior high schools. Meanwhile, Tangerang Smart is listed in the Tangerang Mayor Regulation Number 132 of 2016 where the amount of the fee given is 100,000, -/month for junior high school students and 80,000, -/month for elementary school students, residents of Tangerang City in the poor and vulnerable categories listed in the integrated social welfare data. Then from the perspective of the community in knowing the aid programs, researchers have conducted observations and interviews in the field. Most of the people are aware of the education cost assistance programs in Tangerang City.

4.3   Responsiveness

The Tangerang City Education Office in carrying out its duties and functions can involve the participation of the community, both individuals, groups, and social organizations to

jointly play an active role in program development and preparation of activity agendas in improving education accessibility and quality of education. The Education Office hopes that the provision of educational assistance such as Education Operational Assistance and Tangerang Smart can increase community participation in attending education for a minimum of 12 years.

4.4 Responsibility

One of the functions of the Tangerang City Education Office as a coordinator and facilitator in improving the accessibility of education and the quality of education, it is necessary to see how the coordination between the relevant agencies is responsible for improving the accessibility of education and the quality of education, so that the entire teaching and learning process and educational services are so that their rights are fulfilled and the realization of the principle of justice. For this reason, it is necessary to know how the coordination that exists between the Tangerang City Education Office and other agencies.

4.5 Accountability

The responsibility carried out by the Tangerang City Education Office in monitoring the implementation of educational services with other relevant agencies is still ongoing. Based on the results of the interview, it can be seen that the Education Office still continues to control the accessibility of education and the quality of education.

The existence of the Tangerang City Education Office based on Tangerang Mayor Regulation Number 58 of 2016, has the task of assisting the Mayor in carrying out government affairs in the education sector. In addition, the Department of Education has several functions including implementing policies in accordance with the field of education, fostering and implementing tasks in the field of education, as well as implementing evaluation and reporting in the field of education. So that it is expected to be able to provide services in the field of education for the people of Tangerang City so that their rights as citizens can get a proper education.

Based on research conducted by researchers in this case, it is seen that the performance of the Tangerang City Education Office in improving education accessibility and quality of education, has had two superior programs that intervene through subsidized education costs so that it is expected to improve education accessibility and quality of education.

5 Conclusion

In research on the Performance Analysis of the Tangerang City Education Office in improving the accessibility of education and the quality of education, it can be concluded that the Tangerang City Education Office has shown performance that leads to overcoming the problems of education accessibility and quality of education.

The evidence is based on the results of research and findings in the field as follows: (1) Tangerang City Education Office intervened in subsidizing education costs through the

Education Operational Assistance Program and the Smart Tangerang Program to increase school participation rates and minimize dropout rates. (2) The Education Office for 2021 will receive a Budget allocation of Rp. 1,176,793,132,835 The budget allocation is to fund 2 Programs with 8 Regional Apparatus Work Unit Activities and 39 sub- activities by participating in programs and activities that have been aligned with the 2019–2023 Regional Medium-Term Development Plan.

In the aspect of productivity, it is expected to conduct recruitment of competent and appropriate employees in their fields to assist the very broad scope of work of the Education Office. In the aspect of Service Quality, it is hoped that the target recipient data for the Tangerang Smart Program is more precise and updates quickly so that it can cover all underprivileged students in Tangerang City. In the aspect of Responsiveness, it is hoped that it can improve the performance of the Compulsory Learning Task Force by creating a legal umbrella so that task force members have complete clarity and information regarding their main tasks and functions. In the aspect of Responsibility, it is hoped that it can maintain and improve the coordination that has been well established between the relevant agencies so that when in the field there are still children who drop out of school, they can immediately get further services to be recorded and sent to school. In the aspect of Accountability, it is hoped that controlling will continue to be carried out on the continuity of the teaching and learning process.

Based on the results of performance achievements both physically and financially, the results of measuring the achievement of targets that have been carried out from various activities, which compare the plans, achievement of activities with the realization of targets, based on indicators that have been set in general the performance of the Tangerang City Education Office has been in accordance with the predetermined plan.

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Assessing the Success of the E-Government System in Terms of the Quality of Public Services: A Case Study in the Regional Government of the City of Tangerang

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Abstract. This paper aims to assess the success of the eGovernment system in the quality of public services. The data was obtained using a questionnaire distributed to residents who had accessed the Tangerang LIVE application, with the number of samples taken up to 400 people. This study found a significant influence between the quality of the information, the quality of the systems used, the quality of the services used, and the perceived net benefit. Currently, information and communication technology in Indonesia has developed rapidly, so all information and government services are fast-paced. Technological sophistication has been applied in various government areas to achieve the effectiveness and efficiency of government services to the community. The Government undertakes these efforts to achieve good governance for the community through information and communication technology. Tangerang City is one of the pioneers in the development of e-government. The Tangerang City Government launched the Tangerang LIVE application by analyzing demand scenarios and simplifying the public service model. However, the success of this e-Government program certainly needs to be examined in terms of its success rate through a systematic and accountable research approach. This study will examine the e-government program implemented in the city of Tangerang using the DeLone and McLean Information System Success Model.

Keywords: Information quality · system quality · service quality · usage · perceived net value

1   Introduction

The rapid development of technology is a phenomenon we cannot avoid, so each country must adapt to change the patterns and methods of activities carried out in all sectors. Currently, information and communication technology in Indonesia has developed rapidly, so all information and government services are fast-paced. Technological sophistication has been applied in various government areas to achieve the effectiveness and efficiency of government services to the community [7]. The Government undertakes these efforts
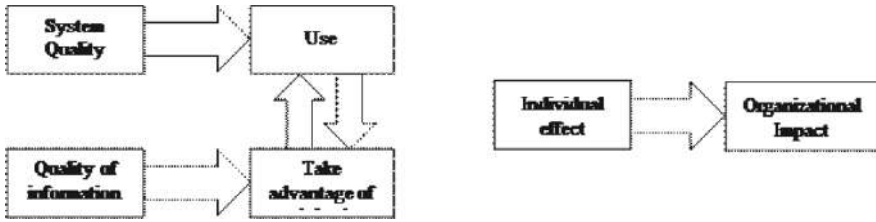
Fig. 1. Delone and McLean's (1992) models.

to achieve good governance for the community through information and communication technology [10].

The Government is obliged to provide public services to all citizens, so in fulfilling these obligations, it seeks to improve its services through technology [6, 8]. Information and communication can process data quickly, effectively, and efficiently to obtain accurate and precise information [11]. To meet these needs, the Government developed e-government by issuing the 2003 Presidential Instruction of the Republic of Indonesia No. 3 on National Policies and Strategies for the Development of E-Government.

E-government is currently one of the most critical information and communication technology developments in the field of public administration, in the delivery of more effective and efficient public services [5]. The implementation of e-government is expected to improve the performance of internal government, but the main goal is to offer better, cheaper or more public services [9]. Respond quickly to the needs of different communities to improve people's quality of life. [1].

Tangerang City is one of the pioneers in the development of e-government. The Tangerang City Government launched the Tangerang LIVE application by analyzing demand scenarios and simplifying the public service model. Users can download these Android and iOS-based applications from their respective phones. Then the public can enjoy all public services in an application.

Since the launch of the e-government program in the urban area of Tangerang, this program has received a good response from the public and appreciation from various media. However, the success of this e-Government program certainly needs to be examined in terms of its success rate through a systematic and accountable research approach. This study will examine the e-government program implemented in the city of Tangerang using the DeLone and McLean Information System Success Model.

1.1 Literature

A successful model for business informatics (Grand Theory). DeLone and McLean [2] specifically measured the SI model and concluded with six categories of SI success variables (Fig. 1).

Based on previous research, DeLone and McLean [2] propose an SI success model (see Fig. 2).
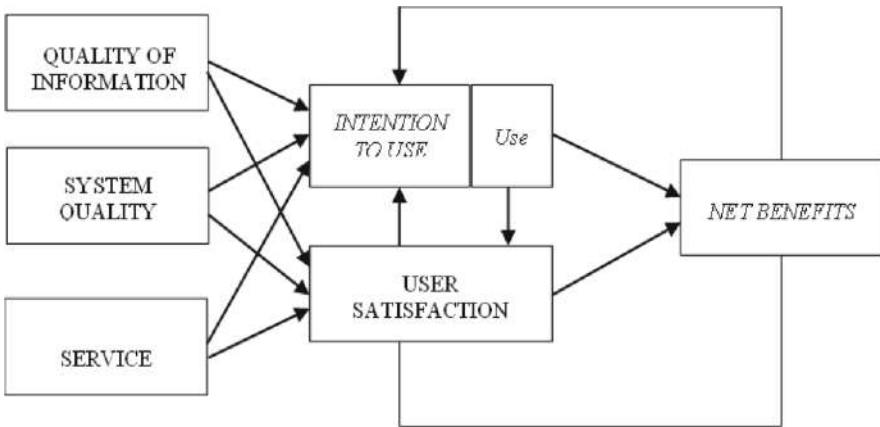
Fig. 2. Delone and McLean's (2003) updated IS success model.
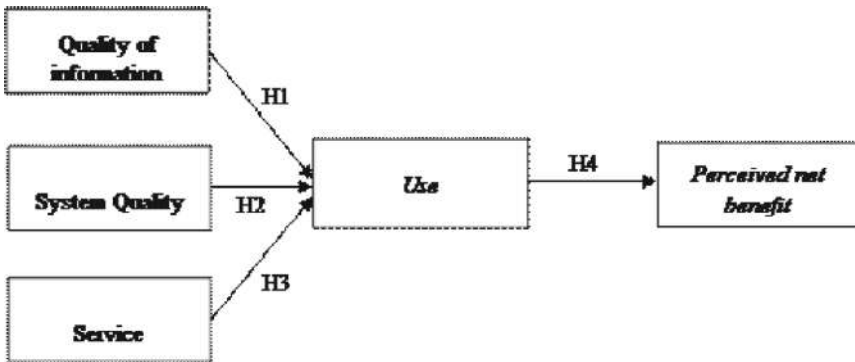
Fig. 3. Research model.

1.2   Research Models and Hypotheses

Research Model. Following DeLone and McLean (2003) can see at Fig. 3

Hypothesis

H1	:	The quality of the information will positively impact *its use* in e-government services.
H2	:	The quality of the system will have a positive impact on the *use of* e-government services.
H3	:	Service quality will have a positive impact on the *use of* e-government services.
H4	:	*The use* will positively impact *the perceived net benefits* of e-government services.

2 Methodology

2.1 Research Design

The definition of the hypothesis test based on [3] is a method of testing whether a statement resulting from a theoretical framework agrees with the variables of the test variables. This type of research describes the special relationship between bound variables and free variables or other factors that affect one variable with another. This study used a quantitative model that used questionnaires for respondents.

2.2 Samples and Population

The sample for this research is all residents of the city of Tangerang who access the Tangerang LIVE application and use one of its services. In this study, the authors took samples using the non-probability sampling method, a sample where there is not an equal chance in a population for every member selected as a sample [4].

The population in this study was 2,273,697 inhabitants of Tangerang City (Tangerang City Data Source In 2020 Figures). In this study, the Slovin formula was used for population withdrawal.

The Slovin formula is a mathematical system used to calculate the number of populations of particular objects whose properties are unknown. When using the Slovak formula, we first need to set a confidence level (95%) for the result of truth or an error tolerance significance level (0.05) that will occur. With one explanation, the confidence level is 95% of the accuracy of the results (believe that the research conducted is 95% correct), and the significance level is 0.05 (make sure that only 5% of the errors will occur). Based on Slovin's formula, this researcher will process data from up to 400 respondents who entered through a questionnaire that the researcher distributed electronically.

2.3 Data Collection

The research model was tested using data derived from a sample of users accessing the Tangerang LIVE application. Respondents are asked to fill out those distributed via link/URL. Respondents will give the answer that best describes their level of agreement.

3 Results

3.1 Structural Model

The researchers refer to the rating interval on the Likert scale (where the rating is divided into 5 points. Then the data processing is done with the SPSS windows of the application version 26 by first performing structural modeling. In order for the researcher to present 2 (two) structural models, in this study as follows:

Structural Model 1

– The result of the square of the value of R, also known as the value of the correlation coefficient. So if: $.988 \times .988 = .977$.
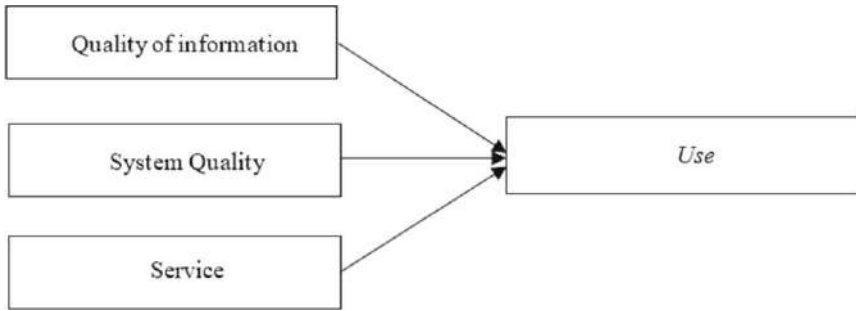
Fig. 4. Results of testing the structural model hypothesis 1.
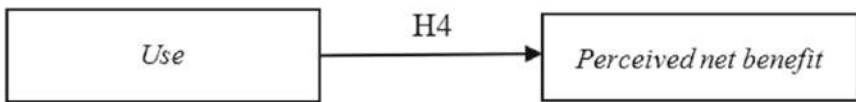
Fig. 5. Results of structural model hypothesis testing 2.

- The influence variables X1, X2, and X3 simultaneously on the usage variable (Y) is 0.977 or 97.7%.
- The rest of the influence can be calculated by subtracting the number 1 by the value of the R-square, then $1 - .977 = 0.02$ or can be read as 2%.

The value of the F test show a significance value of 0.000, which means that the value is $0.000 < 0.05$, so it can be concluded that the variables (X1), (X2), (X3) simultaneously affect the Use (Y) variables.

- The significance value of the variable X) is 0.000, where the value of 0.000 is < 0.05. It can be concluded that the variable X1 has a direct and significant influence on use (Y), which means that the hypothesis is accepted.
- The significance value of the variable X2 is 0.000, where the value of .000 < 0.05 can then be closed, the variable X2 has a direct and significant influence on usage (Y), which means that the hypothesis is accepted.
- The significance value of the variable X3 is .000, where the value of .000 < 0.05 concludes that the variable X) has a direct and significant influence on usage (Y), which means that the hypothesis is accepted.

Structural Model 2

- The result of the square of the value of R, also known as the value of the correlation coefficient. So if: .868 x .868 $= .753$.
- The result of the concurrent effect of the usage variable (Y) on the Perception Net Benefit Variable (Z) was 0.753 or 75.3%.
- The rest of the influence can be calculated by subtracting the number 1 by the value of the R-square, then $1 - .753 = 0.24$ or can be read as 24%

– The significance value of the user variable (Y) is 0.000, where the value of .000 < 0.05 can then be inferred, the usage variable (Y) has a direct and significant influence on the perceived net benefit (Z), which means that the hypothesis is accepted.

The variables to describe each equation in the hypothesis model are shown in Fig. 4 and Fig. 5. As expected, then:

a. Information quality (X1) has a significant influence the usage variable (Y) with a standard coefficient value of 0.540;
b. System quality (X2) has a significant influence the usage variable (Y) with a coefficient value of 0.0to 64;
c. The quality of service (X3) significantly influences the usage variable (Y) with a coefficient value of0.41 0.
d. In addition, the use of (Y) with a standard coefficient of 0.868 significantly impacts the perceived net benefit (Z).

H1	;	The quality of information will positively impact the use of e-Government services.	Adopted
H2	:	The quality of the system will have a positive impact on *its use* in e-government services.	Adopted
H3	:	Service quality will have a positive impact on the *use of* e-government services.	Adopted
H4	:	*Usage* has a positive effect on perceived net benefit	Adopted

4   Conclusion

The conclusion of this study refers to the results of the research hypothesis test, namely H1, H2, H3 & H4 obtained. The results of this hypothesis show that the application of e-government in the city of Tangerang was practical in terms of information, system, and service quality. The results of the study are as follows:

a. Structural model 1: Information quality (X1), system quality (X2), and service quality (X3) have a very positive and significant effect on the use of e-government services (Y).
b. Structural Model 2: Usage (Y) positively and significantly impacts perceived net benefit (Z).

Structural model 1 with the significance value of the information quality variable (X1) is 0.000, where the value of 0.000 < 0.05 can then be concluded that the information quality variable (X1) has a direct and significant influence on use (Y), which means that the hypothesis is accepted. Furthermore, the significance value of the system quality variable (X2) is .000, where the value of .000 < 0.05 it can be concluded that the system

quality variable (X2) has a direct and significant effect on the use (Y), which means that the hypothesis is accepted. Similarly, the significance value of the quality of service variable (X3) is 0.000, with a value of $0.000 < 0.05$, concluding that the quality of service variable (X3) has a direct and significant influence on usage (Y), meaning that the hypothesis is accepted.

Structural model 2, with the value oh the user variable (Y), is 0.000, where the value of $0.000 < 0.05$ can then be concluded that the usage variable (Y1) has a direct and significant influence on the perceived net benefit (Z), which means that the hypothesis is accepted. From the evaluation results, it can be hypothesized that the quality of the information, the quality of the system, the quality of the service, and the use have a very positive and significant effect on the perceived net benefit.

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Improving the Competence of Job Seekers in the Covid-19 Pandemic at Work Training Center Tangerang City

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Abstract. The impact of COVID-19 on workers affected by layoffs poses new problems for the Tangerang city government. In addition, prospective workers who drop out of school or graduate from school also find it difficult to find work because of limited employment opportunities. This has an impact on economic growth and the level of welfare of the population which tends to decline. The need for handling labor becomes urgent in the city of Tangerang. Procurement of work training centers is one solution. The research conducted at the Tangerang City Job Training Center is related to the role of job training centers in preparing workers who are ready to work during a pandemic with a research focus on hard skills and soft skills with a composition of 75% practice, 25% theory. This study uses qualitative and quantitative research with a descriptive approach. The indicator of the success of the role of the job training center is the number of prospective workers who are ready to work with satisfactory competency values. In addition, to achieve a high percentage of success, an evaluation will be carried out for the training participants. The results of this study indicate an increase in the competence of the readiness of the workforce at the job training center. Furthermore, the results of this study will be a recommendation and reference for organizers to conduct job training for Tangerang city residents in the future.

Keywords: Job Seeker · Job Training · Competence · Job Training Center

1 Introduction

The COVID-19 outbreak in Indonesia is starting to subside, this is marked by a decrease in the number of patients. However, vigilance is needed for residents with the emergence of covid omicron as a new variant of covid 19. Previously, citizens were required to vaccinate so that immunity occurred in the body following the fall of victims due to covid [1]. One strategy to prevent the spread of COVID-19 is to limit people's activities, either for work, training or for worship. All work activities are carried out from home using the (wfh) model. With the large-scale social restrictions (PSBB), all activities carried out by the community are limited, including activities related to work. Meanwhile, due to the termination of work activities resulted in company losses and many companies chose to reduce the number of employees or close. Termination of employment by the company
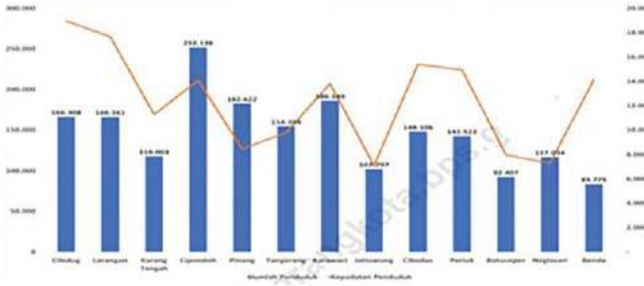
Fig. 1. Population and Population density by district in Tangerang

results in unemployment. Unemployment is a condition or condition experienced by a group of people or individuals who are classified as labor force and are actively looking for work but still have not got a job [2]. Termination of employment is a condition where employees no longer work in the company due to an unfavorable working relationship with the party concerned or because the worker is no longer productive or because the company is unable to pay the employee [3].

The Covid pandemic has also caused the rate of layoffs to increase in the city of Tangerang. Workers in the manufacturing industry and other types of businesses such as hotels and restaurants affected by PPKM resulted in layoffs, following the government's policy to disable companies.

The city of Tangerang is located in the province of Banten, consisting of 13 sub-districts and 104 urban villages with an area of 164.55 km^2 (Tangerang municipality in Figs. 2022) with a population of 2,093,706 Tangerang city in 2021 (central agency for statistics. 2021) [4]. This can be seen in Fig. 1. Meanwhile, the unemployment rate in Tangerang City entering the end of 2021 has touched the figure of 103,357 or an increase of 0.44% compared to 2020 which was still 97,344 [12]. Efforts made by the manpower office are holding job fairs and holding job training through the Job Training Center (BLK) to provide skills to the workforce in Tangerang City so that they can be absorbed by the company [12].

From the description above, the role of job training centers becomes very important, namely preparing prospective workers to get their jobs by holding training according to the participants' specialization fields. The readiness of the instructors, and supporting facilities, is an important capital so that this job training can run according to the plan of the manpower office. Then the researcher will dig up information on the role of the Job Training Center in increasing the competence of the workforce in the COVID-19 pandemic situation through interviews, observations and supporting data. Furthermore, the results of this study will produce recommendations in the form of successful training at the Job Training Center in improving the competence of prospective workers as a strategic step to prepare workers ready to work.

1.1 Job Training Center

The Job Training Center itself according to Maesyarah (2013) is a place or hall that accommodates training participants to carry out job training activities that function to

Tabel 1. Literatur Review

No	Author	Title	Research Location	Research purposes
1	Daud et al.(2019) [13]	Job Training Program in improving Job Training Competencies	Limboto Work Training Center, Gorontalo Regency Manpower and Transmigration Office	Evaluative research to assess job training programs and their success in improving competencies for job seekers
2	Zumaroh et al. 2021 [14]	The Effectiveness of the Role of the Technical Implementation Unit of the Pasuruan Job Training Center in Improving the Quality of the Workforce	Pasuruan job training center	Factors that affect effectiveness in improving the quality of the workforce.

Table 2. Training Organizer Data

No	Nama	Jabatan
1.	Trudo Ramajaya S.Sos	Kepala UPT BLK
2.	Hj.Effi Susanti, S.Pd,MM	Ka TU UPT BLK
3.	M Dhika Fahlevi, SE	Staf Adm UPT BLK

provide, gain, increase knowledge, and improve skills and training focuses more on practice than theory, while the training itself is an attempt by a group of people or individuals to make a change in knowledge, attitudes, and skills and training is also referred to as a change-oriented training process [5]. The element of job training consists of training methods and training objectives. As a reference, the researcher attaches several previous studies from several researchers [6]. Table 1.

1.2 Work Training

According to Widodo, job training is a series of individual activities in systematically increasing skills and knowledge so that they are able to have professional performance in their fields [7]. Meanwhile, the job training process has stages, namely identifying needs, setting training goals and objectives, setting success criteria with measuring tools, determining training methods, implementation and evaluation (Mangkunegara, 2004).

In 2019 the Job Training Center in the city of Tangerang held training with 3 people (Table 2) 360 participants (Table 3). The training materials consist of: sewing, computers, motorcycle mechanics, etc. (Tables 4 and 5)

Table 3. Data on the Number of Job Training Participants in 2019

No	Training Type	Male	Female
1	Clothes Sewing Akt. I	4	16
2	Clothes Sewing Akt. II		20
3	Clothes Sewing Akt. III		20
4	Clothes Sewing Akt. IV		20
5	Clothes Sewing Akt. V		20
6	Clothes Sewing Akt. VI	3	17
7	Graphic Design Akt. I	14	6
8	Graphic Design Akt. II	9	11
9	Computer Akt. I	11	9
10	Computer Akt. II	11	9
11	Computer Akt. III	4	16
12	Motorcycle mechanic Akt. I	15	5
13	Motorcycle mechanic Akt. II	20	
14	Petrol car machanic Akt. I	20	
15	Petrol car machanic Akt. II	20	
16	Battery welding Akt. I	18	2
17	Cooling technique Akt. I	20	
18	Hospitality	9	11
TOTAL		178	182

Table 4. Data on the number of job training participants in 2020

No	Training Type	Male	Female
1	Clothes Sewing Akt. I	2	18
2	Clothes Sewing Akt. II		20
3	Clothes Sewing Akt. III	2	18
4	Clothes Sewing Akt. IV		20
5	Computer Akt. I	10	10
TOTAL		14	86

Meanwhile, data on participants who have completed training in 2019, 2020 and 2021 are 809 participants (Table 6).

Table 5. Data on the number of job training participants in 2021

No	Training Type	Male	Female
1	Clothes Sewing Akt. I	2	18
2	Clothes Sewing Akt. II		20
3	Clothes Sewing Akt. III		20
4	Clothes Sewing Akt. IV	3	17
5	Computer Akt. I	11	9
6	Computer Akt. II	12	8
7	Computer Akt. III	8	12
8	Graphic Design Akt. I	11	9
9	Graphic Design Akt. II	10	10
10	Hospitality	10	10
11	Motorcycle mechanic Akt. I		20
12	Graphic Design Akt. III	12	8
13	Sewing Clothers Akt. V	2	18
14	Sewing Clothers Akt. VI	23	17
15	Culinary Art Akt. I		15
16	Culinary Art Akt. II	1	14
17	Motorcycle mechanic Akt. II	20	
18	Cooling technique	20	
TOTAL		125	225

Table 6. Data on the number of job training participants in 2019, 2020 and 2021

Training Year	Education background					Gender		Residence	
	Elementary	Middle School	High School	Diploma	Bachelor	Male	Female	Tangerang City	Outside Tangerang City
2021	10	21	272	12	34	146	203	349	
2020	1	11	77	5	6	17	83	100	
2019	11	63	252	10	24	178	182	360	
TOTAL	22	95	601	27	64	341	468	809	0

2   Methodology

2.1   Data Collection

The strategic step in research is data collection because the main purpose of research is to obtain data according to Sugyono [8]. Therefore, the researcher must determine the

Fig. 2. Computer training

Fig. 3. Sewing Training

technique used in his research. There are several data collection techniques according to Trianto [9], namely: 1) Field Notes; 2) Questionnaire (questionnaire); 3) Match List or Checklist; 4) Observation Sheet (observation); 5) Interview (interview); and 6) Test of Training Results. Direct communication technique is a way of collecting data that requires researchers to make direct contact verbally or face to face (face to face) with data sources, both in actual situations and in situations that are deliberately created for this purpose (Nawawi, 2007). Furthermore, measurement technique is a way of collecting quantitative data to determine the degree of certain aspects compared to certain norms as relevant units of measurement. This technique is used to see the level of participants' training outcomes.

This research begins by looking at the results of participant registration and training specialization. Researchers and the regional technical implementation unit of the Tangerang City Work Training Center (UPTD) have prepared a training that begins with the preparation of tools, materials and assessment files. The next step is training in accordance with the field of specialization. After holding the training, at the last meeting an evaluation was held on the obstacles to understanding in theory and practice. The findings were recorded by the researchers and then the appropriate method was sought based on the difficulties and characteristics of the participants (Figs. 2, 3, 4 and 5).

Fig. 4. Mechanical Training

Fig. 5. Theory Test

2.2 Data Collection Tools

This study uses data collection tools in the form of: direct observation sheets, interview guides, tests and documentation. The observation sheet is used as a tool to measure or assess participants in the process of observing activities during training activities. Interview guides are used to collect data, especially to find out responses, opinions, beliefs, feelings, motivations for the object to be interviewed.

According to Trianto, the test is carried out before the training process begins (pretest) and after the training process (posttest) [9]. The test questions used in this study were written tests in the form of participants' opinions about the training process in the form of essays and practice. Meanwhile, according to Setyosari, the instrument is a measuring tool used during the implementation of the treatment [10]. an instrument in the form of a test can be used to measure basic abilities and achievement of training results. Mulyadi suggested that the evaluation process includes two things, namely measurement and testing [11]. This documentation is used to collect data in the form of documents such as training plans, questions, training results and photos that can strengthen data by researchers in the implementation of training activities.

2.3 Data Analysis Technique

The data processing comes from the collected practical and theoretical assessment data. Furthermore, the data is processed in the form of scores and percentages of completeness. To process the data used the formula (Table 7):

$$KB = \frac{S}{TS}$$

Description :

KB : Completeness of Training

Table 7. Planning on Job Training

Framework Activity	Description
A. Manage a Training Plan according to specialization	1. UPTD makes a training plan. 2. Create work steps and tasks based on training objectives 3. Planning the activity time
B. Provide information on training and assessment activities	1. UPTD gives a value of: a. Practice based on work, time b. Assessment of work results related to Engineering fields in the process c. Assessment of soft skills in the form of work ethic, honesty, responsibility, caring, religious, polite, hard working and independent
C. Scoring	1. The instructor asks questions and records the observations of the participants
D. Evaluation	1. The result of the score becomes the evaluation material for the participants. 2. Emphasis in practice contains workmanship technique, time and work results

S: Score
TS: Total Score
(Trianto; 2011) [9]

To see the percentage of completeness of the training participants use the percentage formula, namely:

$$\% = \frac{A}{B}$$

%: Percentage of participants
A : Number of participants who completed
B: Total number of participants
(Trianto : 2011) [9]

3   Results and Discussion

3.1   Results

Based on the results of the study, several conclusions were obtained that: 1) Softskill material about work ethic, honesty, responsibility, caring, religious, polite, hard working and independent got a satisfactory average score 2) Practice scores were average satisfactory. However, there are still some participants who get unsatisfactory scores. This should get the attention of the trainer in order to find a solution to improve the competence of the participants in the form of evaluation.

Table 8. Percentage of Competency Improvement

No	Action	number of participants	Score ≤ 75			≥ 75			Increase in Average Score MTR JHT Kom		
			MTR	JHT	KOM	MTR	JHT	KOM	MTR	JHT	Kom
1	Pactice 1	24	7	2	9	17	22	15	70.8%	91.7%	62.5%
EVALUATION AND COUNSELING TO MOTIVATE PARTICIPANTS											
2	Practice 2	24	4	1	0	20	23	24	83%	95.8%	100%
3	Enhancement completeness	24	3	0	8	3	0	7	13%	4.1%	37.5%

The results of the evaluation are in the form of assessments and solutions to improve the competence of work practices in each area of specialization. In the evaluation, participants were given special motivation in the form of counseling/interviews. Furthermore, participants were given the opportunity to take the practical exam again and the results were satisfactory.

3.2 Discussion

Average Practice scores: Mechanic = 69.1(6 participants did not complete), Sewing = 85.63(2 participants did not complete), Computer = 77.59(9 participants did not complete). Participants who experienced 75–100 training completeness in practice 1 were mechanic = 70.8%, sewing = 91.7% and computer = 62.5%. With these data, it can be concluded that: The lowest value is the computer followed by the mechanic. The highest score is in Sewing. Furthermore, the trainer conducts evaluation and counseling to increase the motivation of the trainees. The results of Action 2 obtained in the Sewing Practice by packing the Mechanic and Computer lessons have increased as follows: Mechanic = 78.79 (3 participants did not complete), Sewing = 88.12 (1 participant did not complete), Computer = 88.56 (24 participants completed). The percentage of participants who completed Mechanic = 83%, Sewing = 95.8%, Computer = 100%. The results of action 2 show that the results of the training obtained have increased and the training process has undergone many changes, which are better than before. Based on the results of the final assessment at the Tangerang City Job Training Center, the increase in training competence was declared successful because there was an increase in value and percentage. Furthermore, the training participants receive a professional certificate as a form of appreciation for the success of the participants in completing the training (Table 8).

Keterangan.

1. MTR: Mechanic
2. JHT: Sewing
3. KOM: Computer

4   Conclusion

The Tangerang City Job Training Center has made a major contribution to the economic recovery of the residents by providing job training according to the participants' interests. Job training held by UPTD consists of practice and theory that contains hard skills and soft skills. Hard skills are represented by practice while soft skills are represented by work ethic, character, independence and responsibility. Assessment aims to determine the level of success and competence of participants in accordance with their field of specialization.

From the results of the research that has been done, there are some participants who have not been able to achieve the standard values that have been set. Therefore, the training provider is obliged to provide assistance in the form of counseling to find problems that occur. Furthermore, the participants conduct a repetition of practice and assessment. The success of the role of job training centers will be better if it is supported by the availability of job opportunities that are ready to accommodate prospective workers. This will become an attraction for prospective workers as well as accelerate the absorption rate of prospective workers so that the economic recovery of the citizens will be achieved soon.

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Strategy for Optimizing Urban Waste Management Based on Industrialization Technology: Optimization Strategy for Urban Waste Management Based on Industrialization Technology

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Abstract. The problem of waste management is a problem for every city in Indonesia, including Tangerang City, which is one of the metropolitan cities in Indonesia. As one of the buffer cities of DKI Jakarta which is the capital of the State, Tangerang City has a waste generation of 3.28 L or 0.8647 kg/person/day, higher than the waste generation standard for a Metropolitan City, which is 3 L or 0.7 kg/person/day. With the rapid urbanization, commercial activities and public services in Tangerang City, especially related to the increasing activities of Soekarno Hatta International Airport, will result in an increasing amount of waste generation. As the final handling of waste, the City of Tangerang currently relies on the TPA Rawa Kucing as a final waste processing site which is operated by the landfilling method. By taking into account the level of waste reduction at the source which is still relatively low and the level of waste transportation services is high, it causes the capacity of the TPA to decrease, which based on estimation calculations can only accommodate waste for approximately the next 12 months. Taking into account the above matters, the Tangerang City Government intends to realize a waste processing facility that is able to support the growth of Tangerang city's economic activities within the next 25 years, one of which is by implementing the use of technology that leads to industrialization scale.

Keywords: Waste Management · Final Waste Processing · Industrialization

1 Introduction

Nowadays, waste has become an increasingly complex problem around the world because in addition to the increase in waste generation that increases along with the increase in population, there is also an increase in the types and characteristics of waste that are increasingly diverse due to economic developments in general. This is worsen by the condition that the capacity for waste handling by the government is relatively very limited which results in the emergence of inequality between service needs and increasingly large service capacity. Waste is increasingly difficult to manage because

the level of awareness and participation of the community in managing waste from sources (households) is still low and relies on handling waste centrally, which in turn will become a burden due to limited land for the final disposal, human resources and operational funds.

Waste management problems are a problem of every city in Indonesia, including Tangerang City which is one of the metropolitan cities in Indonesia. The number of residents that continues to increase every year will be followed by an increase in waste generation.

According to the Director General of Waste, Waste, Toxic and Hazardous Material Management (PSLB3) of the Ministry of Environment and Forestry (KLHK), the average daily waste generation in metropolitan cities (population of more than 1 million people) reaches 1,300 tons per day [5].

In relation to waste handling, Tangerang City currently has a Rawa Kucing final disposal (TPA) which is operated by the landfilling method. However, the rapid urbanization, commercial activities and public services in Tangerang City, especially related to the increasing activities of Soekarno Hatta International Airport, have resulted in an increasing amount of waste generation. Without good planning and anticipation, the unpreparedness of waste facilities can result in stagnation of Tangerang city's economic growth.

2 Literature Review

2.1 Existing Waste Management

Law of the Republic of Indonesia Number 18 of 2008 concerning Waste Management ("Waste Management Law") states that waste management is a systematic, comprehensive, and sustainable activity and includes waste reduction and handling activities [4].

According to data from the Ministry of Environment and Forestry, as stated in the National Strategy Policy (Jakstranas) in Waste Management, it is estimated that by 2025 there will be around 71.3 million tons of waste generation in a year or around 195 thousand tons per day with a target of reducing waste by 20.9 million tons per day (30%) and handling waste by 49.9 million tons per day (70%) (Presidential Regulation Number 97 of 2017) [5]. Based on an analysis from Sustainable Waste Indonesia (SWI), production, commodity trade, and consumption continue to grow as the economic and population levels in Indonesia grow. Post-consumption, products and their packaging become waste that can become an environmental burden.

The source of waste in Tangerang City comes from various population activities concentrated on residential, commercial and public facilities locations, with the value of waste generation reaching 3.28 L/person/day or 0.8647 kg/person/day (Revision of the Tangerang City Waste Masterplan, 2021) [2]. The value of waste generation is higher than the standard waste generation for metropolitan cities, which is 3 L/person/day or 0.7 kg/person/day (SNI-3242-2008) [3]. Based on this generation figure, currently Tangerang City's waste generation has reached 1,682 tons/day so that in 2022 it is targeted to handle waste by 78% and reduce waste by 22% [1].

Based on data, the realization of the Jakstrada target in 2021 has relatively met the target, where the waste that has been handled reaches 393,715 tons (81.3%) and the waste that has been successfully reduced by 90,581 tons (18.7%) [2]. The waste handling figure is still dominated by waste transportation activities to be landfilled, while the waste reduction figure is obtained from waste generation restriction activities as much 72,951 tons (15.06%), utilized waste as much 890 tons (0.18%), and recycled waste as much 19,739 tons (3.48%) [2].

2.2 The Urgency of Waste Treatment Technology

In the waste management scenario developed for the planning period of 2022–2040, Tangerang City still needs final processing activities, considering that during those 20 years, it is still not possible to carry out waste processing up to 100%. Therefore, it is still necessary to have a landfill or Waste Final Processing Site for the next 20 years. Currently, the mainstay landfill of Tangerang City is the Rawa Kucing final disposal which has been operating since around 1998, in a controlled landfill.

2.3 Waste Processing Industrialization Technology

Considering the importance role of Tangerang City in providing its services to Soekarno Hatta International Airport which is the main gate of the capital city of DKI Jakarta, the waste management project in Tangerang City is:

a. Designated as a National Strategic Project in the Presidential Regulation of the Republic of Indonesia No. 03 of 2016, and re-established in the Presidential Regulation of the Republic of Indonesia No. 58 of 2017, to facilitate its licensing;
b. It has been determined to accelerate its implementation in the context of processing waste into energy, in the Presidential Regulation of the Republic of Indonesia No. 18 of 2018 which has been replaced by Presidential Regulation of the Republic of Indonesia No. 35 of 2018 [6].

Tangerang City plans to build Waste Processing into Electrical Energy (PSEL) through Environmentally Friendly Technology using thermal technology, as one of the solutions for overcoming waste in Tangerang City which has been handled at the Rawa Kucing final disposal, where the landfill area is shrinking due to the increasing volume of waste entering. With the current landfill operations, it is replaced using industrialization scale technology.

The technology chosen is thermal-based technology, namely: incineration, gasification, and pyrolysis – which is equipped with the right Air Pollution Control System, making it environmentally friendly. The remaining burning ash, managed with qualified rules, either in the Cat Swamp landfill, or outside the Rawa Kucing, if categorized as B3 Waste. Comparing all the types of thermal technology, incineration technology has the highest track record, so it can be regarded as a proven technology. Gasification and pyrolysis technologies are not considered because the population is not yet high. Environmentally friendly aspects can be achieved by paying attention to the proper air pollution control system and the management of the combustion ash produced.

In addition to thermal incineration technology, there is another option, namely the generation of electricity with anaerobic biological technology at the Rawa Kucing final disposal to cover the shortcomings or obstacles faced by Incineration Thermal Technology related to the proximity of the Rawa Kucing final disposal location to the Soekarno Hatta.

Airport aviation operational safety area (KKOP). However, this anaerobic biological technology is hit by the inability of anaerobic biological technology to manage the entire portion of waste that enters the Rawa Kucing final disposal so that it still leaves a large enough portion of unmanaged waste and still burdens the landfill.

3   Results and Discussion

3.1   Waste Management Solution of Tangerang City

Waste handling targets can be achieved mostly through waste transportation activities to landfill. As for the waste reduction target, it can be achieved with several activities.

TPS3R. Tangerang City has started a waste processing program at source on an area scale in the form of TPS3R that developed from 2012, with an area ranging from 100–200 m2 and a workforce of 3–6 people per location and spread across several urban villages. Due to limited land in urban areas, until now it has only been built and operated 8 (eight) TPS3R with a total waste processing capacity of +8.4 tons/day with still leaving 3.5 tons of residue that must be transported to the landfill.

Restrictions on single-use plastic Bags. The Tangerang City Environment Agency has started a program to limit plastic bags/single-use packaging since 2018 [7]. This program started from all employees within the Tangerang City Environmental Agency through the Letter of the Head of the Office Number 660/518-Keb/2018, where all employees and official activities are urged to no longer use beverages and packaged food which are replaced with tumblers and use water stations, glasses, and plates for serving during meeting activities [7].

In the same year, the Tangerang City Environmental Agency through the Letter of the Mayor of Tangerang Number 800/005027-DLH/2018 also began to impose this program of limiting plastic bags/single-use packaging to all Regional Organizations (OPD) and Schools in Tangerang City. Continuing the following year, the Tangerang City Environment Agency began to impose a program to limit plastic bags/single-use packaging for retail circles [7].

Retailers are asked to be able to encourage and socialize consumers to bring their own shopping bags, in addition to that, retailers are also asked to provide reusable shopping bags at affordable prices, and provide cardboard as an alternative for consumers to bring their groceries.

With the implementation of the plastic bag/packaging restriction program once in Tangerang City, it can reduce waste generation and reduce the burden of landfill from plastic waste. In 2019, it can be reported that the restriction of waste generation in Tangerang City reached 55,149.68 tons [2]. Following the economic growth and population of Tangerang City, in 2020 and 2021 there were 71,770.32 tons of waste generation restrictions in Tangerang City and 72,951.84 tons of waste [2].

Waste Bank Program. In addition to limiting waste generation, the Tangerang City Environmental Agency also continues to strive waste reduction at the source by collecting sellable and recyclable waste through the Waste Bank program. In 2016, the Tangerang City Government launched the 1000 Waste Bank program with the aim of educating the people of Tangerang City that well-managed waste will be able to provide economic value.

Although initially this program was quite successful, so that 350 units of waste banks were formed spread throughout the Tangerang City area in 2018, but currently there are only about 155 units of waste banks that are registered and only about 50 units are actively carrying out transaction activities with customers of local residents. One of the obstacles that arises is the absence of the Main Waste Bank in Tangerang City, so the waste bank units are not facilitated to sell inorganic waste and are forced to still rely on existing stalls. Due to the existence of inorganic waste collection stalls that are limited and not located around the location of existing waste banks, the purchase price of waste offered by stalls is often below market prices because it considers transportation costs.

To overcome this matters, the Environmental Agency began in 2018 initiate the Garbage Pick-up program using a fleet of pick-up vehicles to pick up and help sell to existing stalls [7]. However, due to limited vehicles and human resources, the program is still unable to serve all existing waste banks so that gradually the number of active waste bank units will decrease.

As an effort to maintain and also be able to increase the activeness of the remaining waste bank units, starting in 2022, the Tangerang City Government through the Environmental Agency provides incentives to active waste bank units. It is hoped that the provision of this incentive can increase the enthusiasm of waste bank administrators to socialize the waste bank program to local residents so as to increase the number of waste bank customers.

From the Waste Bank that is already active in Tangerang City, it is expected to extend the life of the Rawa Kucing final disposal with a decrease in inorganic waste that enters. In addition, the community can feel the economic benefits directly through the Waste Bank program.

Waste for Donation Program. Starting from the Waste Bank program that has been running, starting in mid-2017 the Tangerang City Environmental Agency innovated the Waste for Donation program. This program was launched with the aim of providing benefits in financing environmental care, education, health, and to awaken MSMEs in Tangerang City.

The Waste for Donation program has so far been registered to have helped reduce waste from the source by 51,549 kg with a value of Rp. 84,573,000. Through collaboration with Baznas Kota Tangerang, the value collected from the waste for donation program has been distributed to provide scholarships to underprivileged Tangerang City students, help with medical expenses or operations cost for the poor, and to form a Zismart, the sale of basic necessities with inorganic waste exchange.

For the people of Tangerang City who want to participate in the Waste for Donation program, they can contact the call center of the Tangerang City Environmental Agency at 08111-631-631 which will then be scheduled for pick-up of their waste on the condition that the waste has been sorted first.

Used Cooking Oil for Donation Program. Cooking oil is one of the needs of the community that is almost found in every household in Indonesia. The culture of all-fried food makes cooking oil one of the basic needs for the people of Indonesia, which in the end causes problems because most of the remaining products from the use of cooking oil are simply thrown into the sewerage from the kitchen. Used cooking oil waste discharged into these waters can cause an increase in levels of Chemical Oxygen Demand (COD) and Biological Oxygen Demand (BOD) due to the high content of organic matter. In addition, it can cover the surface of the water by oil layer, resulting in the death of aquatic biota due to lack of oxygen.

Cooking oil that has been used will contain carcinogenic compounds that arise due to continuous heating at high temperatures, so that used cooking oil which is a waste of cooking oil after heating, when used to fry or reheat will potentially trigger the emergence of cancer. On the other hand, used cooking oil has a very high triglyceride content, which can be processed into biodiesel through a trans-estrification chemical reaction. Biodiesel is currently very rapidly developing in Indonesia because it is driven by government policies to increase the use of biofuels as an energy mix in Indonesia. Compared to palm oil, which is also one of the sources of biodiesel feedstock in Indonesia, used cooking oil has the main advantage of converting waste into products that have use value. This is the essence of the circular economy principle.

The main advantages of biodiesel production using used cooking oil feedstock include (1) the highest percentage of CO_2 emission reduction, ranging from 80–90% and (2) a very low price compared to palm oil. The use of used cooking oil into biodiesel currently still encounters several challenges in the following: (1) uncertain supply, and (2) the quality of feedstock that is not consistent because it is very dependent on the supplier or source of used cooking oil.

However, in order to participate in preserving the environment and preventing the adverse impact of used cooking oil on health as well as an effort to implement circular economy principles, the Tangerang City Environmental Agency facilitates the collection of used cooking oil from the community, both through waste banks and waste for donation program, as well as distributing the oil to CV Jelantah Life, as a used cooking oil processing company, which collaborates through the BETAH (Beli Jelantah) program.

The collaboration, which started from 2019 until now, has succeeded in responsibly managing 1,822 L of used cooking oil (as of June 2021). Through this management, the contribution to environmental conservation in the form of reducing CO_2 emissions from 2019–2021 has reached 4,842 kg equivalent (calculation method based on the Renewable Energy Directive (RED) II policy) and saving clean water ecosystems as much as 911 million liters (calculation method based on a journal entitled Biodiesel: Feedstocks and Process Technology) [2].

UBC Sales Program (Used Beverage Cartons). UBC (Used Beverage Cartons) is a packaging made of 75% paper and 25% aluminum which is usually used as a container for liquid milk or soft drinks such as fruit juice. The type of UBC waste is a type of waste that is commonly found in households, but still has a fairly low economic value, because it is considered low to be reused by stalls.

To overcome these problems and ensure the recycling process of UBC packaging, PT Tetra Pak Indonesia (one of the UBC producers) in collaboration with Waste4Change

(waste management organization/business actor) built the UBC Value Chain System, a system with a collaborative approach of all stakeholders involved from producers to consumers.

At the end of 2019, the Environment Agency also joined this system, where each waste bank unit can receive types of UBC waste from the community which will then be converted into their savings value. As of 2021, 794.35 kg of UBC has been collected with a sales value of IDR 794,000,- [2].

3.2 Waste Treatment Technology in Tangerang City

In relation to waste handling, Tangerang City currently has a Rawa Kucing Final Disposal (TPA) which is operated by the landfill method. However, the rapid urbanization, commercial activities and public services in Tangerang City, especially related to the increasing activities of Soekarno Hatta International Airport, have resulted in an increasing amount of waste generation. Without good planning and anticipation, the unpreparedness of waste facilities can result in stagnation of tangerang city's economic growth.

The calculation of the projected population is closely related to the amount of waste generation to be managed. The projected population of Tangerang City until the end of the design period in 2040 with a population growth rate in accordance with BPS data of 1.63% and the generation of existing waste in settlements of 3.28 L/person/day, with a domestic waste weight of 0.86 kg/person/day. Can be seen in the Table 1.:

The area of the Rawa Kucing final disposal is approximately 31,125 ha with a total of 7 landfill zones covering an area of 23.39 ha consisting of 1 active zone, 4 non-active zones, and 2 zones that are reactivated to accommodate new waste inputs to the Rawa Kucing final disposal.

By paying attention to the relatively low level of waste reduction at the source and the high level of waste transportation services cause the capacity of the landfill capacity to decrease, which based on the calculation of estimates is only able to accommodate waste for approximately the next 12 months.

Taking into account the matters above, the Tangerang City Government intends to realize a waste processing facility that is able to support the growth of Tangerang city's economic activities in the next 25 years, by implementing the use of technology that leads to the scale of industrialization.

3.3 Waste Processing Industrialization Technology

Taking into account the advantages and disadvantages of each of these technologies, a new option is pursued, namely the hybrid option, namely combining thermal technology and anaerobic biological technology to optimize the final processing of waste so that it is able to manage the entire portion of waste entering the Rawa Kucing final disposal.

In the recommended management system, the entire operation of downstream waste treatment in Tangerang City occurs at the Rawa Kucing final disposal. The waste that has been collected by the Tangerang City Environmental Agency is sent to the Rawa Kucing final disposal. After the weighing and checking process, the waste is received

Table 1. Waste Management Projections

Year	Population	Waste Generation Projections	Service Targets
	(Soul)	(tons/day)	(tons/day)
2022	1.956.142	1.682	1.312
2023	1.986.469	1.708	1.333
2024	2.016.797	1.734	1.353
2025	2.047.125	1.761	1.373
2026	2.077.453	1.787	1.394
2027	2.107.780	1.813	1.414
2028	2.138.108	1.839	1.434
2029	2.168.436	1.865	1.455
2030	2.198.764	1.891	1.475
2031	2.229.092	1.917	1.495
2032	2.259.419	1.943	1.516
2033	2.289.747	1.969	1.536
2034	2.320.075	1.995	1.556
2035	2.350.403	2.021	1.577
2036	2.380.730	2.047	1.597
2037	2.411.058	2.074	1.617
2038	2.441.386	2.100	1.638
2039	2.471.714	2.126	1.658
2040	2.502.042	2.152	1.678

Source: Revision of the Waste Masterplan, 2021[2]

at the MRF Plant facility, where organic materials are isolated with various mechanical machines (shredder, sieve/screen, expeller, etc.). This organic material is then processed in an anaerobic biological system that facilitates the anaerobic decomposition process so that there is an acceleration of decay and produce gases. This gas is then purified and converted into electricity in a Waste Power Plant (PLTSa) Gas.

The MRF Plant facility also isolates unprocessable materials such as sand, building scraps, broken glass, porcelain, and other materials, which because they cannot be reprocessed are directly stockpiled into inert landfills that are also located in the Cat Swamp hoarding zone. This material, after reaching a sufficient volume in the future, has the potential to be further processed into recycle able building material.

The remaining material is a material with a high level of non-recycled plastic, which is then purified and homogenized in RDF production processes such as enumeration, metal picking, and density sorting, into RDF grade that has an efficient calorific value for logistics and combustion processes.

These sorting processes are designed to be able to:

- raising the calorific value of fresh waste, which is 1,400 kcal/kg to 2,600 kcal/kg
- lowering the moisture content of litter from 68% to 48%
- lowered the ash content from 19% to 7%.

The planned combustion system uses stoker grate technology common in boiler waste combustion technology equipped with an Air Pollution Control System that is able to meet European standard air emission levels, with combustion efficiency levels reaching 25%. To minimize the amount of waste to be landfilled, each element of waste processing described earlier, must be designed with a capacity capable of managing all incoming waste.

MRF Plant. The MRF Plant facility has functions to receive all the garbage that goes into the Rawa Kucing final disposal, sorting the initial waste, where the waste will be separated between waste that is easy to decompose and one that is not easy to; waste that is easy to decompose will go to the organic processing facility, while waste that is not easy to rot will go to the RDF production facility.

The components of the MRF Plant consist at least of:

- Tipping floor, waste pit, and feeding system;
- Shredder/Cutter/Bag Opener;
- Organic separators at least can set aside up to 75% of existing organic waste.

RDF Plant. In RDF production facilities, waste not easily decomposed will be processed and further sorted to set aside inert materials, B3, and recycled materials (in this case metal materials), so as to produce RDF product output with controlled quality and high calorific value. The RDF Plant facilities consist of at least:

- Magnetic separator, to set aside metal materials that are not good for combustion;
- Density separator, to separate inert materials that have high type time characteristics so that they are not flammable;
- Secondary Shredder, to chop the RDF into a smaller size, so that there is no material larger than 300 mm.

Biological Systems Circuit. The system will consist of:

- Pre-treatment system that serves to carry out advanced sorting and maintain the quality of waste inputs easily decomposed into the anaerobic system. Reject or the rest of this unit is organic materials that are slightly mixed with other materials (plastic, fabric, etc.) so that they will be returned to the RDF production unit for further sorting so that the waste material can be recovered optimally;
- Anaerobic System, in this unit, the input of easily decomposed organic waste that has gone through the pretreatment system will be processed through anaerobic biodegradation to produce methane gas which will later be used by gas engine generators to produce electricity that will be sold to PLN.
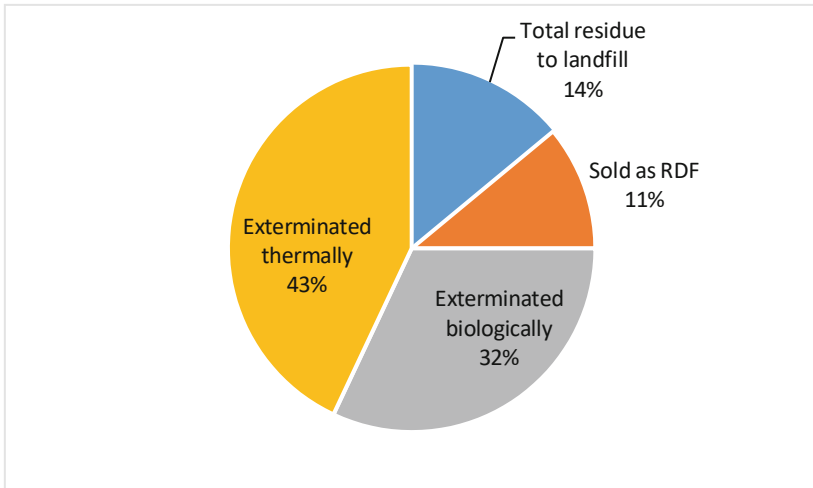
Fig. 1. Material Management in Rawa Kucing Waste Treatment Plant. Source: [7]

- Gas Engine Generator, in this unit will be generated electricity by utilizing methane gas as fuel produced by the anaerobic system unit. The electricity generated will then be channeled to the PLN grid.

The implementation of the project plan as described in the development plan, then the materials that will be permanently landfilled in the Rawa Kucing are inert materials from the main processing facilities and harmless ash left over from the combustion of the RDF (about 14% from the initial period).

The remaining materials of the anaerobic process are in the form of leachate and digestate. Leachate will be treated properly so that it meets quality standards and water can be discharged into water bodies or reused for watering, while digestate is a nutrient-rich humus material that can be used for fertilization in green areas. These two residuals along with the carbon period in organic waste converted into methane gas are considered biologically destroyed materials (about 32%).

RDF delivered and burned at RDF combustion facilities to generate electricity is put into the category of thermally destroyed waste (about 43%) while the remaining RDF is RDF sold to third parties (about 11%) (Fig. 1).

The impact of the implementation of the facility is optimal land use and can maintain the capacity of the Rawa Kucing hoarding until 2047 without the implementation of land restoration.

Based on the results of projections and considering the natural decomposition factor (decay factor). The landfill requirement during the project period until 2047 is 1,023,479 m^3 while the remaining stockpiling capacity in the Rawa Kucing final disposal is currently 1,279,635 m^3. Thus, at the end of the project period, it is estimated that there will still be a remaining landfill capacity in the Rawa Kucing final disposal of around 250,000 m^3.

4 Conclusion

It is time for the waste management system in metropolitan cities to include elements of industrialization-scale technology in the waste processing process so that it is not just hoarded in landfills.

The need for landfill land for landfilling activities is relatively large because waste is not significantly reduced. Just relying on the rate of waste decomposition naturally is not enough because the level of waste generation is increasing as the population grows.

Landfilling alone does not solve the waste problem, it will even become a potential problem in the future if the level of municipal hygiene services and waste transportation cannot be balanced by the availability and adequate landfill capacity.

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Analysis of Publishing Information and Popular Topics of Tax Accounting Periodical Issues in Indonesia

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Abstract. The purpose of this study is to analyze information on the completeness of publications along with popular article topics in the periodical publications of Tax Accounting in Indonesia, by descriptively analyzing each publication site that can be accessed online through the Science and Technology Index (SINTA). This research is a development of previous research, trying to examine the completeness of identity and publishing information as well as popular topics of taxation research as a sub-area of accounting. This research was carried out with a qualitative approach, and the type of research used was the historical research method. Sources of data were obtained through secondary data, which was obtained from the SINTA database of the Ministry of Research, Technology and Higher Education, ISSN LIPI, and published websites. Popular topic analysis techniques use the online application Voyant Tools. The results showed that the completeness of identity and information on the issuance of tax accounting periodicals in Indonesia which were categorized as economic in SINTA for 20 years (2002–2021 period) was around 646 articles with 47 nationally accredited journals of nationally accredited journals. The most popular topic in tax accounting periodicals in Indonesia is still focusing on the term "tax" which illustrates that "tax" is still the object that writers are most interested in different contexts, and the topic of tax "compliance" will most likely become a topic of interest. Popular in the study of taxation in the future.

Keywords: Publishing · Periodic Issues · Taxation · Voyant Tools

1 Introduction

In this digital era, scientific publications show very rapid development, not only through print media but also through open access and electronic (e-journals), especially in research and development institutions and professional organizations. Such educational institutions have also begun to publish many journals, both through standard journal publishing applications and through the institution's website [1]. This also has an impact on the rise of periodical publications in the field of accounting which have several categories of discussion including financial accounting, managerial accounting, cost accounting, taxation, auditing, and others.

The periodic publication is a means of publication in various media and various parts of the publication which are usually accompanied by numbering and order of publication, with certain policies periodically for each publication [1]. According to SNI ISO 215:2014, periodical publications such as serials or serial publications are publications that generally provide various fields, especially shown to provide technical and general scientific information. The results of the study [2] state that based on ISO 3297:2007 regulations, periodical publications are a means of publication in any publishing media carried out for an unspecified time continuously (regularly) and sequentially.

From 1960 to 2007 the number of published papers increased significantly in accounting journals [3]. The results of the research conducted have been published in accredited journals which in terms of themes, methods, the magnitude of the contribution of accounting research by looking at citations, and the most influential journals in accounting can be used as a reference for researchers in conducting further research [4]. In this study, researchers are interested in analyzing information in publications along with popular journal topics in periodicals in the field of accounting in economic journals in Indonesia indexed by the Science and Technology Index (SINTA). This research is a modification and development of previous research. The development of this research lies in the object used in the form of updating tax articles in the last 20 years with the expansion of reach on the SINTA website and the use of Voyant Tools as an analytical tool as well as the completeness of a publishing journal. This study tries to examine the completeness of identity and publishing information as well as popular topics of taxation research as an accounting sub-area from time to time in economic journals in Indonesia indexed by SINTA.

SINTA Index is one of the most popular journal indexing institutions in Indonesia. The SINTA Index provides performance assessment information from various journals sourced from accreditation and citation standards by making a list of important terms that have been accredited by the National Journal Accreditation (ARJUNA). SINTA provides easy and fast access to both international and national research journals that are included on the index page. There are only 190 scientific journals accredited by LIPI and 172 scientific journals accredited to DIKTI which are still few in 2016 [5].

Voyant Tools is a term analysis application tool that presents images through large (letters) writing by describing the most frequently used words. In this study, the most frequently used terms refer to popular topics for accounting periodicals in Indonesia. Publishing information on journal websites from the English-language OJS (open journal system) platform and the limited scope of publication are still a bit difficult for the author to submit articles to the intended publication [1]. Different policies in each published article affect various changes in the topic of journal discussion, which has the same core, namely accounting.

The development of accounting research and tax research is very interesting for research. There were no studies that specifically discussed the topic of taxation with statistical analysis from the best accounting journals [6]. Whereas an analysis that focuses on one topic is important in evaluating the performance of accounting academics [7]. Previous studies that reviewed taxation papers were conducted using descriptive analysis [8–10]. Although the review was carried out comprehensively, the lack of statistical analysis made it difficult to obtain information on the development of tax research.

Tax research areas can be grouped into four main areas of research, including the role of income tax expense information for financial accounting which explains the issues surrounding the difference between book income and taxable income concerning its implications for financial reporting and differences between accounting profit and taxable income concerning the implications for financial reporting [9]. Tax avoidance relates to tax avoidance by the company, the impact of tax on the company's decision-making processes including investment, capital structure, and organizational form, as well as which tax policies are effective in terms of the real impact on company decisions. Investor-level taxes and asset pricing are related to research on the impact of dividends on investors and taxes on capital gains on stock values.

Tax research has a long and broad story in various scientific disciplines [9]. The multidisciplinary nature of tax research is interesting but difficult to do. It is said to be difficult because they have to study tax studies in the fields of accounting, finance, economics, and law as well as language differences that make taxes have many different perspectives [9]. Become a reference for subsequent tax studies, including [4, 6, 8–14].

Based on the facts from previous research portraits related to the development of accounting research and tax research that have been published in the best international accounting journals and international taxation journals, it is explained that the comparison level of tax articles is still below audit, managerial accounting, and financial accounting articles and several tax researches mostly choose archival/empirical methodology [4]. This research, however, has contributed to the development of accounting. The existence of historical evidence on the development of tax research as a sub-field of accounting in prestigious national scientific forums for Indonesian accountants can be used as material for evaluating the performance of accounting academics [7]. This research also provides insight and literature review for further researchers who are interested in taxation as a sub-field of accounting on general issues/topics, methods, characteristics of authors, market share of tax research as a sub-field of accounting at the national level of scientific forums in Indonesia and suggest some important points for further research.

2 Methodology

This study uses a qualitative approach. The type of research used is the historical research method. The data used in this study is secondary data, sourced from the SINTA database of the Ministry of Research, Technology and Higher Education, ISSN LIPI, and the website of the periodical publication of Tax Accounting in Indonesia. Data searches on published websites were carried out from 2002–2021.

The population of this study was 16,756 articles from 62 economic category journals with an index score of 2 accredited by SINTA for the period 2002–2021. The research sample is 646 tax articles with several articles that can be accessed only as many as 268 articles. The sampling technique used was purposive sampling. The journals were selected based on several criteria, namely:

1. Journals published in the economic category with tax articles;
2. Accredited by SINTA Kemenristekdikti with an index of Score 2 (S2), because Sinta with a score of 2 indicates that the journal received a score in a good category;

3. Publish articles regularly in the period 2002–2021;
4. Complete articles, both identity and published information that can be accessed openly;
5. Article collection based on data related to taxation. The selection of taxes is done because according to research conducted by Irsyad and Martani (2013), that research on the topic of taxation is still low compared to research on finance, managerial, auditing, and corporate governance.

Based on these criteria, from 62 economic category journals that meet these criteria (included in the Sinta 2 category) as many as 47 journals.

3   Result and Discussion

3.1   Result

Based on the information in the Kemenristekdikti SINTA database, there are 62 journals in the economic category with articles containing research on taxes (Appendix 1). Of the 62 publications, there are 7 publications whose website links are unstable which results in the website being inaccessible regularly, including the Journal of Accounting, Indonesian Management Journal (JMI), Journal Of Accounting And Investment, ATESTATION: Journal of Scientific Accounting, Journal of Accounting Dynamics and Business, JASF (Journal Of Accounting and Strategic Finance), and Scientific Journal of Accounting (JIA). From these data it can be said that all publications have complied with e-journal publishing regulations because they have completed the naming of the publication, online ISSN, and website links, which are important references in applying for national journal accreditation by the Ministry of Research, Technology and Higher Education through the ARJUNA database (http://arjuna.ristekbrin.go.id). Referring to the predetermined criteria, 47 journals will be analyzed using Voyant Tools, as shown in Table 1.

Referring to the Journal data in Appendix 1, several things can be explained as follows:

1. Journal editorial contact, has provided complete information in the form of mobile/telephone number, e-mail, and publisher's address.
2. Instructions for writing manuscripts for authors, most of the journals (58 journals) have clearly stated template information. However, there are 4 journals that have not provided this information, so they must contact the editor before writing. Among them is the Indonesian Journal of Sustainability Accounting and Management, The Indonesian Accounting Review, Journal of Accounting, Business and Management (JABM), and Journal of Indonesian Economy and Business.
3. Legal-formal policy, complete privacy, access, and copyright policy are also explained. Access-related policies govern policies for readers, writers, and content accessors openly and/or privately regarding permission to access the journal. Copyright includes publication rights, moral rights, and exclusive rights for interested parties such as authors and publishers. And privacy that will protect authors, publishers, editors, and reviewers in the event of a conflict in journal publishing in terms of good name and personal protection. There are 3 journals that have not

Table 1. List of Accredited Periodicals

No	Journal Name	ISSN/PISSN
1	Jurnal ASET (Akuntansi Riset)	ISSN: 25410342 | PISSN: 25410342
2	Jurnal Akuntansi dan Auditing Indonesia	ISSN: 25286528 | PISSN:
3	Jurnal Keuangan dan Perbankan	ISSN: 24432687 | PISSN: 14108089
4	Indonesian Journal of Sustainability Accounting and Management	ISSN: 25976222 | PISSN: 25976222
5	Jurnal Wawasan Yuridika	ISSN: 25490753 | PISSN: 25490753
6	Jurnal Minds: Manajemen Ide dan Inspirasi	ISSN: 25976990 | PISSN: 24424951
7	Falah: Jurnal Ekonomi Syariah	ISSN: 25027824 | PISSN: 25027824
8	JEJAK: Jurnal Ekonomi dan Kebijakan	ISSN: 24605123 | PISSN:
9	Jurnal Akuntansi dan Keuangan	ISSN: 23388137 | PISSN: 23388137
10	Jurnal Akuntansi Multiparadigma	ISSN: 20895879 | PISSN:
11	Jurnal Ekonomi dan Bisnis	ISSN: 25280147 | PISSN: 25280147
12	International Research Journal of Business Studies	ISSN: 23384565 | PISSN:
13	JEMA: Jurnal Ilmiah Bidang Akuntansi dan Manajemen	ISSN: 25974017 | PISSN:
14	Journal of Economics, Business, & Accountancy Ventura	ISSN: 2888785X | PISSN:
15	Jurnal Ekonomi Kuantitatif Terapan	ISSN: 23030186 | PISSN:
16	Global Review of Islamic Economics and Business	ISSN: 23387920 | PISSN: 23382619
17	Jurnal Ilmiah Akuntansi dan Bisnis	ISSN: 23031018 | PISSN: 23031018
18	Shirkah Journal of Economics and Business	ISSN: 25034243 | PISSN: 25034243
19	Indonesian Journal of Business and Entrepreneurship	ISSN: 24077321 | PISSN:
20	SOSIOHUMANIORA: Jurnal Ilmu-ilmu Sosial dan Humaniora	ISSN: 24432660 | PISSN: 14110911
21	Media Ekonomi dan Manajemen	ISSN: 25034464 | PISSN: 25034464
22	Jurnal Reviu Akuntansi dan Keuangan	ISSN: 26152223 | PISSN: 20880685
23	Media Riset Akuntansi, Auditing & Informasi	ISSN: 24429708 | PISSN: 24429708
24	Jurnal Ekonomi Pembangunan: Kajian Masalah Ekonomi dan Pembangunan	ISSN: 24609331 | PISSN: 14116081
25	Inferensi: Jurnal Penelitian Sosial Keagamaan	ISSN: 2502142 | PISSN: 1978733

Table 1. (*continued*)

No	Journal Name	ISSN/PISSN
26	TSAQAFAH	ISSN: 24600008 | PISSN: 24600008
27	Journal of Innovation in Business and Economics	ISSN: 25812025 | PISSN: 25809431
28	Economica: Jurnal Ekonomi Islam	ISSN: 25414666 | PISSN: 25414666
29	JURNAL KAJIAN AKUNTANSI	ISSN: 25799991 | PISSN: 25799975
30	ASSETS: Jurnal Akuntansi dan Pendidikan	ISSN: 24776251 | PISSN: 23026251
31	Jurnal Siasat Bisnis	ISSN: 25287001 | PISSN:
32	AdBispreneur: Jurnal Pemikiran dan Penelitian Administrasi Bisnis dan Kewirausahaan	ISSN: 25499912 | PISSN: 25032755
33	Al-Iqtishad: Jurnal Ilmu Ekonomi Syariah (Journal of Islamic Economics)	ISSN: 24078654 | PISSN: 24078654
34	Jurnal Ekonomi dan Pembangunan Indonesia	ISSN: 24069280 | PISSN:
35	Jurnal Manajemen & Agribisnis	ISSN: 24072524 | PISSN: 24072524
36	Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara, dan Kebijakan Publik	ISSN: 26224399 | PISSN: 25272721
37	Signifikan: Jurnal Ilmu Ekonomi	ISSN: 24769223 | PISSN:
38	Jurnal Akuntansi dan Bisnis	ISSN: 25805444 | PISSN: 25805444
39	Jurnal Organisasi dan Manajemen	ISSN: 24429155 | PISSN: 20859686
40	Journal of Indonesian Economy and Business	ISSN: 23385847 | PISSN:
41	Jurnal Akuntansi dan Keuangan Indonesia	ISSN: 24069701 | PISSN: 24069701
42	Buletin Ilmiah Litbang Perdagangan	ISSN: 25282751 | PISSN:
43	BISMA (Bisnis dan Manajemen)	ISSN: 25497790 | PISSN: 19797192
44	Jurnal Sosial Ekonomi Kelautan dan Perikanan	ISSN: 25274805 | PISSN: 20888449
45	Jurnal Ekonomi dan Studi Pembangunan	ISSN: 25027115 | PISSN: 25027115
46	Riset Akuntansi dan Keuangan Indonesia	ISSN: 25416111 | PISSN: 25416111
47	International Business and Accounting Research Journal	ISSN: 25490303 | PISSN: 25490303

Source: SINTA Kemenristekdikti (2022)

completed the policy information, including the Media for Accounting Research, Auditing & Information, the Indonesian Journal of Accounting and Finance, and The Indonesian Journal of Accounting Research.

4. Journal publishing costs, most journals apply a price or fee to the author in publishing to improve the quality of a publication and the performance of journal management. There are 13 journals that do not charge fees including the Indonesian Journal of Sustainability Accounting and Management; Journal of Accounting Dynamics; Indonesian Journal of Sustainability Accounting and Management; TRACK: Journal of Economics and Policy; International Research Journal of Business Studies; Global Review of Islamic Economics and Business; Shirkah Journal of Economics and Business; Journal of Innovation in Business and Economics; Economica: Journal of Islamic Economics; Al-Iqtishad: Journal of Islamic Economics (Journal of Islamic Economics); Indonesian Treasury Review: Journal of Treasury, State Finance, and Public Policy; Journal of Indonesian Economy and Business; Journal of Socio-Economic Marine and Fisheries; and the International Business and Accounting Research Journal.

5. The frequency of journal publishing, the average journal publishes 2–4 times a year. This is done to fulfill the accreditation requirements of the journal which requires it to be published 2 times with a minimum of 5 articles per case in a year. There are 2 journals that publish 4 times a year, including Indonesian treasury review: financial and banking journals; and journals of the treasury, finance, state, and public policy. There are 15 journals that have been published 3 times a year, including the Indonesian management journal (JMI), the journal of accounting and investment, the multiparadigm accounting journal, the international research journal of business studies, the journal of economics, business, & venture accounting, the Shirkah journal of economics and business, binus business review, Indonesian journal of business and entrepreneurship, SOSIOHUMANIORA: journal of social sciences and humanities, journal of accounting and finance review, AdBispreneur: journal of thought and research on business administration and entrepreneurship, journal of Indonesian economy and business, the Indonesian journal of accounting research, and Indonesian accounting and finance research. The rest publish 2 times a year.

6. Plagiarism, most publishers (43 journals) have informed the application of checking the authenticity of the author's manuscript. The checking application used the most is Turnitin, some use Grammarly, killbot, and publons. Some journals have not provided information about plagiarism applications, so they are expected to update and install the application used for checking manuscripts for authors immediately.

7. Indexer database, all publications have been indexed in indexing databases that have national and global (international) reputations. The national indexing databases used include SINTA, Garuda (Garba Reference Digital), Indonesia One Search (IOS), Indonesian Publication Index (IPI), and Indonesian Scientific Journal Database. Meanwhile, the global indexing databases used include Google Scholar, DOAJ, WorldCat, Academic Microsoft, Mendeley, Harvard Library, Norwegian Register for Scientific Journals, Series and Publishers (NSD), Bielefeld Academic Search, Moraref, Irish Periodical Database, Sherpa Romeo, Copernicus Index, Crossref, Emerging Sources Citation Index (Web of Science), Australian Business Deans Council (ABDC), SCOPUS, EBSCOHost (Business Source Corporate Plus and Business Source Complete), EconLit, ProQuest, Universal Impact Factor, Directory of Abstract Indexing for Journal, academic resort index (researchBib), DIMENSIONS, BASE-Bielefeld Academic Research. From several national and

global indexing databases, it is known that the SINTA, Garuda, Google Scholar, and DOAJ databases are owned by almost all publications.

8. Most periodicals use the reference manager as an application for writing citations and a bibliography for authors. The most widely used reference manager application is Mendeley, followed by Zotero and Endnote applications. There are 11 journals that do not require manuscript writing with a reference manager application, namely the Journal of Applied Quantitative Economics; Journal of Accounting and Finance Review; TSAQAFAH; Journal of Innovation in Business and Economics; Business Strategy Journal; The Indonesian Accounting Review; Indonesian Journal of Economics and Development; The Indonesian Journal of Accounting Research; Trichonomika: Journal of Economics; ACRUALS: ACCOUNTING JOURNAL; and Journal of Economics & Business Education (Electronic Edition).

9. Access statistics, as many as 55 journals from periodicals have included applications related to the calculation of access statistics on the published website. The most widely used statistical counter applications are Statcounter, Flagcounter, and Matomo. The application is open source and can be directly installed online on the published website. Several publications that have not installed statistical calculation applications (7 journals), such as the Journal of Accounting Dynamics; Binus Business Review; The Indonesian Accounting Review; Journal of Accounting, Business, and Management (JABM); The Indonesian Journal of Accounting Research; Trichonomika: Journal of Economics; and the Journal of Economics & Business Education (Electronic Edition) is expected to be able to immediately install and update it so that it can find out the number of visitors who access the journal within a certain period.

10. The editorial team, most of which are periodicals, has provided information regarding the editorial team (editors & reviewers) on the publication's website. Each issue has a different editorial composition, depending on the policies of each journal manager. This does not affect the accreditation assessment as long as everyone involved in it works according to their editorial role and is spread out from various institutions. Each person's name listed is allowed to use an academic title and institution of origin, as long as the writing is consistent. The composition of the editor and reviewer team on the published website is made separately (different menu links) because both have different duties and responsibilities. In general, most publications have the following editorial structure: Editor in Chief; Editorial Boards (Editor's Board); Associate Editors (Associate Editors); Managing Editor/Journal Manager; Assistant Editors (Section Editor/Content Editor, Copy Editor, Layout Editor/Graphic Design, Language Editor, Technical Editor, Proofreader), Site Administrator/IT Support, and Secretariat (editor secretary).

11. DOI (Digital Object Identifier), 36 published papers have included a DOI number. DOI links are used as unique digital object identifiers, so if the link is problematic, it should be checked immediately by contacting the administrator of Indonesian Journal Volunteers (RJI).

12. Publication ethics, almost all of the publications (61 journals) have provided information on the ethics of scientific publications on the periodical website. In this case, it regulates the responsibilities of various parties in the publishing section of a

Fig. 1. Display of word sets in cirrus 2002–2021. Data source: processed data

journal, such as writers, journal managers, editors, and article reviewers. For temporary publications that have not yet completed information related to this matter, it is recommended that it be completed as soon as possible to prevent any acts of abuse or copyright infringement related to plagiarism, duplication, or fabrication. There is only 1 periodical that still does not provide information, namely AKRUAL: JOURNAL ACCOUNTING should be hastened to be completed and updated on the website regarding the ethical information of scientific publications.

Based on information data in the SINTA database of the Ministry of Research, Technology and Higher Education, it is known that there are 62 economic category journals in which there are articles containing tax research (Appendix 1). As previously stated, what was analyzed in this study were journals with the category Sinta 2, so data were obtained from 47 journals. Based on this information data, it was found that from 47 journals, 268 articles on tax were obtained, and based on the results of the reduction and data analysis, in the period 2002–2021, there were around 716 (seven hundred and sixteen) terms that have become keywords in writing articles about taxes in Indonesia. Indonesia.

The keywords visualized by Cirrus Voyant Tools show that the bigger the word is depicted, the higher the frequency of occurrence of the word. And vice versa, if the picture is very small, the word is rarely used or only one word is used. From the picture, it can be seen that the keywords "tax", "compliance", "profit", "wp" and "avoidance" are the most common terms in tax research, and keywords such as "volatility", "transparency", "reasonable" and "solvability"." became the least used term for the last 2 decades or 20 years, namely 2002–2021. The following shows the Summary generated by Voyant Tools:

The display in Fig. 2 shows a direct list of the most frequently occurring words with the correct number of occurrences. The words that appear, separately can provide an important level of information about the terms used in research but are limited to tax research.

Most frequent words in the corpus: pajak (331); kepatuhan (58); wp (53); penghindaran (39); perusahaan (36); laba (34); daerah (25); manajemen (23); pendapatan (22); tax (17); penghasilan (16); sistem (16); kebijakan (15); akuntansi (13); keuangan (13); perilaku (13); agresivitas (12); kepemilikan (12); kualitas (12); ukuran (12); kelola (11); kepuasan (11); persepsi (11); tarif (11); tata (11); tingkat (11); fiskal (10); pemahaman (10); risiko (10); tangguhan (10); akrual (9); audit (9); kesadaran (9); kinerja (9); komisaris (9); penerimaan (9); sanksi (9); etika (8); islam (8); keadilan (8); norma (8); pengampunan (8); pengetahuan (8); self (8); system (8); assessment (7); buku (7); efektif (7); etis (7); leverage (7); niat (7); nilai (7); perbedaan (7); sosial (7); teori (7); transfer (7); asli (6); beban (6); desentralisasi (6)

Fig. 2. Display of word sets in the 2002–2021 summary. Data source: processed data
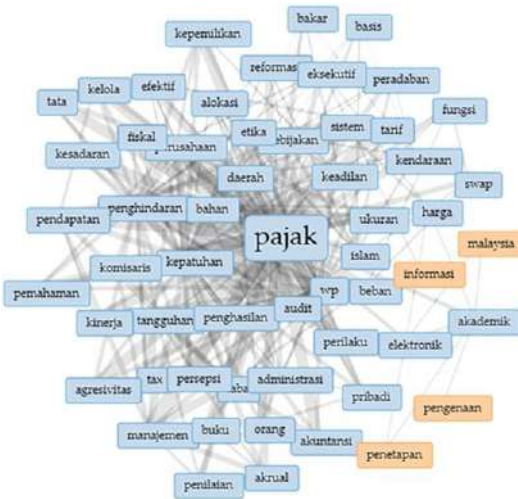
Fig. 3. Voyant Tools Links View in 2002–2021. Data source: processed data

Figure 3 is the Links Voyant Tools of the terms that can be described. In Fig. 3, the blue box has a close relationship with the main keyword, namely "tax", while the orange box describes a collocation where the word can be connected to the main keyword with additional words. Links Voyant Tools visualize the relationship between one term and another.

3.2 Discussion

Based on information data in the SINTA Kemenristekdikti database, it is known that there are 47 economic category journals in which there are articles containing tax research and in the Sinta 2 category (Table 1). Most of the tax accounting journals in Indonesia which are published regularly by universities have an online ISSN, use the Open Journal Resource platform, both accredited and unaccredited, and have provided information related to policies regarding publishing on periodical published websites, both concerning the issuing agency., editorial contact, accreditation status, DOI link, indexing database, website link, publishing fee, editorial team, access statistics, formal legal policy, manuscript writing instructions, manuscript template, ISSN, website link, frequency of publication, plagiarism check, publication ethics, as well as a reference manager.

Tax accounting periodicals that have not yet reached the journal accreditation criteria, publication information that is still standing from the OJS tool, and several publications that use the institution's website often do not provide information on publishing policies due to the absence of a special place or page for the site to inform. Some publications still do not provide complete information regarding the contact of the editor, either by email, telephone number, or publisher's address. For publications that have not completed the editorial contact, you should immediately complete it so that website visitors can find out the contact of the responsive editorial service. Several periodicals have not provided complete information regarding script writing instructions along with script writing templates. This script writing template is very important for writers to arrange writing in the manuscript so that it can be completed quickly (chapters and sub-chapters, pictures, tables, graphics, etc.), bibliography).

Most periodicals still have incomplete information regarding legal and/or formal publishing policies, in the form of copyright, license and access, and privacy policies. If you want every article that has complete information that can be accessed by others to avoid copyright infringement, publications that have not provided information regarding legal-formal policies on the website should immediately provide information so that there is no copyright infringement to the general public regarding articles that are published. Accessed. Several periodicals do not provide information about the cost of publishing, whether it is free or paid. To be known by the author, this matter must be immediately informed by the publisher.

Most publications are issued twice a year, according to standard accredited journals. However, there are several periodicals that publish more than 2 (two) times in one year, namely 3 to 4 times a year. This difference in frequency can occur because some publishers are still focused on the number or quantity of published articles and still do not have a clear article context on each issue of publication, so that the process of publishing articles is highly dependent on the policies set by the chief editor.

Most periodical publications still do not complete information on the use of plagiarism applications, publication statistics calculator applications, reference managers, and DOI numbers for each article on the publication's website. This is caused by several things, namely: (1) the number of articles that are not included in the category of scientific works, such as the results of research and/or studies; (2) the absence of a special team appointed by the head of the institution to supervise and manage such matters; (3) the purpose of the issuance is to improve performance administratively, not based on quality; (4) DOI subscription fees are not yet available for publication, in this regard, publishers should be able to use plagiarism checking applications and also reference managers available online for free, such as Mendeley, Endnote and Zotero. Meanwhile, DOI subscription can be done independently or in coordination with the parent institution for its use.

Most of the periodicals have been indexed in various reputable national and global indexing databases, similar to accredited journals. However, to match the identity of the latest publication, it is necessary to update the identity of the issue in each indexer database. Most publications do not provide complete information about the editorial team (editors and reviewers). Several periodicals that have completed the editorial team's information, have not differentiated between the menu links of the editor team and

the reviewers, nor have they formed an editorial team manager by the editorial team's position based on the roles and editorial duties listed in the accredited journal. Almost all publications have completed information on the ethics of scientific publications by the regulations of accredited journals. There is only 1 periodical that still does not provide information, namely AKRUAL: JOURNAL ACCOUNTING should be hastened to be completed and updated on the website regarding the ethical information of scientific publications.

Research on taxes is nothing new in the world of research. In the last 20 (twenty) years based on the SINTA Database of the Ministry of Research, Technology and Higher Education, from 2002 to 2021, there have been 646 research articles on taxes from 16,756 articles in the economic category published in the SINTA Database of the Ministry of Research, Technology and Higher Education with a score of 2. Even though the number is according to research from Rahmatusifa and Dwi Martani (2013) is still under other fields of economic research. Unfortunately, out of 646 articles, only 268 articles are available online and have complete publishing information. Of the 268 tax-related research articles, word solving is done manually according to the keywords contained in the article and then processed on an open source-based analysis tool, namely Voyant Tools, where this tool can be accessed by anyone and free of charge by accessing https://voyant-tools.org/. Obtained about 716 (seven hundred and sixteen) terms that have become keywords in writing articles about taxes in Indonesia.

Voyant Tools is equipped with a useful feature to eliminate words that belong to the Stop-words list which by default will exclude these words from being visualized like the most common non-content words, namely "and, or, but, etc. " In addition, Stopwords are also equipped with special words such as "influence, analysis, need, reveal, etc.". Figure 1 is a display of Cirrus Voyant Tools called word cloud (word visualization). The word cloud should be interpreted with great care. This is because it does not reflect as a combination of several words that occur automatically and regularly in a language, joint events, or possible variations in meaning.

Word frequency levels indicate popular topics of interest in tax research. The word "tax" is known to be the most popular topic because the focus of this study examines tax research, where sources collect using the words "tax" and "tax". Next, the word "compliance" tax in 20 years of tax research became the most commonly used. If analyzed from the meaning of taxation, "compliance" is closely related to obligations. The tax itself is a manifestation of state obligations based on the law which requires citizens who have met the criteria as tax subjects to comply with it.

The next topic is "WP" which stands for taxpayers. Quoted from https://pajak.go.id/id/pajak, tax is a mandatory contribution to the state by an individual or entity that is owed and has a coercive nature under the law, which does not receive a direct remuneration and the contribution used by the state for the benefit of the people. Tax payments are made as a manifestation of state obligations and the participation of taxpayers to directly and jointly carry out tax obligations that are used as state financing and national development. From the explanation explained, the taxpayer (WP) is the most used word because the tax itself must be related to the tax subject.

Then the word "avoidance" is often used as a keyword if seen from Fig. 3 is closely related to compliance, awareness, and understanding of taxpayers who are coercive

so that many entrepreneurs avoid paying taxes. This avoidance is divided into two, namely tax avoidance, namely tax avoidance by utilizing tax loopholes, and tax evasion, namely tax evasion which is against the law. Most of the research on tax avoidance relates to earnings management and the character of both management and executives in companies. The word "tax" is shown in Fig. 3 which shows its existence as a "main topic" that has been discussed in journal articles for the last 20 years because of the focus of research. The focus of the keywords used follows the latest topics in the taxation environment.

4   Conclusion

The conclusion based on the research that has been done shows that the completeness of identity and information on publishing periodical publications of tax accounting in Indonesia which is categorized as an economy in SINTA for 20 years (2002–2021 period) is about 646 articles with 62 nationally accredited journals of nationally accredited journals (about 47 journals). Available online and reviewing the accounting field has provided information on the completeness of the publication. However, publishers need to update regularly and complete their publication information on the publication's website by the development of periodical publication guidelines regarding the reference used and whether to use journal accreditation guidelines and/or other guidelines. The most popular topic in tax accounting periodicals in Indonesia is still focusing on the term "tax" which describes that "tax" is still the object of most interest to writers in different contexts, and the topic of tax "compliance" will most likely become a topic of interest. Popular in the study of taxation in the future.

The limitation of this research is that journals accredited by SINTA with a score of 2 also often experience changes in scores, this causes the number of journals and articles to be analyzed to be deleted and this causes an increase in the number of journals and articles to be analyzed. The open source-based Voyant Tools analysis tool is a little difficult if the internet network is unstable. Due to the increasing number of users, the Voyant Tools application can be down at any time. Researchers' suggestions for periodicals that are still not using the OJS platform are expected to immediately complete information on publishing policies and use the platform by the provisions of journals that have been nationally accredited. This is done so that the quantity and quality of tax accounting periodicals can be commensurate with publications in other fields that have been nationally accredited. Suggestions for further research, research opportunities in the field of taxation are still very open and always experience developments every year. These various keyword terms can be used for retrieval reference.

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Correlation Analysis Between Accounting Information and Daily Twitter's Happiness Sentiment on Stock Return

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Abstract. The main goal of financial reporting is to provide relevant information for estimating business value. This study has two purposes. The first purpose is to analyze the causal relationship between accounting information and stock returns. The second one is to analyze the causal relationship between daily happiness sentiment on twitter and stock returns. The research data was obtained from the financial statements of LQ45 companies throughout the period from 2011 to 2021 and collected daily happiness sentiment data from Twitter at https://hedeno meter.org. The analytical technique used in this study is the Granger Causality Analysis technique. The results show that Earnings per Share (EPS) can predict future Stock Return so that EPS as a fundamental factor is still relevant in making investment decisions and Daily Happiness Sentiment on Twitter can be a new proxy in predicting stock returns in the future. This research is important as representative research in developing countries with a new proxy for online investor sentiment.

Keywords: Earning per Share · Online Investor Sentiment · Stock Market · Granger Causality

1 Introduction

Accounting plays an important role in the concept of creating and transmitting corporate wealth. Making good investor decisions depends on getting the right information. The main goal of financial reporting is to provide relevant information for estimating business value. Accounting information can take the form of debt values, equity and earnings, and relevant investors and other accounting parties use the financial statements and disclosures to assess the company's risks when making investment decisions.

Beaver (1968) suggests that accounting profit is associated with the price of securities or indirectly states that Earning per Share (EPS) is an indicator that is very much cared for by investors in making investment decisions [1]. Several studies show that the relationship between accounting information and price / returns declines over time. Their view contradicts research by other researchers who argue that the relationship between accounting information and price / returns does not diminish over time [2–5].

The stock market is one of the most important parts of today's financial markets. Stock market forecasting has received a lot of attention in both academician and practitioner. One of the key questions is whether investor sentiment predicts stock returns. But that's not all. Because today we cannot ignore the investor sentiment factor in regard. Recently, López-Cabarcos et al. (2017) construct a proxy for investor sentiment from social media and show that they all have predictability for stock returns [6].

Zhang et al. (2018) suggest that Daily Happiness Sentiment Twitter (DHS) impacts differently through the geographic location [7]. One of the studies related to cross-country studies and DHS is Zhang et al. (2016) which investigated the relationship between Twitter happiness and stock returns of listed Chinese companies [8]. Since now, the impact of Daily Happiness Sentiment Twitter on stock market returns is limited in the literature. Furthermore, we are not aware of any study that compares the estimated power of social networks (Twitter) and happiness at the level of developing countries like Indonesia, according to the Director General of IT and Postal Equipment Resources (SDPP) of the Ministry of Communications and Information Technology, Budi Setiawan. Indonesia is growing fast in the world, including Indonesia, reaching the third place in Asia for the number of internet users. There are 44.6 million Facebook users and 19.5 million Twitter users in Indonesia. Indonesia is the fifth largest country with Twitter users, after the UK and other major countries [9].

This study will use the financial Behavior Theory by Slovic, (1972) suggesting psychological aspects of investment and stockbrokers [10]. Nofsinger, (2001) defines behavioral finance as studying how humans behave in a financial decision [11]. In particular, study how psychology affects financial decisions, companies, and financial markets. The two concepts described clearly state that behavioral finance is an approach that explains how humans make investments that are influenced by psychological factors.

The novelty of this research is first, we analyze the fundamental factor, namely accounting information, and non-fundamental, the sentiment of Twitter happiness which will affect the prediction of stock returns in the future. Second, we propose a new proxy for measuring investor sentiment using Twitter's daily happiness sentiment. Third, in contrast to previous research, mainly from the US, China, and Singapore stock markets, our focus is on one of the largest Twitter users and represents a developing country's stock market, namely the Indonesian stock market.

The first purpose of this study is to analyze the causal relationship between accounting information and stock returns and the second one is the causal relationship between daily happiness sentiment twitter and stock returns.

1.1 Financial Behavior Theory

Investment analysis using psychology and finance is called behavioral finance. Shfrin, (2003) defines behavioral finance as the study of how psychological phenomena influence financial behavior [12] (Fig. 1).

Conceptual Framework and Hypothesis Development:

This study was conducted to provide an overview of how fundamental factors such as accounting information and non-fundamental, such as the sentiment of daily happiness on Twitter with the correlation of stock returns on the Indonesian stock exchange.
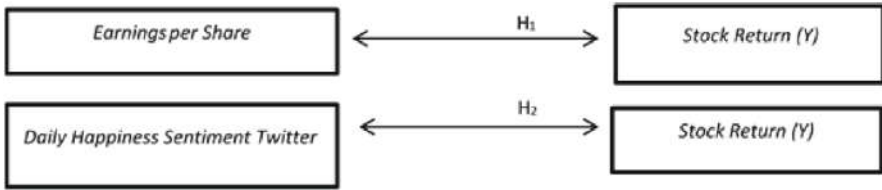
Fig. 1. Conceptual Framework

1.2 Correlation between Accounting Information and Stock Return

The relevance of accounting information to investor decisions has been mentioned in many studies, Miller et al. (2014) The study shows that the income variable is the most important explanatory in the stock price valuation model, other research Dimitropoulos & Asteriou, (2009) they studied the Greek stock market from 1992 to 2001 and concluded that stock returns were related to EPS, but not to ROI or ROE [13, 14]. In Vietnam, several authors have investigated the relationship between accounting information and stock prices, such as: Hai et al. (2015), who documented a strong relationship in the domestic market between 2012 and 2016 [15]. Based on this description, the hypothesis in this study is as follows:

H1: Accounting Information has a positive correlation with Stock Return.

In financial behavior theory, financial behavior is an approach that explains how people invest or manage finances, which is influenced by psychological factors. Until 1970, the efficient market hypothesis (EMH) dominated financial theory. EMH stipulates that stock prices must reflect fundamental values based on reasonable and representative agents. A new theory has since emerged that suggests that investor sentiment can also affect future prices. The non-fundamental factor is called investor sentiment.

One of the non-fundamental factor is investor sentiment. The stock market is one of the most important parts of today's financial markets. Stock market predictions have attracted a lot of attention from both academia and business. One of the important questions is whether investor sentiment predicts stock returns, but that does not stop there because nowadays we cannot ignore the factor of investor sentiment in this regard. Recently, López-Cabarcos et al. (2017) construct a proxy for investor sentiment from social media and show that they all have predictability for stock returns [6]. Based on this description, the hypothesis in this study is as follows:

H2: Daily Happiness Sentiment on Twitter has a positive correlation with Stock Return.

2 Methodology

Data was obtained through non-participant observation, namely by processing data on the company's financial statements LQ45 throughout the period 2011 to 20–21 from www.Idx.co.id and www.Yahoo.finance.com, which is in the form of accounting and financial data regarding matters related to this research as well as retrieving Twitter happiness sentiment data at https://hedenometer.org. The analytical technique used in

Table 1. Results Test ADF Using non- intercept on Level

Variable	ADF t-statistics	Mc Kinnon Critical Value 10%	Prob	Information
Stock Return	-4.703437	-1.601144	0.0003	Stationary
Earnings Per Share	-1.746336	-1.601144	0.0770	Stationary
Twitter Happiness Sentiment	-0.071232	-1.601144	0.6347	Not Stationary

Source: Results Processed Data Eviews

this study is quantitative data analysis with Granger Causality Analysis technique, the data in this study was carried out using the Eviews 12 application.

The Granger causality test model in this study is as follows:

$$EPS_t = \sum_{t=i}^{m} a_i EPS_{t-i} + \sum_{t=i}^{m} \beta_i SR_{t-i} + \varepsilon_t \tag{1}$$

$$SR_t = \sum_{t=i}^{m} a_i SR_{t-i} + \sum_{t=i}^{m} \beta_i EPS_{t-i} + \varepsilon_t \tag{2}$$

$$DHS_t = \sum_{t=i}^{m} a_i DHS_{t-i} + \sum_{t=i}^{m} \beta_i SR_{t-i} + \varepsilon_t \tag{3}$$

$$SR_t = \sum_{t=i}^{m} a_i SR_{t-i} + \sum_{t=i}^{m} \beta_i EPS_{t-i} + \varepsilon_t \tag{4}$$

where:

EPS = Earnings Per Share.

SR = Stock Return.

DHS = Daily Happiness Sentiment Twitter.

ε_t = Confounding variable.

α, β = Variable coefficient.

3   Result and Discussion

3.1   Stationarity Test (Hypothesis Testing)

From Table 1 above could is known that for all variables used in this study there are two stationary variables and 1 other variable not stationary on level levels. On test the all variable must stationary. Thing they could is known on each variable, namely:

a. Stock Return variable on non-intercept model testing at the level shows that scores Augmented Dickey-Fuller (ADF) t-stats bigger from McKinnon Critical Value 10 percent (in this study used 0.1), which is -4.703437 > -1.601144. That is, H 0 is rejected and H 1 is accepted or with say other, data stationary.

Table 2. Results Test ADF Using non- intercept on the First Difference Level

Variable	ADF t-statistics	Mc Kinnon Critical Value 10 percent	Prob	Information
Stock Return	-4.354826	-1.599088	0.0009	Stationary
Earnings Per Share	-4.291723	-1.600140	0.0008	Stationary
Twitter Happiness Sentiment	-1.889793	-1.59909	0.0603	Stationary

Source: Results Processed Data Eviews

Table 3. Co-Integration Test Results (Johansen Co-Integration Test) Unrestricted Co-Integration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistics	0.1 Critical Value	Prob.**
None *	0.997903	77.90629	21.77716	0.0000
At most 1 *	0.848185	22.40095	10.47457	0.0008
At most 2 *	0.453327	5.435141	2.976163	0.0234

The trace test indicates 2 cointegrating eqn(s) at the 0.1 level.
* denotes rejection of the hypothesis at the 0.1 level.
**MacKinnon-Haug-Michelis (1999) p-values.
Source: Results Processed Data Eviews.

b. Earnings Per Share variable on non-intercept model testing at the level shows that scores ADF t-stats bigger from McKinnon Critical Value 10 percent (in this study used 0.1), which is -1.746336 > -1.601144. That is, H 0 is rejected and H 1 is accepted or with say other, data stationary.

c. Daily Happiness Sentiment on twitter Variable on non-intercept model testing at the level shows that scores ADF t-stats smaller from McKinnon Critical Value 10 percent (in this study used 0.1), which is -0.071232 < -1.601144. That is, H 1 is rejected and H 0 is accepted, or with say otherwise, the data is not stationary.

Two variables have stationary data, namely Stock Return and Earning Per Share, while one other variable has data that is not stationary which is Twitter Happiness Sentiment. In the test, all of the variable data must be stationary, therefore will differentiation is carried out data on the level first difference.

From Table 2 on could is known that for all variables used in this study there are two stationary variables and 1 other variable not stationary on level levels. On test the all variable must stationary. Thing could is known on each variable, namely (Table 3):

a. Stock Return variable on non-intercept model testing at the level shows that scores Augmented Dickey-Fuller (ADF) t-stats bigger from McKinnon Critical Value 10 percent (in this study used 0.1), which is -4.354826 > -1.599088. That is, H 0 is rejected and H 1 is accepted or with say other, data stationary.

b. Earnings Per Share variable on non-intercept model testing at the level shows that scores ADF t-stats bigger from McKinnon Critical Value 10 percent (in this study used 0.1), which is -4.291723 > -1.600140. That is, H 0 is rejected and H 1 is accepted or with say other, data stationary.
c. Daily Happiness Sentiment on Twitter Variable on non-intercept model testing at the level shows that scores ADF t-stats bigger from McKinnon Critical Value 10 percent (in this study used 0.1), which is -1.889793 > -1.59909. That is, H 0 is rejected and H 1 is accepted or with say other, data stationary.

From testing on, all variable has Fulfill requirements stationery of the ADF test data where the Augmented Dickey-Fuller (ADF) t-statistic is bigger than the value of McKinnon Critical Value 10 percent at the first difference level. Because all the data variable is stationary at the first difference level, it can be done step next in Granger Causality Test.

3.2 Co-integration Test (Hypothesis Testing)

From the table above, it can be seen that the test level is 10% (0.1), and there are two variable ranks related to Co-Integration. This can be proven from the trace value statistics 77.90629, 22.40095, and 5.435141 are greater than the critical value of 0.1, namely 21.77716, 10.47457, and 2.976163 which means, the variables used have a relationship in the long run (Co-Integration) with each other. Therefore, Granger Causality Test study could be used. On Step next conducted test Granger Causality Test.

3.3 Granger Causality Test (Hypothesis Testing)

Test Causality Granger used for knowing connection because consequence from each variable independent to variable dependent. Causality here is a statistical framework. Test level used in the test causality granger this, that is level trust 0.1 (10%). Results causality granger is shown in Table 4 as follows:

Table 4. Test Causality (Granger Causality Test)

H0	Lag 1	
	F-Statistics	Prob
SR does not Granger Cause EPS	0.57419	0.4733
EPS does not Granger Cause SR	6.43133	0.0389
SR does not Granger Cause DHS	1.05596	0.3383
DHS does not Granger Cause SR	5.13126	0.0579

From the table, it can be seen the direction of the relationship between the variables through causality test (granger causality test). Whether or not there is a relationship can be seen from score probability from each testing causality which is then compared with alpha 0.1. Thing they could is known on each variable, that is:

First, H1 states the Granger test between the Stock Return (SR) variables and EPS shows that SR does not affect EPS, while EPS has an effect on SR at alpha 0.1. Therefore no occur connection causality between EPS and SR. However, there is a one-way relationship.

Second, H2 states the Granger test between the Stock Return (SR) variables and DHS showed that SR did not affect DHS, while DHS affected SR at alpha 0.1. Therefore no occur connection causality between DHS and SR. However, there is a one-way relationship.

Based on the results of the causality test of the earning per share (X1) and the daily happiness sentiment of Twitter (X2) on the stock return variable (Y).

From the tests in the table above, it can be seen as follows:

a. H 1: Earning per Share (X1) on Stock Return (Y)

From the table above, it is known that the earning per share variable has a positive correlation with stock return has a value of 0.0389 below the standard value of 0.1. Thus, the first hypothesis is accepted.

b. H 2: Daily Happiness Sentiment on Twitter (X2) on Stock Return (Y)

From the table above, it is known that the daily happiness sentiment Twitter variable has a positive correlation with stock return has a value of 0.0579 below the standard value of 0.1. Thus, the second hypothesis is accepted

Granger Causality Analysis between Earning per Share and Stock Return. Based on testing which has been conducted Among Earning per Share (EPS) and Stock Return only have a connection in one direction (unidirectional causality). Stock Return no takes effect by positive significant to EPS while EPS has a significant effect positive significant to Stock Returns. Ball & Brown, (2013) in their research assessed that accounting information, especially EPS, was positively correlated with stock returns, this study was conducted on a global scale [17]. So it can be concluded that Earning per Share can predict Stock Return in the future so EPS as a fundamental factor is still very relevant in making investment decisions.

This Granger Causality test shows that there is a strong short-term relationship between Earnings per Share and Stock Returns in the short-term. And the Co-Integration test through the Johansen Co-Integration test shows that the Earning per Share variable is cointegrated with stock returns, which means it has a long term.

Granger Causality Analysis between Twitter's Daily Happiness Sentiment and Stock Return. Based on testing conducted between Daily Happiness Sentiment on Twitter (DHS) and Stock Return only have a connection in one direction (unidirectional causality). Stock Return no takes effect by positive significant on DHS while DHS significantly influences positive significant to Stock Returns.

De Long et al. (1990) provide a popular theoretical model in which two types of investors can represent the economy [18]. Essentially, rational investors analyze available

information by core values and can distinguish between useful and useless information. In contrast, irrational investors are generally inexperienced agents who lack experience and need trading knowledge to analyze the information.

The Co-Integration test through the Johansen Co-Integration test shows that the DHS variable is cointegrated, which means that the DHS variable has a long-term relationship with stock returns. Meanwhile, the Granger causality test shows that DHS has a significant effect on positive significant to Stock returns in the short term.

4 Conclusion

Based on the results of hypothesis testing and discussion of the effect of earnings per share and daily happiness sentiment on Twitter on stock returns, the following conclusions can be drawn:

a. Accounting information has a positive effect on stock returns. This Granger causality test shows a strong short-term relationship between Earnings per Share and Stock Returns in the short term. And the Co-Integration test through the Johansen Co-Integration test shows that the Earning per Share variable is cointegrated with stock returns, which means it has a long term. That is, the greater the value of earnings per share of a company, it can predict future stock returns.
b. Daily Happiness Sentiment on Twitter has a positive effect on stock returns. The Co-Integration test through the Johansen Co-Integration test shows that the Daily Happiness Sentiment Twitter variable is cointegrated, which means that the Daily Happiness Sentiment Twitter variable has a long-term relationship with stock returns. Meanwhile, the Granger causality test shows that Twitter's Daily Happiness Sentiment has a significant effect on positive significant to Stock returns in the short term. The happier the individual, the more likely it will be followed by forecasting high stock returns. So it can be said that investors make investments based on emotional decisions.

The results of this study can have implications for researchers, namely the expansion of the theoretical framework on Financial Behavior Theory shows that individuals cannot be separated from rational and irrational considerations in this study showing Earnings per Share (EPS) can predict Stock Return in the future so that EPS as a rational factor is still very relevant in decision making. Investment decisions. Daily Happiness Sentiment Twitter can be a new non-fundamental proxy for predicting stock returns in the future. This research is important as representative research in developing countries with a new proxy for online investor sentiment.

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Optimization Strategy of Transportation System Development in Improving City Competitiveness
(Case Study: Tangerang City)

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Abstract. The competitiveness of Tangerang City is included in the high category according to its geostrategic value and the availability of transportation infrastructure such as airports, toll road networks, train networks and urban transportation networks. On the other hand, the rate of economic growth has not been optimally driven by supporting factors. by Tangerang City. Therefore, the research analyzes the factors that influence economic conditions and regional competitiveness, especially the transportation sector. The transportation factor that is currently the input for competitiveness is the availability of road transportation infrastructure (connectivity, have not reviewed other aspects such as accessibility (travel time) and mobility (level of movement) so it is necessary to examine these factors as factors influencing competitiveness. Furthermore, measurements are also carried out satisfaction of transportation users and develop a SWOT development strategy. The results of this study are aspects of transportation that affect competitiveness as a basis for determining strategies in the development of transportation systems so that priority programs for urban public transport system development plans, road and traffic network systems urban freight transport system and land use transport integration.

Keywords: Regional competitiveness · Connectivity · Accessibility · Mobility · transportation system development

1   Introduction

Issues related to regional competitiveness are one of the main issues in regional development. The concept of competitiveness is generally associated with the ability of a company, city, region, region or country to maintain or increase competitive advantage in a sustainable manner [1]. Regional competitiveness according to Bank Indonesia is defined as the ability of the regional economy to achieve a high and sustainable level of welfare while remaining open to domestic and international competition. The higher the level of competitiveness of a city, the higher the level of community welfare. The measure of welfare has a very broad meaning, the indicators can be in the form of GRDP per capita, labor productivity or the level of employment opportunities.
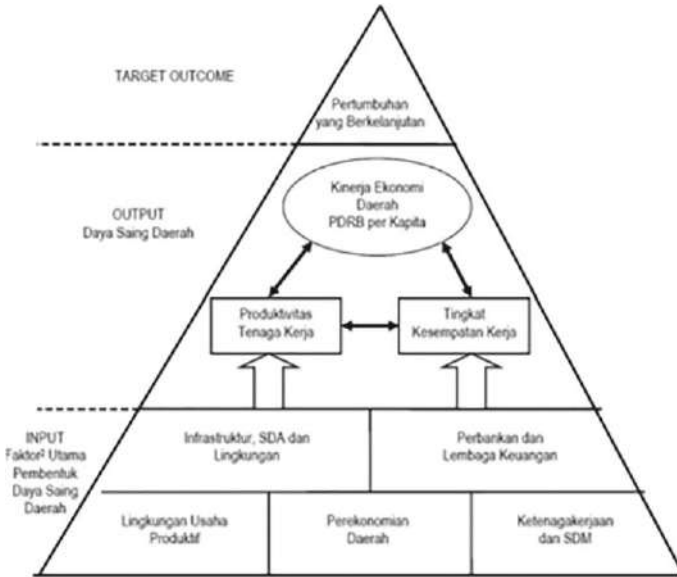
Fig. 1. Regional Competitiveness Pyramid

As for the study of the main factors that can affect regional competitiveness by [2], a regional competitiveness pyramid model has been made by looking for the relationship between several main factors that can build regional competitiveness, which includes input, output and outcome factors. The city's competitiveness shaped by the main factors (inputs) and economic performance (outputs). The main factors forming competitiveness consist of 5 main indicators, namely (1) productive business environment, (2) regional economy, (3) employment and human resources, (4) infrastructure, natural and environmental resources, (5) banking and financial institutions. Economic performance (output) includes labor productivity, employment opportunities, and per capita GRDP. Meanwhile, the outcome target of regional competitiveness is sustainable growth, as shown in Fig. 1.

In a study conducted by the Center for Education and Central Banking Studies (PPSK) of Bank Indonesia and the Research Laboratory, Community Service and Economic Studies (LP3E) of the Faculty of Economics, Padjadjaran University (2008) [3], it produces a Regional Competitiveness Index Component consisting of 4 Aspects, 12 Pillars, and 23 Dimensions, 78 indicators with the following recapitulation (Table 1).

Furthermore, based on research conducted by Hidayat (2012) it was found that there are several main factors of competitiveness [4]. The results of this study reveal that there are 3 determinants of the city's competitiveness, including infrastructure, regional economy, and institutions. However, there are several supporting factors, including the condition of the financial and socio-political system. Infrastructure is the key to smooth business activities. The availability in quantity and quality of infrastructure greatly influences the investment climate in an area so that it also affects the competitiveness of the city.

Table 1. Components of Regional Competitiveness Index

NO	ASPECT/FACTOR	PILLAR	DIMENSIONS
I	Aspects of Reinforcing Factors / Enabling Environment	Institutional Pillar	Governance
			Security and Order
		Infrastructure Pillar	Transport Infrastructure
			Clean Water and Electricity Infrastructure
		Regional Economic Pillar	Regional Finance
			Economic Stability
II	Aspects of Human Resources/Human Capital	Pillars of Health	Health
		Pillars of Education and Skills	Education
			Skills
III	Market Aspects	Product Market Efficiency Pillar	Domestic Competition
			Taxes and Levies
			Market Stability
		Employment Pillar	Employment
			Labor capacity
		Financial Access Pillar	Financial Access
		Market Size Pillar	Market Size
IV	Aspects of the Innovation Ecosystem	Pillars of Business Dynamics	Regulation
			Entrepreneurship
		Innovation Capacity Pillar	Interaction and Diversity
			Research and Development (R&D)
		Technology Readiness Pillar	Commercialization
			Telematics
			Technology

Hidayat's research (2012) shows that the key infrastructure in increasing competitiveness is transportation infrastructure, especially the condition and network of roads, ports and airports [4]. The quality and quantity of transportation infrastructure can reflect the smooth mobility of people and goods in the area. In line with this research conducted by Irawati, et al. (2012) revealed that the key factors in measuring the level of regional competitiveness are infrastructure and the condition of human resources [5]. Regions with good transportation and energy infrastructure have better competitiveness than other regions.

Thus, based on the explanation of the things mentioned above, it is narrowed that regional competitiveness is a measure of the ability and economic productivity between

cities/regions in developing their economic activities. The results of the theory review and research findings show that one of the factors that affect the competitiveness of cities/regions is infrastructure, especially transportation infrastructure, which is the key to the smooth movement of people and goods. Transportation infrastructure connects between sub-regions/activity centers within the city and as a connectivity network to other areas. This level of affordability facilitates the distribution of people and goods thereby creating economic growth.

However, in assessing the dimensions of transportation infrastructure that is used as an aspect/factor that affects regional competitiveness, it is still limited to the aspect of aviability as measured by the level of availability of transportation infrastructure and aspects of connectivity which can be measured from the level of connectivity of the transportation network. This is still viewed from the physical/quantity side, has not touched on the quality side of the implementation of transportation, where the existing transportation review is more oriented to the operational performance of the transportation service itself. According to Begg (1999), the city's capacity to compete is shaped by the interplay of the city's attributes, such as location, strengths and weaknesses of the company and the active economic actors in it [6]. So many factors must be considered in measuring the competitiveness of the city in order to be able to provide an objective and balanced assessment. Thus, in writing this study, it is arranged to identify transportation factors that affect regional competitiveness as well as transportation system development strategies that can be applied in accordance with the existing transportation factors by taking the locus in Tangerang City.

2   Method

This research This study was conducted to identify transportation aspects that affect the level of regional competitiveness and to develop a transportation system development strategy that can be applied based on the transportation aspects in question. Meanwhile, in analyzing the relationship between the existing data, a research framework was developed accompanied by variables and indicators as shown in the Fig. 2 and Table 2.

Furthermore, in developing a transportation system development strategy, the following research techniques are applied:

1. *Descriptive analysis* is a technique used to describe an object of study which in this case is a development planning document, so that a conclusion can be drawn regarding the direction of the planned development of the transportation system.
2. Importance Performance Analysis (IPA) and Customer Satisfaction Index (CSI) in measuring the level of satisfaction of transportation services in Tangerang City. According to Wijaya (2011) and Rosdiana (2016), Importance Performance Analysis (IPA) is a procedure in showing the relative importance of various attributes on the performance of an organization or company and its products [7, 8]. The IPA method combines the measurement of the dimensions of performance (performance) with importance into two grids, then the two dimensions are plotted into it. The value of importance as the vertical axis and the value of performance as the horizontal axis by

using the average value contained in the dimensions of importance and performance as the center of the line cutting.

There are four quadrants in the IPA method, where each quadrant can provide management information or service strategy including (Huang et al., 2006) [9].

a. Quadrant One (Companies must maintain this condition) The level of interest from customers on service attributes is high and the company's performance is also high.
b. Quadrant Two (Companies must immediately improve their service performance) The level of interest from customers on service attributes is high, but company performance is low.
c. Third Quadrant (Companies reduce or stop their resources with certain service attributes) The level of interest from customers on service attributes and company performance is low.
d. Fourth Quadrant (If the company has limited resources, the company can shift resources to attributes that have a high level of importance). The level of importance of customers on service attributes is low and company performance is high.
3. SWOT analysis is a strategic planning method used to evaluate strengths weaknesses, opportunities and threats that occur in a project or in a business venture, or evaluate own product lines or competitors. To perform the analysis, the business objectives are determined or identify the object to be analyzed. Strengths and weaknesses
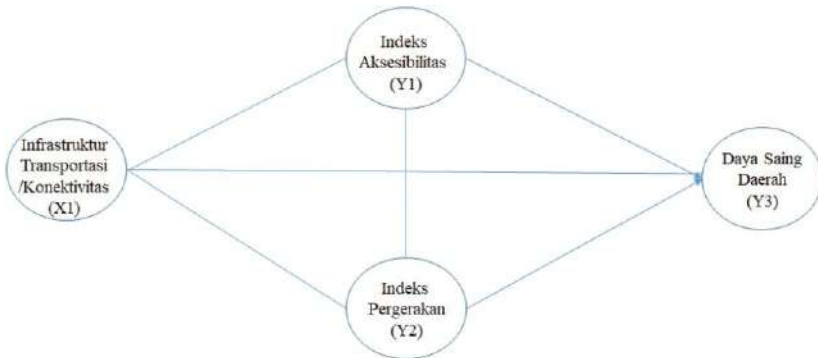
Fig. 2. Research Framework

Table 2. Research Variables and Indicators

VARIABLE	CODE	INDICATOR
Transport Infrastructure / Connectivity	X1	Road Length / Area
Accessibility Index	Y1	Travel Time or Average Travel Speed
Movement Index	Y2	Traffic Volume per Capacity Ratio
Regional Competitiveness	Y3	GRDP Per Capita

are grouped into internal factors, while opportunities and threats are identified as external factors. This analysis can logically help in the decision-making process. The decision-making process is related to the company's vision and mission as well as the company's goals. So that SWOT analysis can be used as an effective tool to analyze the factors that affect the company, as a decision-making process to determine strategy

3   Results and Discussion

3.1   Competitiveness and Economic Condition of Tangerang City

Tangerang City has a very important geostrategic value in the national constellation because it is located close to DKI Jakarta which is currently still the center of national economic activity which is only ±27 km away). Besides that, Tangerang City is also the gateway for both national and international relations with the existence of Soekarno Hatta International Airport, where with a dense flight capacity it encourages the movement of people, goods and services between regions, nationally, regionally (ASEAN) and other international areas.

This condition is also strengthened by the existence of the City of Tangerang which is designated as part of the National Strategic Area (KSN) of the Jabodetabekpunjur Urban Area which is prioritized for development on a national scale and at the same time it is also designated as part of the National Activity Center (PKN) which functions to serve international scale activities. Nationally and in the province of Banten, supported by an integrated urban system with other regions, making investment opportunities very open in Tangerang City.

Based on the results of research conducted by PPSK Bank Indonesia and LP3E FE Padjadjaran University (2008), Tangerang City is ranked 20th out of 434 Regencies/Cities in Indonesia which are mapped on the basis of their competitiveness, where Tangerang City is one of the cities that has high competitiveness [3]. High competitiveness supported by superior characteristics of the performance of its input and output indicators as well as a city that has a fairly good level of efficiency. Furthermore, the Research and Innovation Agency (2021) determined the results of the mapping of the innovation ecosystem through the regional competitiveness index which showed that the City of Tangerang was awarded the title of high competitiveness.

On the other hand, the economic condition of the City of Tangerang experienced a significant fluctuation in the growth rate, which based on data released in the City of Tangerang in Figures 2022 (Central Bureau of Statistics of the City of Tangerang) explained that the rate of economic growth in the period 2017–2019 decreased from 5. 88 in 2017 to 4.95 in 2018 and 4.02 in 2019 even in 2020 there was a very significant decrease in the number – 6.93, only to increase again in 2021 to 3.70. With these conditions, Tangerang City has a lower rate of economic growth compared to some cities/regencies in the Banten Province.

3.2   Analysis of Transportation Aspects that Affect Regional Competitiveness

With the above explanation, it provides an illustration that the assessment of the main factors forming regional competitiveness needs to be enriched in each instrument so
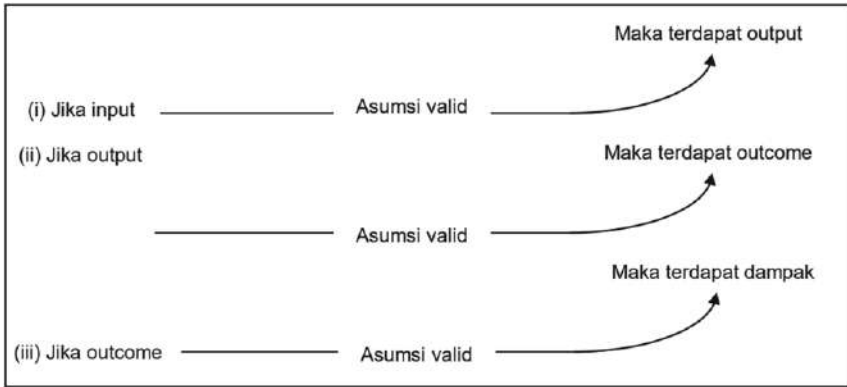
Fig. 3. Logical Framework of the Relationship Model of Transportation Aspects with Regional Competitiveness

that the results obtained are more detailed and valid. One of the examples that was assessed was in the transportation sector, where the factors assessed were only aspects of transportation provision, so that in this study the identification of other aspects of transportation will be carried out.

In *Benefit Monitoring and Evaluation, A Handbook for Bank Staff, Staff of Executing Agencies and Consultants, Asian Development Bank* (1992) describes a logical framework for the relationship between inputs, outputs and outcomes, which can then be applied to the relationship between transportation aspects and competitiveness. Regions, it can be explained that the model of the relationship between inputs (providing transportation infrastructure) with outputs (performance of transportation services) as well as with the outcome (to the economy). The relationship between input, output and outcome is described in accordance with the following logical framework (Fig. 3).

Furthermore, the results of the correlation analysis of the input, output and outcome relationship model which is a description of transportation aspects related to regional competitiveness can be seen in the Table 3.

Based on the results of the correlation analysis between variables/aspects of transportation with regional competitiveness, the following discussion is carried out (Table 4).

From the results of the discussion, it can be concluded that the transportation aspect in the form of the availability of transportation infrastructure (connectivity) as well as the level of transportation accessibility and the level of movement which is an instrument of transportation operational performance significantly affects the regional competitiveness index in Tangerang City.

3.3   Transportation User Preference Analysis

Aspects of connectivity and accessibility as well as the level of movement as the results of the correlation analysis are transportation instruments that affect regional competitiveness in terms of their relationship to the rate of economic growth, so the strategy in developing the Tangerang City transportation system needs to pay attention to these aspects.

Table 3. Correlation results between variables of transportation aspects with competitiveness

			Input	Output		Outcome
			Provision of Transportation Infrastructure	Accessibility Index	Movement Index	Regional Competitiveness
			X1	Y1	Y2	Y3
Input	Provision of Transportation Infrastructure	X1		0.1006	0.2069	0.4488
Output	Accessibility Index	Y1	0.1006		-0.0855	0.2764
	Movement Index	Y2	0.2069	-0.0655		0.9071
Outcome	Regional Competitiveness	Y3	0.4488	0.2764	0.9071	

In line with that, transportation planning and management should also be adjusted to the needs of the community, so to obtain a quality value of transportation that is oriented to aspects of connectivity and accessibility as well as the level of movement, it is necessary to describe the wishes (preferences) of the community as transportation users who can used as a reference in the provision of transportation systems.

Furthermore, in order to obtain a description of the desires of the transportation users, a measurement of the level of satisfaction of transportation services in Tangerang City is carried out whose variables describe the orientation to aspects of connectivity and accessibility. The results of measuring the level of satisfaction with transportation services in Tangerang City can be described as follows:

1. Based on the results of an interview survey of road users to assess road transportation services in Tangerang City, the following picture is obtained:

   a. Quadrant 1: dissatisfied with the performance of existing services and expectations of large service performance (handling is the main priority):

      - (3) Travel time/vehicle speed during the trip.
      - (4) Handling traffic jams on roads and intersections.

   b. Quadrant 2: satisfied with the performance of existing services and expectations of great service performance (maintain):

      - (5) Availability of traffic signs and markings on roads and intersections.
      - (1) Physical quality of the road surface.

Table 4. Discussion of the results of the correlation between variables

Relationship Function	Variable by Variable		Expected correlation	Correlation analysis results	Discussion
Input - Output	X1: Provision of Transportation Infrastructure	Y1: Accessibility Index	positive (+)	0.1006 (appropriate)	Improved transportation infrastructure connectivity is quite effective in increasing the ease of reaching the destination location
	X1: Provision of Transportation Infrastructure	Y2: Index Per move	Positive (+)	0.2069 (appropriate)	Improved transportation infrastructure connectivity is quite effective in increasing traffic movement
Input - Outcome	X1: Provision of Transportation Infrastructure	Y3: Regional Competitiveness	Positive (+)	0.4488 (appropriate)	Increasing transportation infrastructure connectivity is quite effective in contributing to increasing economic growth (GRDP Per Capita) as one of the outputs of regional competitiveness
Output - Output	Y1: Accessibility Index	Y2: Movement Index	Negative (-)	-0.0855 (appropriate)	Increasing traffic can decrease the average speed level which in turn increases travel time

(*continued*)

Table 4. (*continued*)

Relationship Function	Variable by Variable		Expected correlation	Correlation analysis results	Discussion
Output - Outcome	Y1: Accessibility Index	Y3: Regional Competitiveness	positive (+)	0.2764 (appropriate)	Increased regional accessibility can increase economic growth (PDRB Per Capita) as one of the outputs of regional competitiveness
	Y2: Movement Index	Y3: Regional Competitiveness	positive (+)	0.9071 (appropriate)	Increased movement can increase economic growth (PDRB Per Capita) as one of the outputs of regional competitiveness

c. Quadrant 3: dissatisfied with the performance of existing services and public expectations of service performance are not great (handling is the second priority) (Fig. 4):

- (2) Road width.
- (7) Availability of pedestrian facilities.

d. Quadrant 4: satisfied with the performance of existing services and expectations of service performance are not great.

- (6) Availability of public street lighting.

The calculation of the Customer Satisfaction index for road services in Tangerang City in detail can be explained in the Table 5.

The results of the analysis obtained that the CSI of road services in Tangerang City obtained a Customer Satisfaction Index value = 61% (Very Poor).

2. Based on the results of an interview survey of transportation users to assess public transportation services in Tangerang City, it was obtained:
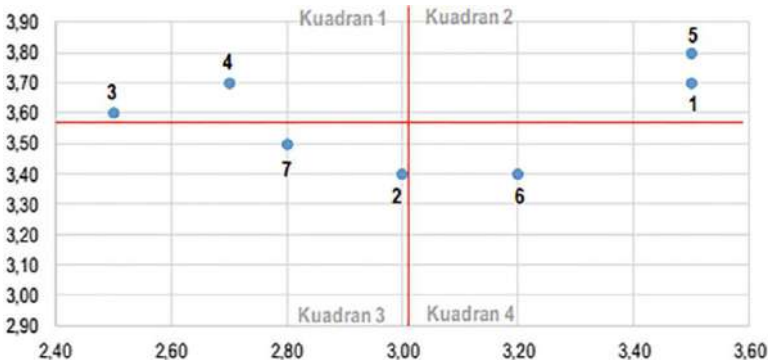
Fig. 4. Graph of the Level of Satisfaction and Importance of Road Services

Table 5. CSI Tangerang City Road Services

No	Evaluation	X Bar	Y Bar	Weighted Factor	Weighting Score
1	Physical quality of the road surface	3.50	3.70	0.147	52%
2	The width of the road	3.00	3.40	0.135	41%
3	Travel time / vehicle speed during the trip	2.50	3.60	0.143	36%
4	Handling traffic jams on roads and intersections	2.70	3.70	0.147	40%
5	Availability of traffic signs and markings along the road	3.50	3.80	0.151	53%
6	Availability of public street lighting	3.20	3.40	0.135	43%
7	Availability of pedestrian facilities	2.80	3.50	0.139	39%
	Average	3.03	3.59	CSI	61%

a. Quadrant 1: dissatisfied with the performance of existing services and expectations of great service performance (handling is the main priority):

- (3) Frequency of public transport services.
- (4) Number of public transport routes.
- (5) Smoothness and speed of travel.
- (6) Timeliness of service.
- (8) Safety and comfort while traveling in public transportation.
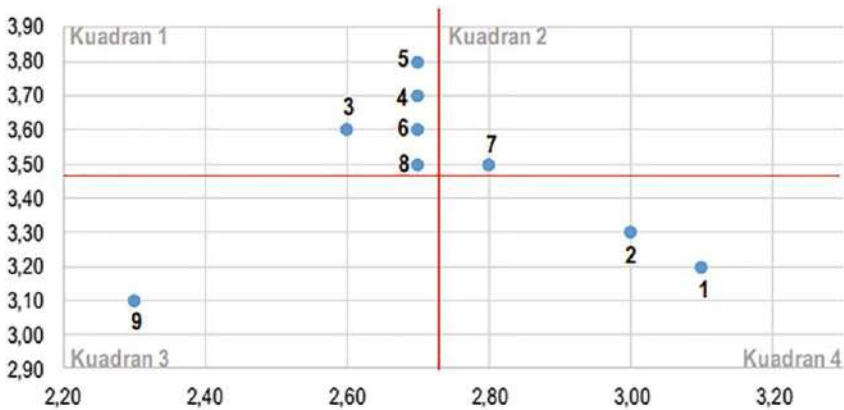
Fig. 5. Graph of the Level of Satisfaction and Importance of Public Transport Services

b. Quadrant 2: satisfied with the performance of existing services and expectations of great service performance (maintain):

- (7) Fares/costs of travel using public transportation.

c. Quadrant 3: dissatisfied with the performance of existing services and public expectations of service performance are not great (handling is the second priority):

- (9) Availability of facilities for people with disabilities, the elderly and pregnant women.

d. Quadrant 4: satisfied with the performance of existing services and expectations of service performance are not great:

- (1) Passenger capacity in public transportation.
- (2) Safety during the trip (Fig. 5).

The calculation of the Customer Satisfaction index for public transportation services in Tangerang City in detail can be explained in the Table 6.

The results of the analysis obtained that CSI public transportation services in Tangerang City obtained a Customer Satisfaction Index = 44% (Very Poor).

3. The description of the level of satisfaction based on the results of the analysis of road users and public transport users can be described as follows:

a. In determining or measuring the level of customer satisfaction, it can be determined by the CSI value indicator which considers the level of expectations of service users on the factors to be determined. Based on the recommendations proposed by Balitbang-Dephub (Siswoyo, 2007), the value of the customer satisfaction index is as follows:

Table 6. CSI of Tangerang City Public Transport Services

No	Evaluation	X Bar	Y Bar	Weighted Factor	Weighting Score
1	Passenger capacity in public transport	3.10	3.20	0.102	32%
2	Safety during the trip	3.00	3.30	0.105	32%
3	Frequency of public transport services	2.60	3.60	0.115	30%
4	Number of public transport routes	2.70	3.70	0.118	32%
5	Smoothness and speed of travel	2.70	3.80	0.121	33%
6	Timeliness of service	2.70	3.60	0.115	31%
7	Fares/costs of traveling by public transport	2.80	3.50	0.112	31%
8	Safety and comfort while traveling on public transport	2.70	3.50	0.112	30%
9	Availability of facilities for people with disabilities, the elderly and pregnant women	2.70	3.10	0.099	23%
	Average	2.73	3.48	CSI	44%

No.	Index Number	CSI Value Interpretation
1	X < 64%	(Very Poor)
2	64% < X < 71%	(Poor)
3	71% < X < 77%	(Cause For Concern)
4	77% < X < 80%	(Border Liners)
5	80% < X < 84%	(Good)
6	84% < X < 87%	(Very Good)
7	X > 87%	Excellent

Source: Zihardi Idris, Study on the Level of Satisfaction of Public Transport Users.

b. The results of the analysis obtained that CSI road user services obtained a customer satisfaction index value of 61% and public transport service users by 44%, this shows that the level of transportation services in Tangerang City still does not meet the wishes of the traveling community.
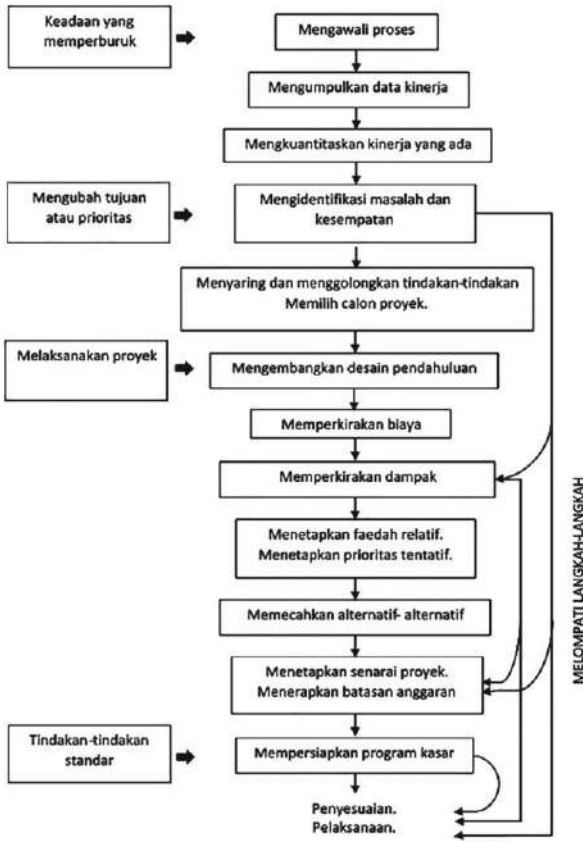
Fig. 6. Transportation system planning cycle

3.4 Transportation System Development

In planning the transportation system, conceptual use is used as developed by Gray and Hoel (1979) in Khisty (2006), where this planning cycle consists of steps starting from starting the process, preparing action scenarios, risks and costs of action, to implementation. Action [10]. The planning cycle in detail can be described according to the following flow chart (Fig. 6).

The first step is to start the process and then collect data on the performance of transportation services to then be processed in the form of data information. The fourth step is to identify the object to be analyzed. Strengths and weaknesses are grouped into internal factors, while opportunities and threats are identified as external factors which can then be analyzed using the SWOT method as shown in Table 7.

Table 7. SWOT analysis

Strength
1. Connectivity, accessibility and mobility are transportation service instruments that affect regional competitiveness;   2. Availability of transportation networks (toll and non-toll networks, public passenger transport networks, train networks, airports, terminals, stations).
Weakness
1. Operational performance of the transportation system is not optimal (high congestion level and low loading factor of public transport);   2. The quality of transportation services is not adequate according to the needs of transportation users (CSI road services and public transportation services are poor)
Opportunity
1. There is a plan to develop a new transportation network that connects Tangerang City with other areas (Toll Network, road and rail-based mass transportation network)\   2. Increased use of information technology in the transportation sector.
Threat
1. Transportation users tend to choose to use private transportation as a means of mobility for their activities;   2. The high need for funding in ensuring the quality of transportation services in accordance with service standards

Table 8. Strategy in the SWOT Method

SWOT	Strength	Weakness
Opportunity	SO Strategy	WO Strategy
	Develop a transportation system based on transport capacity management (TDM) in the form of increasing the capacity and efficiency of network system infrastructure.	Support the development of a new inter-city transportation network by integrating it with the city transportation system with the seemless service concept
Threat	ST strategy	WT Strategy
	Develop a transportation demand management (TDM) based transportation system	Maximizing the use of information technology in improving the quality and efficiency of transportation services

The SWOT matrix will make it easier to formulate various strategies. Basically the alternative strategies taken must be directed at efforts to use strengths and improve weaknesses, take advantage of opportunities and overcome threats. So that from the SWOT matrix, four alternative groups of strategies will be obtained which are called SO strategy, ST strategy, WO strategy, and WT strategy as shown in Table 8.

Fig. 7. SWOT diagram

The fifth step is to choose a strategy through an internal analysis process by making an IFAS (Internal Factors Analysis Summary) matrix and an EFAS (External Factors Analysis Summary) matrix. From the analysis on the table of internal and external factors, it shows that the score for each factor can be detailed as follows:

o Strength factor (strength) : 1.8
o Weakness factor (weakness): 0.6
o Opportunity factor: 0.8
o Threat factor (threat) : 0.9

Based on the above calculation, it can be seen that the strength value is higher than the weakness value with a difference of (+) 1,2 and the opportunity value is below the threat value with a difference of (−) 0.1 from the results of the identification of these factors can be illustrated in the SWOT diagram (Fig. 7).

From the Cartesian diagram above, it can be concluded that the SWOT diagram for the development of the transportation system in Tangerang City is in the second quadratic position, this shows that even though it faces various threats, it still has internal strengths, so the strategy that must be applied is to use strength to take advantage of long-term opportunities by means of a diversification strategy, namely the ST strategy (developing a transportation demand management/TDM-based transportation system).

The preliminary design in the sixth step is made in the form of a table in which there will be an estimate of the costs of the seventh step and the impact of the eighth step which is stated in the form of the impact effectiveness period in the table. The project priority assessment is outlined in the ninth step and is shown in Table 9.

Table 9. Demand Management (TDM) Concept Programs And Activities

No	Programs And Activities	Cost			Impact			Priority
		Small	Currently	Big	Short	Intermediate	Long	
	Urban Public Transport System Development							1
1	Provision of integrated urban public transport networks and facilities			v			v	
2	Provision of Urban Public Transportation with minimum service standards (BOK Subsidy)			v		v		
3	Provision of adequate public transportation infrastructure (terminals and bus stops)		v			v		
4	Provision of parking facilities at public transport nodes		v		v			
5	Provision of NMT facilities to public transport nodes		v		v			
	Urban Freight Transport System Development							3
1	Cross network of goo transport according to road class	v				v		
2	Freight transit facilities			v		v		

(*continued*)

Table 9. (*continued*)

No	Programs And Activities	Cost			Impact			Priority
		Small	Currently	Big	Short	Intermediate	Long	
3	Operational time management of goods transportation services	v				v		
	Road and traffic network system development							2
1	Improved access to public transport nodes (airports, terminals, stations)			v			v	
2	Improved access to freight transport nodes (industrial areas, warehousing areas and transit facilities)			v			v	
3	ITS Development			v			v	
	Development of Land Use - Transportation integration							4
1	TOD. Development			v			v	
2	Aerotropolis area development			v			v	

Alternative solutions or solutions are carried out if there are several alternatives for each project, but in this study all program implementation alternatives were used so that nothing was omitted. The eleventh step is to prepare a rough program, namely a program that can be implemented but still requires review or revision. The twelfth step is program execution. The final step in planning the management of the Tangerang City transportation system is the implementation of the planned programs and activities.

4 Conclusion

Tangerang City is a city that has high regional competitiveness based on the results of studies and determinations from the national research and innovation agency, on the other hand economic growth is still not optimal. One of the input factors for regional competitiveness is the availability of transportation infrastructure, but it has not touched the operational performance of transportation itself. Therefore, it is necessary to analyze other transportation aspects that can increase regional competitiveness.

Based on the results of the correlation analysis, it shows that not only connectivity aspects in the form of transportation infrastructure availability, but aspects such as accessibility and level of movement (mobility) also have an influence on competitiveness output in the form of economic growth as measured by GRDP per Capita. Therefore, these aspects ultimately become the basis for the Tangerang City transportation system development scheme.

Furthermore, in order to be able to test the suitability of the results of the correlation analysis with the preferences of transportation users, a calculation of the satisfaction index of transportation users for road services and public transportation services is also carried out which shows the level of transportation services in Tangerang City still does not meet the wishes of the traveling public, where the factors that including accessibility (travel time) and mobility (traffic barrier level) need attention to be handled immediately,

Based on the correlation analysis of transportation aspects with regional competitiveness and the results of the satisfaction assessment of transportation services, a SWOT analysis was carried out to produce relevant strategies based on existing internal and external factors. The SWOT analysis shows that according to the Cartesian diagram the development of the transportation system in Tangerang City is in Quadrant II position which has the ST strategy, namely developing a transportation demand management/TDM-based transportation system.

Meanwhile, in developing selected programs and priorities according to the strategy of developing a transportation demand management/TDM-based transportation system using the conceptual as developed by Gray and Hoel (1979) in khisty (2006), in this planning cycle there are steps that start from starting the process, preparing action scenarios, risks and costs of action, up to the implementation of the action [10]. The results obtained by this process are to set priorities for the development of the Tangerang City transportation system in sequence, namely:

1) Urban Public Transportation System Development program plan,
2) Road and traffic network system development program plan,
3) Urban Goods Transportation System development program plan; and
4) Land Use - Transportation integration development program plan

However, the author can say that there is no single policy (single solution) that can directly solve the problem of urban transportation completely. The policy that must be taken must be a combination of several policies or strategies that in synergy will be able to solve the existing transportation problems. Several other supporting policies must be carried out together in order to support the success of the Transport Demand management concept.

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The Effect of Internal Communication
on the Performance of Lecturers at Doctoral
University Husni Ingratubun (Uningrat) Tual

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Abstract. Higher Education is the epicenter of the implementation and development of science, technology, art, and the people in it are a scientific community full of noble ideals, in the context of realizing the goals of national education in accordance with the mandate of the Preamble to the 1945 Constitution. Aims to determine the effect of internal communication on the performance of lecturers at Doctoral University Husni Ingratubun (Uningrat) Tual. This study uses a quantitative method. The analytical method used is simple linear with the SPSS program. The population as well as the sample of this study amounted to 32 lecturers. The results showed that internal communication had a positive and significant effect on the performance of lecturers at the Tual Husni Ingratubun Doctoral University (Uningrat) this can be seen from the results of the variable regression coefficient (X) or internal communication, which is 0.883. From the results of the regression analysis, the t-count value was $4.222 > $ t-table 2.042 and the significance value (sig.) was $0.000 < 0.05$. So it can be concluded that internal communication (X) has a positive and significant effect on the performance of lecturers (Y) at the Husni Ingratubun Doctoral University (Uningrat) Tual.

Keywords: Internal Communication · Lecturer Performance

1 Introduction

Higher Education is the epicenter of the implementation and development of science, technology, art, and the people in it are a scientific community full of noble ideals, in the context of realizing the goals of national education in accordance with the mandate of the Preamble to the 1945 Constitution. Lectures are one of the scientific communities in a higher education institution whose main task is to develop, disseminate knowledge, transform art and technology, through the tri dharma of higher education, namely carrying out education or teaching, research, and community service.

Even though the lecturer profession has the academic qualifications that he got from higher education, namely the strata 2 (postgraduate) program, it is the main prerequisite to become a lecturer. Therefore, as a lecturer, one must at least have a master's degree or graduate from a postgraduate program.

According to Law Number 14 of 2005 concerning teachers and lecturers in Chapter I article 1, it reads "Lecturers are professional educators and scientists with the main task of transforming, developing, and disseminating science, technology, and art through education, research and community service" [6]. For a university, lecturer performance management is important to implement. Because it is the university's interest in campus development and the development of human resources (lecturers). Through performance management, all problems can be identified, whether they arise from the lecturer or arise from internal communication that does not work between the lecturer and the leadership or between fellow lecturers [1].

The success or failure of Education at the University depends on the performance of lecturers, leaders and education staff, because these components are the key that determines and drives other components. However, among the previously mentioned components, lecturers are the main key or important factor in the education system in higher education. According to [5], performance is the result of work in quality and quantity achieved by a person in carrying out his duties in accordance with the responsibilities given to him. This performance can be measured by assessing the results achieved, the behavior displayed, and the things that need to be done in accordance with their duties.

According to [3] explained that performance is a universal concept which is the operational effectiveness of an organization, part of the organization, and its employees based on predetermined standards and criteria. Based on the above, the assessment of lecturer performance is something that is very important to get serious attention by higher education leaders, especially at the Tual Husni Ingratubun (Uningrat) Doctoral University. In terms of improving performance, it will be influenced by many factors including motivation, quality of human resources (lecturers) even to the internal communication built within the organization (Uningrat Tual). Therefore, this study will explore the influence of internal communication on the performance of lecturers at the Doctoral University Husni Ingratubun (Uningrat) Tual.

According to [2] Lecturer performance can be measured by six indicators, namely 1) timeliness, 2) commitment, 3) qualitas, 4) quantity, 5) effectiveness and 6). Independence Internal communication according to Muhamad in Astuti, Bagia, & Susila, 2016:2 is communication sent to members in an organization. Therefore the recipients of messages in internal communication are people who are within the organization. According to [2] Internal communication is measured by two indicators, namely vertical communication indicators and horizontal communication indicators. Vertical communication will talk about instruction, direction, judgment, ideology, reprimand, appreciation and motivation. While horizontal communication will talk about cooperation, consultation, work meetings as well as criticism and suggestions.

Based on the above, the researcher is very interested in researching with the title "The Influence of Internal Communication on Lecturer Performance at the Doctoral University of Husni Ingratubun (Uningrat) Tual".

2   Methodology

2.1   Research Location and Design

The location of the research was carried out on Husni Ingratubun Doctoral University (Uningrat) Tual. This research environment is a real environment (fieldsetting) with the unit of analysis is lecturer at Husni Ingratubun (Uningrat) Tual Doctoral University.

2.2   Population and Sample

According to [4], if the total population is less than 100, it can be used as a population study, meaning that the entire population is a sample. The population in this study is lecturer at Husni Ingratubun (Uningrat) Tual Doctoral University. Sample selection was done by using purposive sampling method. The total sample in this study is 32 lecturer.

2.3   Method of Collecting Data

Research data collection used a questionnaire from the lecturers at the Husni Ingratubun Doctoral University (Uningrat) Tual and documentation in the field as well as the use of references from the internet.

2.4   Validity and Reliability Test

Validity and reliability tests were used to test the questionnaires or questionnaires distributed were worthy of being used as research instruments.

Descriptive Analysis. Descriptive analysis is used to interpret the data and information obtained by collecting, compiling, clarifying the data obtained and then analyzing it so that the actual picture of the object of research is obtained.

Simple Linear Regression Data Analysis. The data analysis method used in this study is a simple linear regression analysis model that serves to test the effect of internal communication on performance lecturer at the Husni Ingratubun (Uningrat) Tual Doctoral University,which is translated into a simple linear regression equation as follows:

$$Y = a + bX + e \tag{1}$$

Information:
Y = Lecturer Performance
a = Constant
b = Regression Coefficient
X = Internal Communication
E = Error (error)

Table 1. Validity Test Table

Instrument Variable	r-count	r-table	Information
Internal Communications (X)	0.593	0.349	Valid
	0.714	0.349	Valid
	0.461	0.349	Valid
	0.501	0.349	Valid
	0.879	0.349	Valid
	0.900	0.349	Valid
	0.679	0.349	Valid
	0.879	0.349	Valid
	0.513	0.349	Valid
	0.556	0.349	Valid
Lecturer Performance (Y)	0.734	0.349	Valid
	0.856	0.349	Valid
	0.820	0.349	Valid
	0.887	0.349	Valid
	0.784	0.349	Valid
	0.732	0.349	Valid
	0.868	0.349	Valid
	0.837	0.349	Valid
	0.749	0.349	Valid
	0.526	0.349	Valid
	0.804	0.349	Valid
	0.551	0.349	Valid

3   Results and Discussion

3.1   Validity and Reliability Test Results

Validity and reliability tests were used to test the questionnaires or questionnaires distributed were worthy of being used as research instruments. The following are the results of the Validity and Reliability Test that have been processed by researchers.

The Table 1 shows that all the r-count values > of the r-table values. Therefore, it can be said that all variables are declared valid because the value of r-count > the value of r-table, which is 0.339. This means that each indicator statement of the variables used in this study is declared valid.

Table 2. Reliability Test Table

Variable	*cronbach's alpha*	Reliability limit	Note:
Internal Communications (X)	0.866	0.60	Reliable
Lecturer Performance (Y)	0.925	0.60	Reliable

Looking at the reliability test Table 2, it shows that the value of Cronbach's alpha (r count) of the two variables is declared reliable because the value of r count > the value of r table is 0.60. Thus, it can be interpreted that the research variables used do not cause a double meaning so that consistency can be guaranteed.

3.2 Simple Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.610ª	.373	.352	5.81635

a. Predictors: (Constant), Komunikasi Internal

In the table above, it can be seen that the value of "R Square" is 0.373, which means that internal communication affects the performance of lecturers by 37.3% while the remaining 62.7% are other variables not examined.

The results of the t test using the SPSS 26 program can be seen in the following table.

Coefficientsª

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	13.287	9.124		1.456	.156
	Komunikasi Internal	.883	.209	.610	4.222	.000

a. Dependent Variable: Kinerja Dosen

In accordance with the results of the t test above, it can be seen that the regression coefficient of the variable (X) or internal communication is 0.883, therefore it can be said that the internal communication variable (X) has a positive and significant effect on lecturer performance at Husni Ingratubun Doctoral University (Uningrat) Tual. From the results of the regression analysis, the value of t count is 4.222 > t table 2.042 and the

significance value (sig.) 0.000 < 0.05. So it can be concluded that internal communication (X) has a significant effect on lecturer performance (Y) on Husni Ingratubun Doctoral University (Uningrat) Tual.

The regression equation is as follows:

$$Y = b - 0 + bX \qquad (2)$$

$$Y = 13,287 + 0.883\,X \qquad (3)$$

Based on the test results above, it can be seen that internal communication has a positive and significant effect on the performance of lecturers at schoolHusni Ingratubun Doctoral University (Uningrat) Tual.

3.3 Discussion

In general, the test results show that internal communication has a positive and significant effect on the performance of lecturers at schoolHusni Ingratubun Doctoral University (Uningrat) Tual. In this study, internal communication is measured by 2 indicators, namely: 1) vertical communication, and 2) horizontal communication. By paying attention to these two indicators, it is expected to improve the performance of lecturers at school Husni Ingratubun Doctoral University (Uningrat) Tual. The results of the validity test show that the horizontal communication indicator has a high validity value compared to the vertical communication indicator, meaning that the relationship or communication between colleagues shows a high validity value when compared to communication with university leaders.

The discussion in this study, namely the results of descriptive statistical analysis using simple regression analysis can be explained in the following discussion. Based on the results of the calculations and analysis above, the regression equation is obtained:

$$Y = 13,287 + 0.883\,X \qquad (4)$$

The regression equation can be concluded that in addition to the variables studied (internal communication), there are also other variables that affect the performance of lecturers outside of those studied by researchers in Husni Ingratubun Doctoral University (Uningrat) Tual. The results of simple regression analysis using SPSS Statistic 26 obtained the coefficient value of the influence of internal communication on lecturer performance of 0.883 with a value of $p = 0.000 < 0.05$, this is supported by the results of the t-test, namely the t-count value of 4.222 with a significance of 0.000 and t- table of 2,042 with a specified significance level of 0.05 or 5%. This shows that internal communication has a positive and significant effect on the performance of lecturers at school Husni Ingratubun Doctoral University (Uningrat) Tual, this means that the better the internal communication carried out by the lecturer, the higher the lecturer's performance at school Husni Ingratubun Doctoral University (Uningrat) Tual.

Based on the above analysis, it can be concluded that the internal communication variable is an important factor to improve the performance of lecturers at the university-Husni Ingratubun Doctoral University (Uningrat) Tual. Therefore, efforts and seriousness from university leaders are needed in improving good and quality communication

patterns between leaders and lecturers, lecturers and leaders, as well as fellow lecturers, so that the performance of lecturers will increase.

Based on the findings resulting from this study, there is a significant influence between internal communication and the performance of lecturers at school Husni Ingratubun Doctoral University (Uningrat) Tual. This means that if university leaders want to improve lecturer performance, they must pay attention and provide stimulus to lecturers to improve internal communication and establish good communication between leaders and lecturers and communication between lecturers (vertical communication and horizontal communication).

The results of this study are in line with previous research, namely research conducted by [2] entitled "the influence of internal communication on employee performance, where the result is that there is an influence of internal communication on employee performance. Looking at previous research which is in line with this research, the author concludes that internal communication is indeed a determining factor for improving lecturer performance. Thus the internal communication variable becomes a very important thing for improving lecturer performance.

4 Conclusion

Based on the results of research and discussions that have been carried out by researchers related to the influence of internal communication on lecturer performance in Husni Ingratubun Doctoral University (Uningrat) Tual, then the researcher concludes that internal communication has a positive and significant effect on the performance of lecturers at Husni Ingratubun Doctoral University (Uningrat) Tual, this can be seen from the results of the regression coefficient of the variable (X) or internal communication that is equal to 0.883 therefore it can be said that the internal communication variable (X) has a positive and significant effect on lecturer performance. From the results of the regression analysis, the t-count value was $4.222 > $ t-table 2.042 and the significance value (sig.) was $0.000 < 0.05$. So it can be concluded that internal communication (X) has a positive and significant effect on the performance of lecturers (Y) atHusni Ingratubun Doctoral University (Uningrat) Tual.

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The Effect of Asset Inventory Implementation, the Quality of Human Resources and Leadership Commitment to Optimizing Asset Management and the Quality of Financial Statements of the Tangerang City Government

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Abstract. The purpose of the study was to obtain an analysis of the effect of the implementation of asset inventory, the quality of human resources of managers and leadership commitment to optimizing asset management and the quality of financial statements by optimizing assets as a mediation variable. The research is applied in SKPD within the scope of the Tangerang City Government with the research focus set to the Head of SKPD, Head of General Subdivision and Asset Management Personnel in 40 SKPDs, and Regional Asset Administration Division. The sampling method was carried out by census method with data source using questionnaires. The results showed that the implementation of asset inventory and leadership commitment had a significant effect on optimizing asset management, but the quality of human resources did not have a significant effect. In addition, the implementation of asset inventory, the quality of human resources, leadership commitment has a significant effect on the quality of financial statements through asset optimization.

Keywords: Asset Inventory Implementation · Management Human Resource Quality · Leadership Commitment · Quality of financial statements · Asset Management Optimization

1 Introduction

The quality of the Financial Statements for the Tangerang City Regional Government has improved from year to year and is in the good category, for 14 consecutive years (2008–2021) received an Unqualified Opinion from the BPK-RI. However, in terms of regional asset management, there are still records, especially related, the disclosure of fixed asset information presented is not fully complete, there is still an empty table column that has not been filled with related information fixed assets are referred to. Regional Assets/Property is one of the supporting tools for government wheel organizers to support community services/stakeholders, although regional assets/goods play an important role but in terms of recognition of existence and accountability still always numbered. Errors

in valuation of regional assets/property can result in material errors because the value invested is relatively significant, besides that it will hinder the course of government affairs as mandated by Law No. 23 of 2014 concerning Regional Government, and consequently it will also affect the fairness of the local government's financial statements.

In terms of regional asset management, the Tangerang City Government has used the Regional Goods Management Information System (SIPBD), an integrated application that is used as a tool for the Tangerang City Government in improving the effectiveness of the implementation of various regulations in the field of regional property management based on the principles of efficiency, effectiveness, economy, transparency, a countable and auditable, which supports qualified Human Resources. As time development and application improvements to support this, in addition to upgrading existing applications, trials and comparisons were also carried out between the SIPBD application and the application SIAPBMD is offered by the Ministry of Home Affairs, and starting in 2020, it has shifted to the use of the SIAPBMD application in terms of managing Regional Property.

Fixed assets are assets or regional property that have a useful life of more than 12 months to be used by government activities or used by the general public jointly where assets are of value its acquisition can be reliably measured, not traded. The large number of fixed assets owned by the government is a great responsibility for the management of fixed assets and requires the government to make regulations regarding the management of fixed assets.

Some journals that have been studied on fixed assets owned by the regions list that regional fixed assets are part of the regional wealth consisting of movable goods and not mobile owned by local governments in Indonesia. Guidelines for the management of regional assets are contained in Government Regulation Number 27 of 2014 concerning Management of State/Regional Property and Regulation of the Minister of Home Affairs Number 19 of 2016 concerning Management of Regional Property. These Fixed Assets must certainly be utilized as optimally as possible to obtain regional economic growth which will ultimately affect the original regional income.

To realize the optimization of regional assets, regional asset management certainly plays an important role where regional fixed assets are utilized appropriately and efficiently. However, in fact, in some regions in Indonesia, there are still many regional asset management problems both in terms of administrative and the regional asset management cycle itself. Although the audit results from the Financial Examination Agency of the Republic of Indonesia (BPK RI) provide an Unqualified Opinion (WTP).

The CPC's findings in audits in several regions stated that asset management was still not as expected until the takeover of beavers belonging to regions that did not have evidence of ownership, which gives rise to disputes and uses that violate the established rules until the utilization of assets is not optimal. If this problem continues to be allowed, it will cause public distrust of the local government and also cause negative responses about the area.

Regional fixed assets or Regional Property are all goods purchased or acquired at the expense of the state budget or derived from other legitimate acquisitions. Regional Property is managed by authorized officials and is responsible for setting policies and guidelines and managing Regional Property. Regional fixed assets are a major part of

government assets whose value is very large in the financial position statements. Regional fixed asset management has systems and procedures based on functional principles, legal certainty, transparency, efficiency, accountability and value certainty.

Asset utilization is the transfer of the function of regional property that is not used to support the implementation of government duties and functions and/or optimization of regional fixed assets by not changing their ownership status. For the utilization of land and building assets can be carried out completely or partially depending on the area of land and buildings required.

The utilization of regional fixed assets is carried out based on technical considerations by taking into account the interests of the region and the public interest. The utilization of regional assets can be carried out as long as they are not used in the implementation of government duties and functions. The cost of maintaining and securing the assets that are the object of utilization is charged to the utilization partner.

Other contributing factors are the low quantity and quality of Human Resources, the lack of financial management and asset management personnel with education graduates in economics, especially accounting, employees of local government organizers who generally have non-economic backgrounds. The low basic ability in financial management results in poor financial management of local governments. This is because the local government lacks to provide training or education related to the management of local government finances. Training or education is mostly for officials and not at the executive level who will directly handle financial management. In addition, employees who have received training are often mutated to other places that have nothing to do with financial management.

This is the cause of non-optimal asset management which ultimately has an impact on poor quality financial statements. [1] in his research found evidence of the positive influence of human resource variables on the optimization of asset management. [2] also found that the better the implementation of asset management, the more effective the management of local government assets. However, [3], stated that some of the quality of regional devices has no effect on asset management, so this research must be reviewed for its correctness. [4], in her research entitled the influence of regional heads' commitment to the quality of financial statements of the West Java provincial government, shows that leadership commitment has a positive and significant effect on the quality of financial statement preparation. [5], mentioned that the factors that affect asset management after the expansion of new territories, and their influence on the quality of financial statements include human resources, knowledge and understanding of asset management, asset valuation, leadership commitment and an attitude of lack of care and lack of responsibility towards asset management.

2   Method

This study used analytical units at the organizational level, namely the entire Tangerang City SKPD and the Regional Asset Management Sector. The technique used is surveying. The type of research with the purpose of research is explanatory research. This type of consideration is to analyze the causality relationship between factors affecting the optimization of assets and the quality of financial statement information.

The approach used to analyze is a quantitative approach. The selection of then and the main method is because this research is a confirmation (testing) between theory and reality by first establishing a hypothesis and then doing testing using statistical analysis techniques.

The variables of this study are classified into independent variables and dependent variables. The measurement of variable indicators used is to use a Likert scale. The population in this study is all fields related to financial management that exist within the Regency Government of the Tangerang City islands with a total of 40 SKPD consisting of 1 Regional Secretariat, 1 DPRD Secretariat, 1 Inspectorate, 4 Agencies, 20 Offices, and 13 Sub-districts, as well as the Asset Administration Division at BPKD Tangerang City. The source of data in this study is primary data. Primary data were obtained using research instruments in the form of questionnaires.

The study was conducted to see:

a. The Effect of Asset Inventory Implementation on Asset Optimization, The Effect of Asset Inventory Implementation on The Quality of Local Government Financial Statements, The Effect of Asset Inventory Implementation on Financial Statement Quality through Asset Optimization

   H1:   Asset optimization is positively affected by the implementation of Inventarization of assets.

   H5:   The quality of financial statements is significantly affected by the implementation of an inventory of assets.

   H8:   Through asset optimization, the implementation of asset inventory has a positive effect on the quality of financial statements

b. The impact of human resource quality on asset optimization, Impact of human resource quality on the quality of financial statements, Impact of human resource quality on the quality of financial statements through the application of asset optimization.

   H2:   The quality of human resources has a significant influence on the optimization of assets.

   H6:   The quality of financial statements is significantly affected by the quality of human resources

   H9:   Through the application of asset optimization, the quality of financial statements is significantly influenced by the quality of human resources

c. The impact of Leadership Commitment on the implementation of Asset Optimization, The influence of Leadership Commitment on Financial Statement Quality, The effect of Leadership Commitment on Financial Statement Quality Through Asset Optimization

   H3:   Leadership commitment has a significant effect on asset optimization.

   H7:   A significant influence of leadership commitment on the quality of financial statements.

   H10:   Through the application of asset optimization, leadership participation has a significant effect on the quality of financial statements

d. The influence of Asset Optimization Implementation on Financial Statement Quality

   H4:   The quality of financial statements is significantly affected by the implementation of asset optimization.

3 Research Results

The respondents in this study were financial and asset managers as many as 5 respondents in each SKPD. The number of research samples is 205 samples. The return rate of the questionnaire in this study was 95.60%, but the feasible one used in the analysis was 195 respondents (94.87%).

3.1 The Effect of Asset Inventory on Asset Management Optimization

This research is in line with the research conducted previously by [6], and [7] and [8]. Their research explains that there is a significant and positive influence of asset inventory on the optimization of asset management. In addition, this research is supported by the Stewardship theory. Administrators in government organizations realize that service to the community has now become the focus of government organizations' performance.

Another service from local governments to the community is the accountability of local assets from planning to reporting these assets. A good inventory will improve asset management optimization and ultimately result in good asset reporting as well. That is, there is a significant and positive influence of asset inventory variables on the optimization of asset management. This research proves that with a well-run inventory of assets, it will provide a good level of asset management optimization as well.

3.2 The Effect of Human Resource Quality on the Optimization of Asset Management

This means that the variable quality of human resources has a significant and positive influence on the optimization of asset management. The results of the study are in line with [6] and [9], and [3], as well as [10], where there is a positive influence of the quality of human resources on the optimization of asset management. Employee resources for local governments are one of the strategic factors needed for the implementation of all activities, because they must not only be utilized as one of the productive production factors, but must be is considered the main wealth (asset) of the Tangerang City government that must be managed properly.

This research is reinforced by the theory of Stewardship, where human beings are based on levels that have collective or group actions, working together with high utility and willingness to serve. There are 2 choices between doing your own or pro-organization, because human resources in the Tangerang City government are assets as well as servants for the local community. This means that the variable quality of human resources affects the optimization of asset management as significantly and positively.

3.3 The Effect of Leadership Commitment on the Optimization of Asset Management

According to [12] commitment is the ability and willingness to align personal behavior with the needs, priorities and goals of the organization. This includes ways of developing goals or meeting the needs of the organization that essentially precede the mission of the organization over personal interests.

Commitment or attachment is a definite promise or ability to do something or not do something. Commitment is the integrity of discipline in a person and is consistent with what has been agreed in his life both in the social environment, organization and family environment. Therefore, if a leader is committed to involving subordinates in every activity related to optimizing asset management, then regional asset management will get optimal results. This means that the variable commitment of the leadership has a significant and positive effect on the optimization of asset management.

3.4 The Effect Asset Inventory to the Quality of Financial Statements

The results of the hypothesis test showed that the value of the asset inventory coefficient against asset management optimization was 0.208 with a statistical value of 2.502 (greater than 1.96). This means that the variable of asset inventory on the quality of financial expenditures has a significant and positive influence. This research proves that a good inventory of assets will affect the quality of local government financial statements.

This research is corroborated by the theory of Stewardship which describes situations in which management is not motivated by individual goals but rather their main objectives for the benefit of the organization. This theory assumes a strong relationship between satisfaction and organizational success.

3.5 The Effect of Human Resource Quality on the Quality of Financial Statements

This research found that the quality of human resources is one of the factors that affect the quality of local government financial statements. This research is reinforced by the theory of Stewardship which states that the management of an organization as a "servant or administrator", who will act consciously, kindly and wisely towards the interests of the organization. Administrators in government organizations realize that currently service to the community has become the focus of performance measures of government organizations. One of them is to provide transparent and accountable financial information. There are still records of audit results of regional financial statements whose interpretation of opinion shows that the quality of regional financial statements requires continuous improvement. A very potential factor influencing the high and low quality of local government financial statements is human resources.

This means that the variable quality of human resources has an insignificant and positive effect on the quality of financial statements. This shows that the better the quality of human resources, the better the quality of financial statements will not necessarily be.

3.6 The Influence of Leadership's Commitment on the Quality of Local Government Financial Statements

Commitment is the key word for successful performance or quality that must be obeyed by all employees in the organization. One of the indicators of performance or quality inequality is due to the lack of commitment of the leadership in obeying the rules that have been mutually agreed upon due to decisions and policies that are lacking fundamental.

The impact of these fewer fundamental decisions and policies will be able to cause social jealousy between fellow employees, thus impacting the performance or quality of reports. This is supported by research conducted by [4] and [5].

The influence of the leadership's commitment to asset optimization has been carried out by [11], the results of his research showed that leadership commitment is influential and positively correlated with asset management.

[4] in her research entitled the influence of regional head commitment on the quality of financial statements of the regional government of West Java province, the results of her research show that there is a positive and significant influence of the commitment of regional heads to the quality of financial statements. Meanwhile, [5], mentioned that the factors that affect asset management after the expansion of new territories, and their influence on the quality of financial statements include human resources, knowledge and understanding of asset management, asset valuation, leadership commitment and an attitude of lack of care and lack of responsibility towards asset management. This ultimately affects the financial statements of local governments. This means that the leadership commitment variable has a significant and positive effect on the quality of financial statements. This research shows that the commitment of the leadership is very significant in determining the quality of local government financial statements.

3.7 The Effect of Asset Management Optimization on the Quality of Financial Statements

Research on asset optimization of financial statements was presented by [13], and [14]. [13], in his journal entitled Ghost Assets Appears to Have "Vanished" leaving Only a trace on the Ledger, without core material. In the journal, it was found that there is a ghost asset, is an asset that is in the company's books but in real time the physical is not clear whereabouts, appears to disappear and leaves only traces on the ledger, with an undiscovered material essence. Ghost assets account for 15% of the total inventory. Whereas Zombie assets are physically owned assets, but none in the accounting records support this.

The study in management of regional assets related to the BPK disclaimer opinion in Tojo Una Una Regency in Central Sulawesi showed that a separate/partial free variable would only have a small influence on the bound variable [15]. But together/simultaneously it will have a huge influence. This shows that planning, administration, productivity improvement as well as coaching, supervision and control are elements that are intertwined with each other that must be carried out and applied in a unified system in order to support asset management. This means that asset management optimization variables affect the quality of financial statements significantly and positively.

3.8 The Influence of Asset Inventory Implementation on Financial Statement Quality Through Asset Management Optimization

Good management of regional assets can maximize the function of regional assets or in other words, asset management is fulfilled effectively. This is the same as the results of research conducted by [2]. [2] found that a significant and positive influence on the

application of asset management on the effectiveness of regional asset management. This means that the better the asset management implementation, the more effective the asset management of an area. Likewise with the results of [16] with the title Analysis of the Effect of Planning, Implementation, Development, Supervision, and Control on the land asset area of Sorolangun Regency. The results of the study stated that simultaneously planning, implementing, coaching, supervising and controlling affect the management of regional property.

To ensure effective asset utilization, one of them is by creating an efficient asset cycle, which is supported by useful information about the asset life cycle. Asset inventory affects the quality of financial statements, this was stated by [7] who stated that asset inventory has a significant effect on legal audits and asset valuation. The results of the research of [10] found that asset inventory negatively affects asset optimization, where this study uses asset optimization variables as bound variables. Because asset optimization research produces conflicts with other studies, this study tries to use asset optimization as an intervening variable.

It can be concluded that the effect of Asset Inventory on the Quality of Financial Statements is significantly mediated by asset optimization variables.

3.9 The Influence of Human Resource Quality on the Quality of Financial Statements Through Asset Management Optimization

It can be concluded that the influence of Human Resource Quality on the Quality of Financial Statements through Asset Management Optimization looks significant and positive. This is in accordance with the results of research by [17], that some Human Resources have a positive spirit towards the Quality of Local Government Financial Statements.

His other research by [17] that the results of the study. Said that the capacity of human resources positively affects the quality of information of accounting entities in the financial reporting of the Gianyar Regency government. Likewise, the results of the study, [18]. The results show that competent human resources, the application of the Regional Financial Accounting System, the use of information technology, and the government's internal control system have a positive and significant influence on the quality of local government financial statements. The above empirical findings are in line with the statement from [19], that the quality of financial statement information depends heavily on resource inputs in the form of: Labor, Materials, Facility, Funds and Data. Thus, to be able to produce quality financial reports, quality (competent) resources are also needed. The results of the research of [10] revealed that the quality of human resources has a positive effect on asset optimization, where this study uses asset optimization variables as bound variables. Because asset optimization research produces conflicts with other studies, this study tries to use asset optimization as an intervening variable.

3.10   The Effect of Leaders' Commitment to the Quality of Financial Statements Through Asset Management Optimization

It can be revealed that the leadership's commitment to the Quality of Financial Statements through Asset Management Optimization has a significant effect. Commitment is a keyword for successful performance or quality that must be obeyed by all employees in the organization. One of the indicateor non-success of performance or quality is due to the lack of commitment of the leadership in obeying the rules that have been mutually agreed upon due to insufficient decisions and policies fundamental. The impact of these fewer fundamental decisions and policies will be able to cause social jealousy between fellow employees, thus impacting the performance or quality of reports. This is supported by research conducted by [4], and [5].

The influence of the leadership's commitment to asset optimization has been carried out by [11], the results of his research showed that leadership commitment is influential and positively correlated with asset management. This is in line with [5] stated that one of the factors affecting asset management after expansion in South Tapanuli Regency as an area parent and North Padang Lawas Regency, Padang Lawas Regency and Padang-sidimpuan City as regional expansion areas are the commitment of the leadership. However, this research contradicts [6] who stated that the leadership's commitment has no effect on asset optimization and the quality of financial statements.

[4], in her research entitled the influence of regional head commitment on the quality of financial statements of the regional government of West Java province, the results of her research show that there is a positive and significant influence of the commitment of regional heads to the quality of financial statements. Meanwhile, [5], mentioned that the factors that affect asset management after the expansion of new territories, and their influence on the quality of financial statements include human resources, knowledge and understanding of asset management, asset valuation, leadership commitment and an attitude of lack of care and lack of responsibility towards asset management. This ultimately affects the financial statements of local governments.

This means that the leadership commitment variable has a significant and positive effect on the quality of financial statements. This research shows that the commitment of the leadership is very significant in determining the quality of local government financial statements.

4   Conclusion

In accordance with the results of research and discussion on the influence of asset inventory, the quality of human resources, the commitment of the leadership through optimization of asset management on the quality of financial statements of the Tangerang City Government, the following conclusions can be put forward:

1. Asset inventory has a significant effect on optimizing asset management. Increasing asset optimization can be done mainly by improving bookkeeping and asset administration. The more important asset optimalization of the concern is on the aspects of security and maintenance.

2. The quality of human resources does not significantly affect the optimization of assets. This is because the quality of human resources in the object of study emphasizes more on aspects of mental quality that have not been followed by optimal improvement of physical quality.

3. The commitment of the leadership has a significant effect on the optimization of asset management. Increasing the optimization of assets is carried out mainly by providing empathy as well as optimal involvement of subordinates based on their respective goals. That is, with the involvement of subordinates, by carrying out security and maintenance, it can increase the optimization of regional assets.

4. The implementation of asset inventory has a significant influence on the quality of financial statements. Improving the quality of financial statements can be done, especially by improving asset inventory, especially in the aspects of bookkeeping and asset administration. This can be done by increasing aspects of understanding of stakeholders as a form of improving the quality of financial statements.

5. Significant influence of the quality of human resource on the quality of financial statements. This means that improving the quality of financial statements can be done, especially by improving the quality of human resources, especially in the physical aspect.

6. The commitment of the leadership has a significant effect on the quality of financial statements. This means that improving the quality of financial statements can be carried out, especially by involving subordinates in every activity related to their respective responsibilities as a form of leadership empathy.

7. Optimization of asset management has a significant effect on the quality of financial statements. Improving the quality of financial statements can be done by improving the security and maintenance of assets.

8. Asset management inventory has a significant effect on the quality of financial statements through optimization of asset management. Quality improvement can be achieved if the bookkeeping and asset administration are carried out properly. In this study, asset inventory has a very important impact in improving the quality of financial statements of the Tangerang City government. Good administration and bookkeeping or maintenance and security of assets will improve the quality of financial statements.

9. The quality of human resources to the quality of financial statements through optimization of asset management has a significant effect. Improving the quality of financial statements can be achieved if the physical quality of employees is a focus supported by good mental quality. Although the quality of its human resources does not directly affect the quality of human resources, it has a significant effect on the quality of financial statements if through optimization of asset management. This means that quality human resources will be able to improve the maintenance and security of assets and further improve the quality of financial statements of the Tangerang City Government.

The leadership's commitment has a significant effect on the quality of financial statements through optimization of asset management. Improving the quality of financial

statements can be improved if the leadership's commitment, especially to the involvement of subordinates in carrying out any activities related to asset management. The commitment of the leadership is very important in supporting the improvement of the quality of financial statements both directly and through optimizing the asset management of the Tangerang City Government.

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Foreign Investment Intervention on Economic Growth in Indonesia

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Abstract. This study aims to examine and analyze foreign investment interventions on the economic growth in Indonesia. Economic growth is a vital indicator of the prosperity of a country. Intervention on foreign investment is necessary from time to time in order to ensure benefits for all parties. As a developing country, Indonesia requires substantial funds to carry out national development. The analytical method used is path analysis using secondary data. The results of this study indicate that inflation does not directly affect economic growth or indirectly through the mediation of foreign investment. Moreover, interest rates have a direct and significant negative effect on economic growth, but interest rates have a positive and significant indirect effect on economic growth through foreign investment. This study also finds that the exchange rate has no direct effect on economic growth, however the exchange rate has a negative and significant indirect effect on economic growth through foreign investment.

Keywords: Foreign Investment · Economic Growth · Inflation · Interest Rates · Exchange Rates

1 Introduction

Economic growth is a long-term problem for a country's economy towards a better state during a certain period and can be associated also as a state of increasing production capacity of an economy which is manifested in the form of an increase in national income. The existence of economic growth is an indication of the success of a country's economic development in people's lives. The higher the level of economic growth, the faster the process of increasing output so that the prospects for regional development are better and can also improve infrastructure, especially opening new land for work (Fig. 1).

Based on existing data, it shows that the increase in foreign investment increased from 2012–2015 from 24564.70 million US$ to 29275.70 million US$ then in 2016 foreign investment decreased and in 2017–2019 it increased again. This fluctuation in foreign investment certainly has many factors. However, if foreign investment improves, it can certainly be one of the efforts to increase economic growth.

Based on the existing theory, the relationship between foreign investment and economic growth is positive. If foreign investment increases, then economic growth also
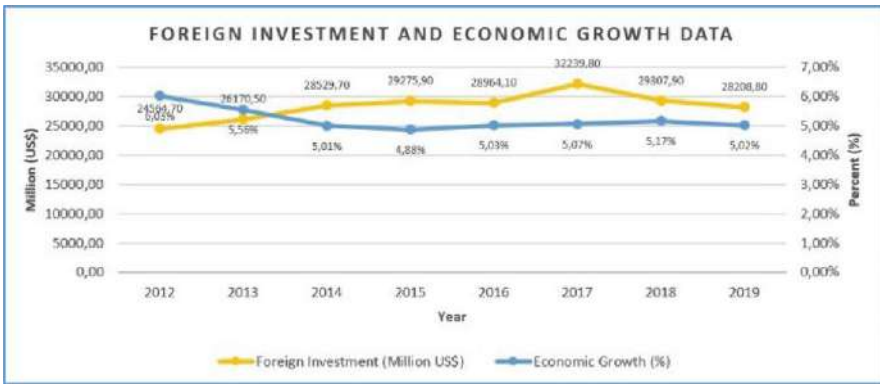
Fig. 1. Trends in FDI and Indonesia's Economic Growth in 2012–2019

increases. But there is a gap between the two which shows a negative relationship between economic growth and FDI, so it can be said that there is a problem because the theory is different from the facts.

In the era of globalization, it is certain that every country must be in contact with countries bilaterally and multilaterally. One of the developing countries that adheres to an open economy in running its economy is Indonesia. The stability of economic growth certainly cannot be separated from the role of domestic (domestic) and foreign (foreign) parties. As a developing country, Indonesia requires substantial funds to carry out national development. Indonesia is highly dependent on foreign trade and investment. Limited funding is a problem to cover the limited burden of developing the economy in Indonesia is by investing [1].

Moreover, foreign investment is influenced by several factors. Some of the factors are inflation, interest rates, and exchange rates. These factors determine whether investors want to invest in Indonesia or not. If these three factors cannot be controlled, they will certainly affect foreign investment which in the end will also have an impact on Indonesia's economic growth (Fig. 2).

The available data shows that inflation, interest rates, and exchange rates in Indonesia fluctuate. Inflation in 2012–2013 increased but foreign investment increased and was followed by a decline in economic growth. Then in 2016–2017, inflation increased and foreign investment also increased. Interest rates in 2012–2013 decreased, while foreign investment increased. This also applies in 2017–2019 where interest rates decreased but foreign investment also fell. Then, the exchange rate in 2013–2015 experienced an increase which was not followed by an increase in economic growth or in the sense that economic growth declined, whereas according to existing theory, economic growth and the exchange rate should have a positive relationship. This also happened in 2016, where the exchange rate declined while economic growth increased.

The performance of foreign investment is important for the economic growth of a country, especially for developing countries. Foreign investment has an important role to play in accelerating national economic development and realizing Indonesia's political and economic sovereignty because most developing countries have open economies that
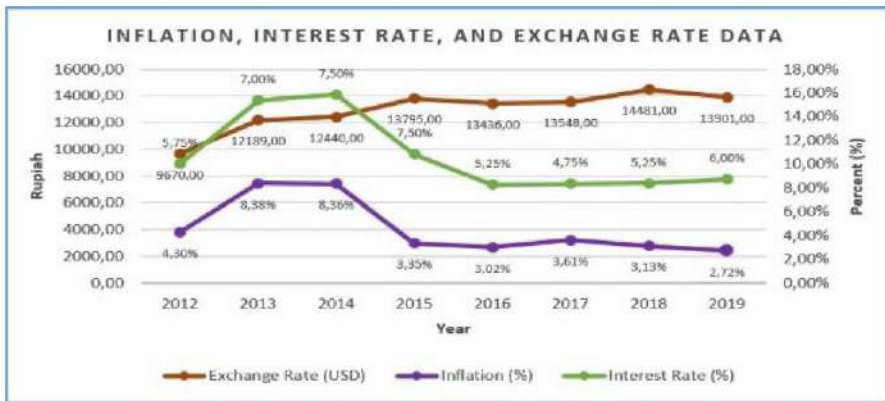
Fig. 2. Developments in Inflation, Interest Rates, and Exchange Rates in Indonesia in 2012–2019

depend on changes in international trade, aid, "hot" inflows of speculative capital, and the private sector. Increasing foreign investment can also process economic potential into the real economic strength of a country. In addition, in facing changes in the global economy and Indonesia's participation in various international cooperation with other countries, it is necessary to create an investment climate that is conducive, promotive, providing legal certainty, justice, and efficiency while still taking into account the interests of the national economy.

In addition, the development of foreign investment entering Indonesia is still below that of Malaysia, Singapore, China, and Korea (Asian countries). In this case, Indonesia is unable to compete because neighboring countries are able to attract foreign investors to invest their capital. This is a reflection so that Indonesia can better improve and be able to balance the country.

Based on this introduction, the purpose of this study is to analyze the effect of inflation, interest rates, and exchange rates either directly or indirectly through foreign investment mediation.

2   Methodology

The scope of this research includes the effect of inflation, interest rates, and exchange rates on economic growth in Indonesia through the mediation of foreign investment in 2012–2019. The data used is secondary data, namely time series data from 2012–2019. Data such as economic growth, foreign investment, inflation, interest rates, and exchange rates are taken through websites or agencies such as Bank Indonesia, the Central Statistics Agency, and the Investment Coordinating Board.

Because the data used is secondary data that was previously available in the relevant agencies, the method used for data collection in this research is through literature study. Literature study is to collect various data and theories related to the problem to be studied.

The methodology used in this research is path decomposition test, classical assumption test, and hypothesis testing. Path analysis is an extension of the path of multiple linear

regression analysis or path analysis is the use of regression analysis to estimate causality relationships between variables (causal models) that have been previously determined based on theory.

This research design refers to a conceptual framework based on theoretical and empirical reviews where functional relationships between variables is shown in the following equation.

$$Z = f\ X_1, X_2, X_3, \tag{1}$$

$$Y = f\ X_1, X_2, X_3, Z \tag{2}$$

Furthermore, functional relationships mentioned above are described in a non-linear equation below

$$Z = X_3^{a3} e^{a0 + a1X1 + a2X2 + \mu1} \tag{3}$$

$$e^Y = X_3^{\beta3} Z^{\beta4} e^{\beta0 + \beta1X1 + \beta2X2 + \mu2} \tag{4}$$

Then the non-linear equation is linearized using the natural logarithm to obtain the following linear equation, as a condition for estimation using the multiple regression method.

$$\ln Z = a_0 + a_1 X_1 + a_2 X_2 + a_3 \ln X_3 + \mu_1 \tag{5}$$

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 \ln X_3 + \beta_4 \ln Z + \mu_2 \tag{6}$$

where:

$Z =$ *Foreign Investment*
$Y =$ *Economic Growth*
$X_1 =$ *Inflation Rate*
$X_2 =$ *Interest Rate*
$X_3 =$ *Exchange Rate*
$\mu =$ *error term*

3 Result and Discussion

Based on the results of the study in Table 1, it shows that the R-square is 0.904 for foreign investment. This indicates that inflation, interest rates, and exchange rates affect foreign investment by 90.4% and the rest is influenced by other factors. In Table 1 it is found that the F-count for foreign investment is 41,819 and the value of sig < 0.05, which means that with a significance level of 5% inflation rate, interest rates, and the exchange rate simultaneously affect foreign investment.

Furthermore, this study also shows that the R-square is 0.914 for economic growth. This indicates that inflation, interest rates, exchange rates, and foreign investment affect economic growth by 91.4% and the rest is influenced by other factors. Then, the F-count

Table 1. Estimation Results of the Effect of Inflation Rate (X_1), Interest Rate (X_2), and Exchange Rate (X_3) on Indonesian Economic Growth (Y) through intervention of Foreign Investment (Z)

Variable	Coefficient	t-hitung	Sig	R-Square	F-hitung
$X_1 \rightarrow lnZ$	0,223	1,606	0,119	0,904	41,819
$X_2 \rightarrow lnZ$	−0,359	−2,845	0,008		
$lnX_3 \rightarrow lnZ$	0,906	9,665	0,000		
$X_1 \rightarrow Y$	−0,196	−1,393	0,175	0,914	34,173
$X_2 \rightarrow Y$	−0,329	−2,371	0,025		
$lnX_3 \rightarrow Y$	−0,161	−0,853	0,401		
$lnZ \rightarrow Y$	−0,854	−4,666	0,000		

Table 2. Direct, Indirect, and Total Effect

Variable	Direct	Indirect	Total
X_1	$-0,196^{ns}$	$-0,190^{ns}$	—
X_2	$-0,329^{***}$	$0,306^{***}$	$-0,023$
lnX_3	$-0,161^{ns}$	$-0,773^{***}$	$-0,773$

value on economic growth is 34.173 and the value of sig < 0.05 which means that with a significance level of 5% inflation, interest rates, exchange rates, and foreign investment simultaneously affect economic growth.

Path decomposition is a model that emphasizes causality between variables, both direct and indirect in the path analysis framework, while non-causality or correlational relationships that occur between exogenous variables are not included in this calculation. Causality between variables can be divided into three, namely:

1. Direct effect, namely the effect of one exogenous variable on endogenous variables that occurs without going through other endogenous variables.
2. Indirect effect, namely the effect of one exogenous variable on endogenous variables that occurs through other endogenous variables contained in one causality model being analyzed.
3. The total effect, namely the sum of the direct causal effect and the indirect causal effect (Table 2).

To find out whether a variable can be said to be a mediating variable, it is necessary to do the Sobel test. Sobel test is used to determine the effect of the mediating variable, namely foreign investment. A variable is called an intervening variable if the variable affects the relationship between the independent variable and the dependent variable. To test how big the role of variable Z in mediating the effect of X on Y, the Sobel test developed by Sobel (1982) and known as the Sobel test was used (Ghozali, 2018). If the

Z test is greater than 1.96 (standard absolute z value) then there is a mediation effect and significant results.

Foreign Investment Mediates Inflation Rate

$$z = \frac{0.029 \times -1.437}{\sqrt{(0.029 * 0.308)^2 + (-1.437 * 0.018)^2}} = -1,5229$$

Foreign Investment Mediates Interest Rate

$$z = \frac{-0.071 \times -1.437}{\sqrt{(-0.071 * 0.308)^2 + (-1.437 * 0.025)^2}} = 2,4259$$

Foreign Investment Mediates Exchange Rate

$$z = \frac{1.176 \times -1.437}{\sqrt{(1.176 * 0.308)^2 + (-1.437 * 0.122)^2}} = -4.3537$$

From the results of the Sobel test above, it shows that interest rates and exchange rates have a Sobel value > 1.96 with a significance level of 5% so that foreign investment is able to mediate interest rates and exchange rates on economic growth. Meanwhile, inflation has a Sobel value < 1.96 with a significance of 5% so that foreign investment is not able to mediate inflation on economic growth.

Based on the results of research that has been done, apparently the increase in interest rates does not seem to reduce investors' interest in investing their capital. It is suspected that the rate of return on capital enjoyed by investors is still greater than or equal to the interest rate that must be paid at the bank, so that foreign investors will continue to invest and entrepreneurs will continue to open new businesses or expand their businesses. As a result of continued foreign investment, economic growth will also increase.

Due to the two effects, namely the direct and indirect effects, have significant results, the total effect of interest rates on economic growth is −0.023. The results of this study are in line with the research conducted by [2] and Rahayu (2010) which found that interest rates have a positive effect on foreign investment.

Based on the results of the tests that have been carried out, it was found that the exchange rate directly has no significant effect on economic growth. This can be seen from the value of t_count < t_table (−0.853 < 2.042) and the value of sig > 0.05 (0.401 < 0.05). However, indirectly the exchange rate has a negative and significant effect on economic growth. This can be seen from the Sobel test value > 1.96 (4.3537 > 1.96). So the total effect of the exchange rate on economic growth is −0.773.

The results of this study indicate that an appreciating exchange rate will reduce economic growth and foreign investment. According to Froot and Stein (1991), if currency depreciation occurs in the host country, this will attract foreign investors to invest because physical assets in the host country are relatively cheaper. It is suspected that foreign investors are orienting their capital towards goods to be exported abroad, so that the appreciation of the Rupiah against the USD will reduce the inflow of foreign investment. The appreciation of the Rupiah currency will cause production costs (labor and other input factors) to be expensive so that it will have an impact on the price of goods to be sold will also be more expensive. According to the law of demand, when

the price of goods increases, demand will decrease. On the other hand, the depreciation of the Rupiah currency will increase foreign investment because production costs will decrease, so the price of goods to be sold is relatively cheaper. The depreciation of the rupiah currency will increase exports and in the end the balance of payments will also experience a surplus.

4   Conclusion

The conclusion of this paper can be written as follows:

1. Inflation has no significant direct or indirect effect on economic growth.
2. Interest rates have a direct and significant negative effect on economic growth. However, indirectly interest rates have a positive and significant effect on economic growth through the mediation of foreign investment.
3. The exchange rate directly has no significant effect on economic growth. However, indirectly the exchange rate has a negative and significant effect on economic growth through the mediation of foreign investment.

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The Architectural Migration of Investment Sectors – Case Study Tangerang City; Airport City

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Abstract. Tangerang City is one of the cities in Banten with its geostrategic advantages and the strength of the basic development capital contained in it, has the opportunity to become a competitive advantage of economic in the future. Based on the developments that have occurred, the image of Tangerang City as an Industrial City is increasingly less relevant, where the existence of the processing industry sector is still very significant, but its influence tends to weaken. Current and future trends, the economy of Tangerang City will mainly be raised from the transportation and warehousing sector, where the main generator of the city economy will be played by Soekarno-Hatta Airport with various developments of functions and services. The purpose of this study is whether Tangerang is possible to rely on the transportation and warehouse sectors for the growth of the city's economy and examine whether the manufacturing industry can remain a mainstay in improving the economy.

Keywords: Airport City · Competitive Advantage · Investment

1 Introduction

The hope to make the economy of Tangerang City developed and resilient in the future is determined by the implementation of investment policies launched and implemented. Tangerang City has great potential to become a high-power area regionally and nationally, due to the basic capital of development owned (region and population), the strategic position of the region, the existence of national vital infrastructure (Soetta Airport), and including the achievement of its current economic value which is classified as the largest in the Banten and Bodetabek regions. Therefore, it is important to establish the general formulation of appropriate and effective investment to realize the great potential of Tangerang City as an area with an eminent economy.

According to the prevailing price, there was a very significant shift in the economic structure in Tangerang City during the 2010–2018 period, where the Transportation and Warehousing sector (from 15.06% in 2010 to 31.60% in 2018) has taken over the dominance of the role that has been controlled by the Manufacturing Industry sector (from 42.91% in 2010 to 29.35% in 2018), including marked by a decrease in the

role of the Large Trade and Retail sector (from 12.42% in 2010 to 10, 17% in 2018). However, it is quite different from the situation of the development of the distribution of economic value in Tangerang City when reviewed according to constant prices, where the shift in the economic structure is quite significant but not at a dramatic level. The Manufacturing Industry sector (from 42.91% in 2010 to 35.95% in 2018) has indeed decreased its role, but still occupies as the sector with the largest contribution. As for the Transportation and Warehousing sector as the sector with the second largest contribution, it only experienced an increase from 15.06% in 2010 to 16.51% in 2018. Meanwhile, in contrast to the prevailing price perspective, in the perspective of constant prices, the Large Trade and Retail sector has actually increased, from 12.42% in 2010 to 13.11% in 2018. Other sectors that are increasingly showing their important role in the economy of Tangerang City are the Information and Communication, Construction, and Real Estate sectors.

Meanwhile, during the 2010–2018 period, it was seen that the Transportation and Warehousing sector was increasingly showing itself in strengthening its position as the main trigger for the city's economy, with fully categorized performance, thus placing it as the leading sector. In addition, another motor of the city's economy is the Large Trade and Retail sector with a generally good performance, although in terms of its effect on the city's economy, it shows a setback.

2   Methodology

2.1   Data Collection

Primary Data is obtained directly through an interview process following the needs of analytical tools. Meanwhile Secondary data gained through technical reference references and other supporting data which is consists of secondary data on the Budget of Regional Revenue and Expenditure (APBD (2014–2019), Gross Regional Domestic Product (GRDP) of Business Fields based on Constant Prices (ADHK) (2014–2019), GRDP of Business Fields based on Applicable Prices (ADHB) (2014–2019), GRDP of ADHK Expenditures (2014–2019), OF ADHB Expenditures (2014–2019).

2.2   Location

The Research Area is the area around Soekarno Hatta International Airport (SHIA), Banten Province, namely Tangerang City, South Tangerang City, Tangerang Regency, and DKI Jakarta Province.

2.3   Data Analysis

1. Analysis of Efficiency Level/Economic Productivity/Competitiveness
    Incremental Capital Output Ratio (ICOR) is an analysis used to see the amount needed to increase / increase one unit of output. The ICOR amount is obtained by comparing the amount of additional capital with the additional output so that it can be known the change in output of each input change. Several studies on determining the

value of ICOR have been carried out to estimate investment needs in Indonesia, both in order to achieve the growth target of GRDP of a region (province/regency/city) and National GDP. In this study, the analysis of calculating the value of ICOR was detailed by sub-sector using the Input-Output (I-O) approach developed by W.W. Leontief whose data was then obtained from BPS. The implementation of the ICOR calculation uses the formula [2]:

$$ICOR_t = I_t/\Delta Y_t \qquad (1)$$

Where:

ICOR$_t$ = Incremental Capital Output Ratio Year t
I$_t$ = Investment at year t
ΔYt   = Delta GDP or GRDP at year t compare to year t-1.

2. Analysis of the Level of Excellence of the Economic Base and Economic Potential
        LQ (Dynamic and Static), Klassen Typology, is used in which to find out an
    overview of the patterns and structure of economic growth of each region-in this
    case-Tangerang City Compare to Banten Province.
        The Klassen Typology basically divides the regions based on two main indicators, namely economic growth on the vertical axis and the average per capita income on the horizontal axis [3]

   – Prime Sector
        A developed and rapidly growing sector (Quadrant I). This quadrant whose growth rate of a particular sector in the GRDP (rPDRB) is greater than the growth rate of the sector in the regional GRDP that is being referenced (s) and has a sector contribution value to the GRDP (ski) which is greater than the contribution of the sector to the regional GRDP that is being referenced (sk).
   – Potential Sectors
        Potential sectors or still able to develop (Developing sector) (Quadrant III). This quadrant whose growth rate of a particular sector in the GRDP is greater than the growth rate of that sector in the regional GRDP that is being referenced, but has a smaller sector contribution value to the GRDP than the contribution of the sector to the regional GRDP that is being referenced.
   – Emerging Sector
        The sector is advanced but depressed (stagnant sector) (Quadrant II). This quadrant whose growth rate of a particular sector in the GRDP is smaller than the growth rate of that sector in the regional GRDP that is being reference, but has a sector contribution value to the GRDP that is greater than the contribution of the sector to the regional GRDP that is being reference.
   – Underdeveloped Sector
        Underdeveloped sector (Quadrant IV). This quadrant whose growth rate of a particular sector in the GRDP is smaller than the growth rate of that sector in the regional GRDP that is being reference and at the same time has a smaller sector

Table 1. Klassen Typology

Contribution rate sectors towards GDP Average Sectors rate	$Y_{sector} \geq$ YPDRB	$Y_{sector} <$ YPDRB
$r_{sektor} \geq$ rPDRB	Prime Sectors	Developing Sectors
$r_{Sektor} <$ rPDRB	Potensial Sectors	Underdeveloped Sectors

contribution value to the GRDP than the contribution of the sector to the regional GRDP that is being reference.

The determination of the category of a sector into the four categories above is based on the growth rate of its sectoral contribution and the average size of its sectoral contribution to GRDP, as shown in Table 1.
Where:

Y_{sektor} = Sector Value - i
Y_{PRDB} = GDRP Average
r_{sektor} = Growth rate of sector - i
r_{PDRB} = Growth rate of GRDP

3. Location Quotient Analysis

This analysis is used to determine the level of specialization of economic sectors in an area either base or leading sectors. Basically, this technique presents a relative comparison between the ability of a sector in the area under investigation and the ability of the same sector in the area to which it is referred. The unit used as a measure to produce the LQ coefficient can later be in the form of the amount of labor per sector of the economy, the amount of production or other units that can be used as criteria. The mathematical formulas used to compare the capabilities of the sectors of the area are [4]:

From the calculation of the Location Quotient (LQ) of a sector, the general criteria produced are:

If the LQ > 1, it is called the base sector, that is, the sector whose level of specialization is higher than that of the reference region

If the LQ < 1, it is called the non-base sector, that is, the sector whose level of specialization is lower than that of the reference region

If LQ = 1, then the degree of specialization of the region is equal to the level of the reference region.

4. SWOT Analysis

SWOT analysis originally explained by Learned et al. (1969). Strength, Weakness, Opportunities and, Threats (SWOT) analysis method has been widely used as a tool for planning and analyzing strategic actions over the past decade. This method

Table 2. TOWS Matrix

	Internal Strengths (S)	**Internal Weaknesses (W)**
External Opportunities (O)	**SO**: *"Maxi-Maxi" Strategy* Strategies that **use strengths** to **maximize opportunities**	**WO:** *"Mini-Maxi" Strategy* Strategies that **minimize weaknesses** by **taking advantage of opportunities**
External Threats (T)	**ST:** *"Maxi-Mini" Strategy* Strategies that **use strengths** to **minimize threats**	**WT:** *"Mini-Maxi" Strategy* Strategies that **minimize weaknesses** and **avoid threats**

Source: H. Weihrich, 'The TOWS Matrix—A Tool for Situational Analysis' pp. 60

can also be used in identifying environmental relationships and enable an institution to relate to its environment and help to develop strategies [5]. Weihrich (1982) developed TOWS as the next step of SWOT in developing alternative strategies. TOWS matrix provides means to develop strategies based on logical combinations of factors relate to internal strengths (or weaknesses) with factors related to external opportunities (or threats). TOWS matrix identifies four conceptually distinct strategic groups: Strength- Opportunity (SO), Strength-Threats (ST), Weaknesses-Opportunities (WO), and Weaknesses- Threats (WT), for creating the alternative strategies (Table1) [6]. The SO strategies use the internal strengths to take advantage of external opportunities (ideal case) and the WO strategies aim at reducing internal weaknesses by taking advantage of external opportunities. On the other hand, ST strategies include utilization of the strengths in order to avoid or reduce the effects of external threats whereas WT strategies are defensive tactics aimed at reducing internal weaknesses and external threats. The primary advantage of this approach is the influence of prioritized internal and external factors embedded in alternative strategies. The main disadvantage of the TOWS matrix is that certain combinations are not considered such as SW or OT (Table 2).

3   Results and Discussions

3.1   Analysis of the Efficient Level of Economy in Tangerang City

ICOR or Incremental Capital Output Ratio (ICOR) is a magnitude that indicates the amount of additional new capital (investment) needed to increase / add to one unit of output. The amount of ICOR is obtained by comparing the amount of additional capital with the additional output (Fig. 1).

Based on ICOR's analysis, it can be explained that the economy of Tangerang City showed a performance that was far from efficient and became a high-cost economy that reduced the economic competitiveness of the region. The high-cost economy has become increasingly uncontrollable since 2014, exceeding the level of inefficiency of

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Kota Tangerang	4,17	4,52	4,89	6,08	5,95	6,12	5,77	7,06	8,79	-4,86	10,23
Banten	4,65	4,87	4,84	5,65	5,73	5,96	5,66	5,71	6,26	-9,23	7,63
Ideal	3,5	3,5	3,5	3,5	3,5	3,5	3,5	3,5	3,5	3,5	3,5
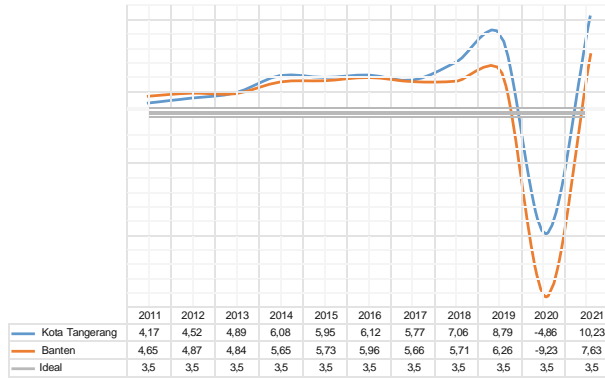
Fig. 1. ICOR Output

Banten Province, National, and even international scale in the Asian region which is in the range of 3.5–4.00 points.

At Input Output Analysis (Spreading Power Index), The transportation and warehouing sector are the main alternative for several reasons, such as: a. Have a comparative advantage and competitive advantage that other regions do not have; b. Has a high dispersion index and sensitivity index (Table 3).

Spreading Power Index is the value of normalized backward linkages or sub-sectors that have the ability to attract other sectors (backward linkages). Meanwhile, the sensitivity index displays sub-sectors that have a forward linkage value that has been normalized by other sectors (forward linkages) (Table 4).

3.2 Analysis of the Level of Excellence of the Economic Base and Economic Potential

1. **Leading Sector Analysis - Static Location Quotient (SLQ) Analysis**

   Based on the analysis of Static Location Quotient (SLQ), if the SLQ value of the Transportation and Warehousing Sector of Tangerang City >1 then the sector is included in the potential category, which is able to serve the market both inside and outside Tangerang City. The higher the SLQ value, the higher this comparative advantage.

   Table 5 shows that this sector is categorized as potential-based sectors, even though the level of excellence continues to decline.

2. **Leading Sector Analysis - Dynamic Location Quotient (DLQ) Analysis**

   Dynamic Location Quotient (DLQ) is a modified form of SLQ by accommodating the large GRDP of the production value of the transportation and warehousing sector over time. The rise and fall of LQ can be seen for the transport and warehousing sectors at different time dimensions. The DLQ value of >1, the potential for the development of the transportation and warehousing sector in Tangerang City is faster than the same sector within the provincial scope. On the other hand, if DLQ < 1, then the potential for the development of the transportation and warehousing sector in Tangerang City is lower when compared to the province as a whole.

Table 3. Spreading Power Index

Sectors	IDPB
• Electricity	1,392
• Paper and Paper Goods Industry, Printing and Recording Media Reproduction	1,227
• Rail Transport	1,213
• Non-Metal Mineral Industry	1,189
• Water Supply, Waste, Waste and Recycling Management	1,166
• Government Administration, Defense and Mandatory Social Security	1,164
• Air Transport	1,152
• Warehousing and Transport, Post and Courier Support Services	1,139
• Sea Freight	1,137
• Food and Beverage Industry	1,136
• River Lake and Ferry Transport	1,118
• Other Processing Industries, Machinery and Equipment Repair and Installation Services	1,082
• Provision of Food and Drink	1,078
• Textile and Apparel Industry	1,069
• Base Metal Industry	1,067
• Rubber, Rubber and Plastic Goods Industry	1,062
• Construction	1,062
• Company Services	1,058
• Information and Communication Services	1,052
• Education Services	1,032
• YTDL Machinery and Equipment Industry	1,010
• Real Estate	1,006
• Land Transport	1,005
• Wholesale and Retail Trade, Not Cars and Motorcycles	0,995
• Health Services and Social Activities	0,989
• Transport Equipment Industry	0,989
• Provision of Accommodation	0,985
• Furniture Industry	0,983
• Mining and Other Quarry	0,977
• Manufacture of Wood, Wood and Cork & Woven Products from Bamboo, Rattan Ytdl	0,964
• Metal, Computer, Electronic, Optical & Electrical Equipment Industry	0,962

Table 6 shows that this sector is included in the category of a fast-growing sector, although the level of excellence continues to decline.

Table 4. Spreading Power Index

Sectors	IDK
Electricity	1,980
Large and Retail Trade, Not Cars and Motorcycles	1,790
Air Freight	1,688
Construction	1,452
Information and Communication Services	1,439
Food and Beverage Industry	1,420
Corporate Services	1,396
Rubber Industry, Goods from Rubber and Plastics	1,353
Textile and Apparel Industry	1,228
Nonmetallic Excavated Goods Industry	1,213
Paper and Paper Goods Industry, Printing and Reproduction of Recorded Media	1,166
Land Transport	1,127
Financial Intermediary Services Other Than Central Banks	1,118
Warehousing and Transportation Support Services, Post and Courier	1,088

3. **Typology Klassen Analysis**

Typology Klassen analysis deployed to concede the economic sector group in Tangerang City used GRDP data from Banten Province and Tangerang City through the average growth rate and average contribution. There are four quadrants of sectors that can be classified, namely the developed and rapidly growing sector, the developed but depressed sector, the developing sector or potential sectors, and the relatively lagging sector.

Figure 2 shows that Transportation and Warehousing Sector is in the category of a weak and slow-developing sector, and the level of weakness and slowness has decreased continuously.

3.3 SWOT Analysis

With many service activities that are complementary and substituted at Soekarno Hatta airport, the process of collecting capital at the airport is getting higher but not in the vicinity, considering that around the airport there are more service activities that are more substitute and or complementary to business activities in agglomerated airports. Based on these conditions, the next step of analysis was compiled, namely a SWOT analysis by considering the phenomena that occurred, because the external and internal environment in question are not variables that can be controlled considering the growing
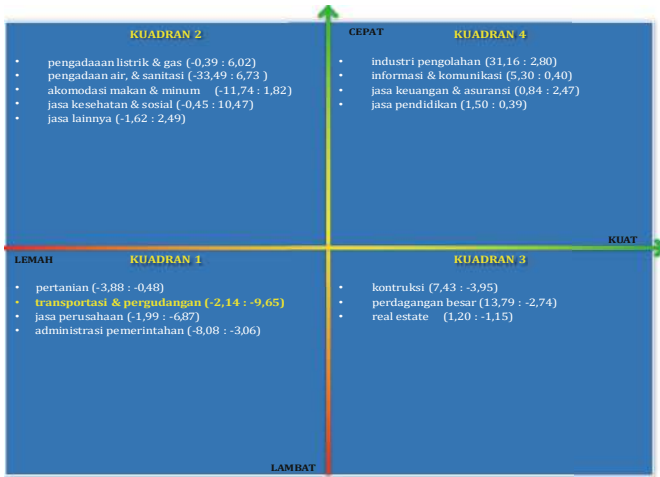
Fig. 2. Typology Klassen Output

Table 5. SLQ Analysis

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Transportation and Warehousing	2,51	2,51	2,49	2,43	2,46	2,46	2,46	2,46	2,36	1,87	1,80

Table 6. DLQ Analysis

SECTOR	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Transportation and Warehousing	1,54	0,88	0,36	0,31	0,97	1,20	1,02	0,87	(0,44)	9,84	0,21

business is very broad, so that external and internal interpretations are only limited from phenomena and growing business activity (Table 7).

Based on the results of the analysis, it can be mapped that the economic development quadrant of Tangerang City in the airport area is still very ideal to be developed, where this is indicated by quadrant 1 (attacking) (Fig. 3 and Table 8).

1. RIA (Regulatory Impact Assessment) Analysis Process (Table 9)

2. **Stakeholder Map Analysis**

This analysis is a component of the RIA analysis and a follow-up to the results of the SWOT analysis that has been prepared, which functions to map stakeholders based on their authority and resources that can be used to implement regulations.

Table 7. SWOT Analysis

EFAS/IFAS ISSUE		SIGNIFICANT	WEIGHT	RATING	SCORE
STRENGTH					2,25
1	the only and the largest international class airport in Indonesia	3,00	0,25	5,00	1,25
2	bordering areas with high economic dynamics	1,00	0,08	4,00	0,33
3	integrated with various other modes of transportation	2,00	0,17	4,00	0,67
WEAKNESS					0,75
1	investment is not easy to access in PT. Angkasa Pura	3,00	0,25	1,00	0,25
2	there are not many local human resources who can access opportunities within the airport area	2,00	0,17	2,00	0,33
3	the airport buffer zone development plan has not been published yet	1,00	0,08	2,00	0,17
IFAS VALUE					1,50
OPPORTUNITIES					2,25
1	business activities that last 24 h are global, international, regional, local	2,00	0,17	4,00	0,67
2	Tangerang city is traversed by mobilization activities from and or to the airport for 24 h	1,00	0,08	4,00	0,33

(*continued*)

Table 7. (*continued*)

EFAS/IFAS ISSUE		SIGNIFICANT	WEIGHT	RATING	SCORE
3	There are several areas in the city of Tangerang that can be developed according to the needs of airport development	3,00	0,25	5,00	1,25
THREAT					0,88
1	increased agglomeration activity by PT. Angkasa Pura	3,00	0,25	1,00	0,25
2	improving the condition of the enclave in the airport buffer zone area	1,00	0,08	2,50	0,21
3	the emergence of environmental and social degradation around the airport area	2,00	0,17	2,50	0,42
EFAS VALUE					1,38
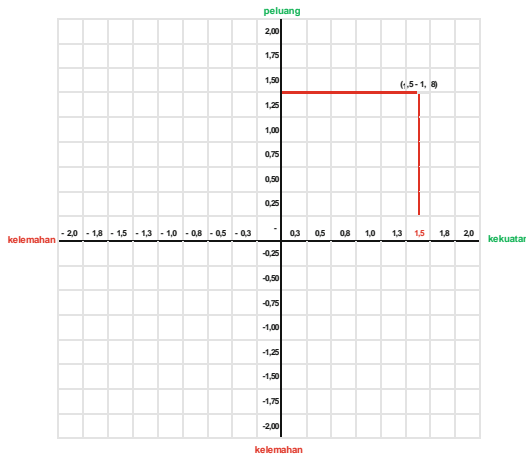
Fig. 3. Quadrant SWOT Analysis

Table 8. SWOT Analysis

	STRENGTH (S)	WEAKNESS (W)
	1. image of the only largest international class airport in Indonesia 2. bordering a region with high economic dynamics 3. integrated with various other modes of transportation	1. investment is not easy to access in the space temple area 2. Not many local human resources can access opportunities within the airport area 3. The airport buffer zone development plan has not been published yet
OPPORTUNITIES (O)	**SO**	**OW**
1. Business activities that last 24 h are global, international, regional, local 2. The city of Tangerang is traversed by mobilization activities from and or to the airport for 24 h 3. There are several areas in the city of Tangerang that can be developed according to the needs of airport development	1. Increase the intensity of the business activity of PT. Angkasa Pura on a local scale 2. Build PT. Angkasa Pura's business ecosystem in the buffer zone	1. Build business partnerships (B2B) between PT. Angkasa Pura and investors in the buffer zone 2. Detailing the bufferzone area into a siteplan and forming an IPRO
THREATS (T)	**ST**	**WT**
1. Increased agglomeration activity by the temple sky 2. Improved enclave conditions in the airport buffer zone area 3. The emergence of environmental and social degradation around the airport area	1. Build a business ecosystem (supply chain) supporting the PT. Angkasa Pura business activities 2. Build a business ecosystem (variant) from the PT. Angkasa Pura business activities	1. Accelerate cooperation efforts between PT. Angkasa Pura and investment in the buffer zone area 2. Improving the creative economy supporting the temple space business ecosystem

Based on Table 10, it can be observed that there are four major groups that have interests in the airport buffer zone, namely the central government, Banten Provincial Government, Tangerang City Government, Business Actors, and the general public.

From Table 10, it can be observed that the central government has the strongest authority and influence supported by the availability of resources to implement its authority both within the airport area and in the buffer zone, this phenomenon is explained in Table 11 in the Power Grid analysis.

3. **Power Grid Analysis**

Based on Table 11, it can be explained that the Tangerang City Government, Banten Provincial Government, business actors, and the community around the airport

Table 9. RIA

Stage	Theme	Instrument	Output	Description
1	Problem Formulation	Analysis and Discussion	longlist and shortlist of problems based on criteria (urgent, priority, strategic	1. investment is not easy to access in PT. Angkasa Pura (SWOT) 2. increased agglomeration activity by Angkasa Pura (SWOT) 3. Not many local human resources can access opportunities within the airport area (SWOT) 4. the emergence of environmental and social degradation around the airport area (SWOT) 5. the airport buffer zone (SWOT) development plan has not been published 6. improving the condition of the enclave in the airport buffer zone (SWOT) area 7. stagnation of the leading sector of the city of tangerang (industrial sector) as an economic locomotive (growth analysis) 8. declining economic competitiveness of the city of tangerang (ICOR)
2	Formulation of Objectives	Analysis and Discussion	strategic objectives based on criteria	Managing regional resources

Table 9. (*continued*)

Stage	Theme	Instrument	Output	Description
3	Identify Alternative Actions	Analysis and Discussion	SWOT	1. Reorient the manufacturing industry sector, which minimizes the use of high-cost input factors, by developing artificial intelligence-based processing industries 2. Reorient the manufacturing sector, which is more demand-oriented (renewable energy is complementary to existing businesses) 3. Reorient the manufacturing sector, which is more creative and innovative oriented 4. Build a business ecosystem that is based on needs, is varied, and creative, equipped with a supply chain to support the Angkasa Pura business activities in the buffer zone 5. build business partnerships (B2B) between Angkasa Pura and investors in the buffer zone 6. to detail and publish the detailed and detailed buffer zone (siteplan) area as an investment attraction material

buffer area are included in the category of stakeholders who have big interests but do not have very small influence/influence, thus requiring greater efforts to realize these interests. and still have to synergize with the interests of the central government whose authority is distributed to several resources in the form of institutions that have authority.

Based on the results of the SWOT analysis, which indicates the potential for economic development in Tangerang City through several efforts such as; (1) build a needs-based, varied, and creative business ecosystem equipped with a supply chain that supports the Angkasa Pura business activities in the buffer zone, (2) build business partnerships (B2B) and or (G2G) between Angkasa Pura parties and investors in the region bufferzone, (3) detailing and publishing a detailed and detailed buffer-zone (siteplan) area as an investment attraction material, is still difficult to implement considering the results of the power grid analysis indicate that Tangerang City and Banten Province are included in the category of stakeholders who have big interests but have little influence., thus requiring special efforts to increase its influence through a more effective communication process between organizations/institutions.

Based on this theory, it is possible to make an inventory of which important factors can be immediately implemented by the parties, especially the Tangerang City and Banten Province governments, by utilizing existing regulatory instruments, such as the SIDLACOM approach that can be applied in airport buffer areas that can be used as context, content, clarity, and continuity and consistency.

The project is a combination of resources such as ideas, people, materials, equipment and capital/costs that are collected in a temporary organizational container to achieve goals and objectives. Activities or tasks carried out on the project are in the form of building/repairing public facilities and infrastructure that are useful to the community, such as projects of houses, buildings, roads, bridges, dams, airports or it can also be in the form of educational, research and development activities. In implementing projects, especially in project management, it is necessary to have SIDLACOM, according to the Minister of Public Works regulation number: 603/PRT/M/2005 concerning general guidelines for project management control systems. SIDLACOM as a stage in the project (1) survey, investigation and design stage (SID) (2) land acquisition stage (land acquisition/la) (3) construction implementation stage (construction/c) (4) operation and maintenance stage/OM (operation maintenance/OM) which is an integral part of this ministerial regulation.

Survey (S) is a general plan with the aim of finding out things related to the purpose of the project being built. The survey will answer technical and non-technical questions about what; where; when; why and how: the project in question will be made, so that the survey results data needed are data on matters related to the project building/project objectives, project site/location, the impact of the project on humans and the environment. Surveys that will be carried out include, among others, the site where the project will be built with the aim of knowing the topography, hydrometeorology, demographics, socio-cultural, economic, and other conditions in the area or area that will be affected by the existence of the project, with a survey conducted The results of the survey will be obtained which can be used for the basics of general planning for the project to be built. Related to the technical economic

analysis to be carried out, survey activities which would require a large amount of money will be taken into account as part of the project investment.

Investigation (I) The next step after the survey is to collect data (investigation) on the survey needed in general planning (survey) to then collect technical data. technical data to be taken is data needed for the technical planning process (design) or technical data needed in the context of the construction of other civil / non-civil building structures, among others in the form of engineering geological data, soil mechanics, hydrology, seismology, oceanology, humidity and other technical/standard data.

Table 10. Stakeholder Map Analysis

STAKEHOLDER	INTEREST	RESOURCES
CENTRAL GOVERNMENT	**IN THE AIRPORT AREA**	**IN THE AIRPORT AREA**
Central Government	• policy makers, • policy breaker/setter • policy implementer/manager • activity budget provider • person responsible	• Ministry of Transportation • Ministry of State Owned Enterprises • Ministry of Finance • Ministry of PUPR • Capital Investment Coordinating Board
PROVINCIAL GOVERNMENT	**IN AIRPORT SUPPORT AREA**	**IN AIRPORT SUPPORT AREA**
Banten Provincial Government	• policy proposers, • policy implementers, • activity budget provider • person responsible	• Department of Transportation, • Spatial Planning Public Works Department, • DPMPTSP, • Labor offices,
CITY GOVERNMENT	**IN AIRPORT SUPPORT AREA**	**IN AIRPORT SUPPORT AREA**
Tangerang City Government	In the airport buffer area • policy proposers, • policy implementers, • activity budget provider • person responsible,	In the airport buffer area • Department of Transportation, • Spatial Planning Public Works Department, • DPMPTSP, • Labor offices, • Small and Micro Small Business Office
CORPORASI	**IN AIRPORT SUPPORT AREA**	**IN AIRPORT SUPPORT AREA**
Businessmen	• Economic creators, • Regional developer • Asset Manager • Resource developer	• Foreign Investment, • Domestic Capital Investment, • Small, Medium and Large Micro Enterprises,

Associated with the technical economic analysis that will be carried out, the investigative activities which of course require a large amount of cost will be taken into account as part of the project investment.

Design Stages (details) are carried out after the project plan is declared feasible. The previous stage will begin with the survey and investigation steps as described above. The detailed design will consider the technical aspects as a whole, meaning that the project to be built must be stable enough as a building and able to function according to its designation.

Land acquisition, carried out for the purpose of building footprints, needs to be provided with a fairly complicated process, therefore the land acquisition process actually requires proper technical, strategy and method/treatment. This is due to the fact that in the post-reform era, the freedom of expression was opened in conveying the rights of citizens, sometimes the good intentions of the project could be hampered by the lack of clarity of the project's mission to be accepted by the citizens, or on the contrary there could also be people who deliberately took the opportunity (Table 12).

The SIDLACOM Table 12 is a communication material between the parties which is designed as an evaluative and continuous communication material, where the total

Table 11. Power Grid Analysis

STAKEHOLDER	BIG INFLUENCE	SMALL INFLUENCE
GREAT IMPORTANCE	Central Government (Ministry of Transportation, Ministry of State-Owned Enterprises, Ministry of Finance, Ministry of PUPR, Investment Coordinating Board)	• Banten Provincial Government • Tangerang City Government • Communities around the Area (including micro-enterprises) • Foreign investment • Domestic investment
MINOR INTEREST		• Communities outside the Airport Area

Table 12. SIDLACOM

Agenda Of Activities in The Support Area	Survey	Investigation	Design	Land Acquisition	Operation Maintenance	Construction	Sum
Warehouse Area	1	1	1				3
International Cargo Centre	1	1	1				3

score weight interprets the progress of communication that has been built so far, the higher the weight, the more effective the communication feedback is built, the lower the score, the lower the score. also. The weight score of 3 above indicates that more concrete efforts are still needed in land acquisition efforts, inviting investors as users as well as implementing Operation Maintenance.

4 Conclusions

Base on calculation above, we can conclude that transportation and warehousing cannot be new locomotive for Tangerang city in generating economic. Theoretically, if we want to develop new economic, we should apply production factor in which we can manage, airport is not. Airport is also considered as agglomerated area where many service activities that are complementary and substitutional in the airport which causes the capital collection process at the airport to be higher but not around it in this case Tangerang city. Some service businesses concentrated in the airport and around the airport are business activities providing accommodation and warehousing, while the transportation business that is spatially connected to Tangerang City is PT KAI's, others tend not to be connected to any business activities in Tangerang City.

To develop the economy in Tangerang City (non-transportation and warehousing sector)

1. Reorient the manufacturing sector, which minimizes the use of high-cost input factors, by developing artificial intelligence-based processing industries
2. Reorient the manufacturing industry sector, which is more needs-oriented (renewable energy as a complement to existing businesses)
3. Reorient the manufacturing sector, which is more creative and innovative oriented

To develop the economy in Tangerang City (SWOT transportation and warehousing sector)

1. Build a business ecosystem based on needs, which is varied, and creative, equipped with a supply chain to support the Angkasa Pura business activities in the buffer zone area
2. build business partnerships (B2B) and/or (G2G) between the parties of Angkasa Pura with investors in the buffer zone area
3. to detail and publish the detailed and detailed buffer zone (siteplan) area as an investment attraction material

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Financial Literacy as a Supporting Factor for Sustainability MSMEs in Samarinda City

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Abstract. Superior performance and sustainable business can be realized if strategic efforts are made. Samarinda is the capital city of East Kalimantan province with a large number of MSMEs that have great opportunities in the national economy. The contribution of the MSME sector is 17.09% of Samarinda's total GRDP. This study was conducted using systematic review data by analyzing research results obtained from Google Scholar indexed nationally and internationally, the last five years which aims to answer research questions by summarizing various research results. The ten articles obtained results and discussion that a business will progress if its financial conditions are able to run well, maintain good financial conditions. The provision of education helps MSME actors in terms of sharing knowledge, increasing knowledge, and providing an understanding that is not yet known is the weakness of MSME. With the effort to provide education, it is hoped that it can improve the financial literacy of MSME actors to be even better. The results of this literature review are expected to help MSMEs to maintain a financial attitude in managing their business and be able to create competitive advantage, the right competitive strategy to support business sustainability.

Keywords: Financial Literacy · Sustainability · MSME · Competitiveness · Competitive Strategy

1 Introduction

Micro, Small and Medium Enterprises (MSMEs) have a strategic contribution to national economic development. Apart from playing a role in economic growth and employment, MSMEs play a role in distributing the results of development. Small and Medium Enterprises (SMEs) are the most important thing in a country's economy, including in Indonesia. The number of Indonesian MSME business actors in 2014 was among the largest among other countries. The development of MSMEs in Indonesia has increased in 2015–2017 the number of MSMEs. in Indonesia will keep on developing Data from the Ministry of Cooperatives and Small and Medium Enterprises in 2014, there were around 57.8 million SMEs in Indonesia. In 2017 and in the next few years, it is estimated that the number of MSME actors will continue to grow. The development of MSMEs has recorded more than 65 million MSMEs spread throughout Indonesia**.** In 2016, there were 61.7 million MSMEs in Indonesia with the number proceeding to increment until 2021, the quantity of MSMEs will arrive at 64.2 million.

Sustained growth in increasing the competitiveness of SMEs will provide investment opportunities and employment (Patrick McNamee, 2012: 110). The impact of globalization on small and medium enterprises has received more attention than any other type of business in the international community because SMEs make a significant contribution to the economies of both developing countries. (Sefer Sener, 2014:22). The ability to play a role in big business is a manifestation of the competitive advantage of an SME. Competitive advantage is the ability to overcome existing challenges and take advantage of emerging business opportunities, including opportunities for greater self-development. SMEs increase their competitive advantage by jointly seeking new sources of knowledge and technology.

MSMEs are the most important pillar in the Indonesian economy. Based on data from the Ministry of Cooperatives and SMEs, the number of MSMEs currently reaches 64.2 million with a contribution to GDP of 61.07% or IDR 8,573.89 trillion. The contribution of MSMEs to the Indonesian economy includes the ability to absorb 97% of the total workforce and can collect up to 60.4% of the total investment. However, the high number of MSMEs in Indonesia cannot be separated from the existing challenges. To answer these challenges, the Government has implemented a number of MSME support programs including incentive assistance and financing through the PEN program, People's Business Credit, the Indonesian National Development Movement (Gernas BBI), Digitalization of MSME marketing, Strengthening entrepreneurship for alumni of the Pre-Employment Program through KUR financing, and includes a long-term strategy to elevate the MSME class through the Job Creation Law. (Coordinating Minister for the Economy Airlangga Hartarto in a press release, Jakarta 5 May 2021).

MSMEs in Samarinda have a significant role and contribution to the economy and employment opportunities because of their relatively fast growth. The large number of SMEs in Samarinda reflects that Samarinda's economy has experienced a significant increase. The continuity of the Samarinda MSME business has an impact on available employment in the wholesale and retail trade sector which ranks second after the construction sector. As one of the components in the regional industry, the important role of MSMEs in Samarinda includes opening employment opportunities, equitable development outcomes and being able to overcome poverty. Statistical data shows that MSMEs contribute 17.09% of the total PDRB of Samarinda City. This reinforces the statement that the role of MSMEs is quite high for equity in Samarinda City [1].

The existence of MSMEs whose achievements are increasingly developing, has problems and obstacles that must be considered again, including from MSME actors regarding how to manage financial reports [2].

Financial behavior or financial management behavior is important in financial science, if you can't do it well it will eventually close the business you started, therefore financial management behavior is very important for MSME actors. Resource utilization, allocation, acquisition and determination are financial management behaviors. Mien and Thao describe monetary navigation, harmonization of individual intentions and corporate objectives as monetary administration conduct [3]. However, there is also a reason why MSME actors ignore the importance of financial behavior because of the lack of financial literacy for MSME actors and the educational background of MSME actors

can influence knowledge about the importance of financial management behavior for individuals.

*Financial literacy*is a basic factor in making financial decisions. Financial literacy is a decision-making technique in terms of financial management behavior such as making a budget, choosing to invest, choosing an insurance plan, and using credit. To have financial knowledge, it is necessary to develop financial skills and mastery of financial tools [4] survey conducted by [2] many MSMEs feel that their business is running well, but in reality the MSMEs that are managed are not experiencing development. MSME actors cannot show profits in the form of numbers, but only mention tangible assets such as houses, land or vehicles.

To be able to synergize with financial and business literacy that is managed and survive in the market, MSME actors can apply strategic management knowledge to compete with other competitors in the market. Corporate strategy formulation can achieve when their competitive advantage seeks to improve or maintain performance through independent action within a particular market or industry. An effective competitive strategy, an organization can find industry opportunities and learn to understand customer desires (Pearie John, 2008:47). To be able to survive in the era of globalization, companies are required to be able to compete with competitors, and require management to be able to compile or make a strategic plan in dealing with changes that will occur.

Michael E. Porter (competitive advantage) said that to achieve competitive advantage, the right competitive strategy is required. Cutthroat technique is a work to track down a beneficial serious situation in an industry. Competitive strategy aims to build a profitable and strong position against the forces that determine competition in the industry. The goal of competitor analysis is to develop a profile of the nature and success of the possible strategic changes each competitor can make. Porter's description of the "Five Forces" or "Five Forces" shapes the structure of all industries and largely sets the rules of competition and serves to increase corporate profits. The five forces are threats posed by competitive rivalry,

Five main competitive forces according to Porter on the state of competition in an industry. Porter's five forces framework is a powerful tool to use when in the hands of a skilled manager or analyst. The model presented here has been developed according to the needs and developments of the times. So far, the use of Porter's theory provides better strategic understanding and insight (Porter, 2000: 85).

The company's strengths and weaknesses in business competition need to be identified by the company itself. This will greatly assist the company in recognizing itself, and being able to take advantage of every opportunity or threat that exists, to avoid or minimize threats. Developing a competitive strategy can be realized when the company can find a balance between the company's internal strengths and external strengths. The development of a competitive strategy can be realized when a company can see internal and external conditions objectively, so that anticipating environmental changes is very important to gain competitive advantage and have products that are in line with consumer desires, with optimal support from the resources they have.

Porter's five forces model as a basis, to create competitive advantage for companies by understanding the necessary actions such as implementation, other processes, and techniques that can contribute to the organization. By using this process, an organization

has guidelines in taking the necessary strategic steps to achieve a comprehensive strategy in order to create a competitive advantage, and can synergize with an understanding of good financial literacy for MSME actors.

2   Theory and Hypothesis Development

2.1   Resource Based View Theory (RBV)

The main idea in RBV theory states that a company can achieve sustainable performance advantage and competitive advantage if it obtains valuable resources, has valuable capabilities that have no substance and cannot be imitated, and companies must have the ability to absorb and apply them [6]. Good resources, can be tangible or intangible in the Asset Based View Hypothesis proposes that an organization or association can support an organization or association to foster systems to accomplish upper hand (Sari, 2020).

2.2   Theory of Planned Behavior (TPB)

The hypothesis of arranged conduct (TPB) in its application has been generally used to comprehend how people act and how to connect. TPB is a sub-section of social psychological hypothesis that predicts human way of behaving and gives the fundamental motivations to the social dynamic cycle which is the consequence of a thinking interaction that is impacted by perspectives, standards and conduct control [7]. Sommer (2011) suggests that human way of behaving can be brought about by different reasons/potential outcomes, this implies that one's convictions about the results of mentalities/conduct, and convictions about others' assumptions are factors that can restrain individual way of behaving.This theory explains that individual background such as gender, age, experience are factors that can inhibit financial behavior.

This theory is related to financial behavior which is widely discussed today. Many people who tend to be petty and identical quickly act according to their impulses so that often individuals with sufficient income still experience financial problems due to a lack of understanding of financial behavior. Individuals who are good, have good financial behavior, and have the ability to manage (plan, manage, control, and save) finances in everyday life.

2.3   Financial Literacy

Financial literacy as several definitions. Financial literacy is a must for individuals to avoid financial problems because individuals are often faced with a trade off, namely a situation where a person has to sacrifice one interest for the benefit of another. The trade off problem occurs because a person is limited by his financial ability (income) to obtain all the goods he wants. Monetary education has viewpoints connected with arranging and burning through cash, for example, pay, utilization of visas, reserve funds, ventures, monetary administration and the most common way of settling on monetary choices, which are essential for monetary way of behaving.

Financial literacy is knowledge possessed by individuals related to the viewpoint of financial instruments, including individual knowledge about savings, insurance, investments and other financial instruments [7]. Monetary education can be deciphered as monetary information, which aims to achieve individual welfare in financial behavior so that individuals can become more responsible in financial management in order to minimize financial problems. Referring to the various definitions above, it very well may be reasoned that monetary education is a singular capacity connected with general monetary information moved by people. This monetary information incorporates reserve funds, speculations, obligation, protection and other monetary instruments.

Indicators for measuring financial literacy [8] include: income management, financial management, investments, loans or credit, and savings management.

2.4   UMKM Sustainability

The success of a business in carrying out an innovation, realizing the welfare of employees and customers, and generating a return on business equity is the business continuity of an MSME. This will show how companies have opportunities to develop and be able to innovate in a sustainable manner (Mel Hudson, Andi Smart, 2001). The indicators used to measure the success of MSMEs include: monetary development, key development, primary development, and hierarchical development (Wickham, 2006).

Two different meanings related to competitive advantage even though the two are related to one another [9]. The first understanding of competitive advantage is based on resources. The resources owned by employees are often associated with expertise and abilities in terms of production processes, idea development, and marketing which are used as a strategy to make the company superior to other companies. The second competitive advantage is that the company achieves better performance than other competing companies. From these two definitions it can be concluded that in order to maintain business continuity, companies really need a competitive advantage in terms of employee skills and capabilities. An understanding of financial literacy knowledge is very much needed and important, especially for an MSME. A good understanding makes an entrepreneur understand the meaning of value for money which will provide benefits for now and will have a big impact on the future and progress of the company. Therefore, it is necessary to have a financial literacy strategy for MSMEs so that they can be sustainable. For this reason, MSMEs must continue to explore their potential and expand their knowledge, understanding and financial insights in the hope that MSMEs are able to manage their finances like large companies whose financial reports can be accounted for [10]. There is a need for a financial literacy strategy for MSMEs to be sustainable. For this reason, MSMEs must continue to explore their potential and expand their knowledge, understanding and financial insights in the hope that MSMEs are able to manage their finances like large companies whose financial reports can be accounted for [10].

Financial literacy is an individual skill capable of managing finances (Al Kholilah & Iramani, 2013). Careful financial management and decision-making can result if one has financial literacy so that good performance and business continuity can be achieved. Monetary proficiency affects the manageability of a business [11].

The progress of MSMEs is affected by a few variables including: individual background, business characteristics, and contextual variables [13]. Success or sustainability of small industrial businesses is influenced by various factors. Factors that influence business continuity include: 1. Developing existing business opportunities for business success and progress 2. Clear division of tasks and responsibilities to employees 3. Workers carry out their duties and responsibilities properly 4. Business actors routinely carry out financial records 5. Business actors have a business plan 6. Carry out promotions to increase sales 7. Have an official business license 8. Record the issuance of raw materials and expenses related to business needs.

3   Methodology

Data collection uses a systematic review by analyzing research manuscripts obtained from Google Scholar which are indexed nationally and internationally in the last five years which aim to answer research questions by summarizing various research results (Siswanto, 2012). The steps in a systematic review are as follows: formulate research questions, conduct a literature search, select articles, analyze quantitative findings. Some analysis of the title of the article:

1. Financial Literacy Strategy as a Supporting Factor for the Sustainability of Micro, Small and Medium Enterprises [14].
2. Financial Literacy, Financial Attitude and Financial Behavior and MSME Performance [15].
3. Micro Business Development Strategy in Samarinda City (Fajar Febrian Putranto, Zhikry Fitrian, Bramantyo Adi Nugroho, Eka Nor Santi, Noor Wahyuningsih, Puput Wahyu Budiman, Adi Hendro Purnom; 2019).
4. The Effect of Financial Literacy on Business Sustainability in MSMEs in Jatisari Village [16].
5. The Meaning of Financial Literacy in the Sustainability of Balinese Women's Home Industry Business [17].
6. Financial Literacy Study for Small and Medium Enterprise Managers in the Gerbangkertasusila Area (Cynthia Nur Fitriana Ichwan; 2018)
7. Financial Literacy and Growth of Micro, Small and Medium Enterprises in West Java, Indonesia [18].
8. The Role of Government, Financial Literacy, and Inclusion on the Financial Performance of MSMEs in Malang City [19].
9. The Effect of Financial Literacy and Education Level on the Profitability of Micro and Small Enterprises in Indonesia (Hanifil Fiqri, Ramel Yanuarta RE; 2022)
10. Financial Literacy in Relation to MSME Sustainability and Community Welfare in Gianyar Regency [20].

4   Result and Discussion

4.1   Results of the First Literature Discussion [14]

Financial literacy which is a strategy to support MSMEs is financial behavior (financial behavior), financial socialization, and bookkeeping systems. Financial behavior as a

form of responsibility and policy in matters related to business financial management [4].Being able to manage finances well, regulate the use of business assets, manage the budget is a form of financial behavior responsibility [21] and is more effective in using money in terms of making money and controlling money spending, managing investments, and paying off payments. costs that occur on time [22].

Financial literacy which is a strategy to support business continuity, the second is financial socialization. Financial socialization leads to a process in which individuals not only gain theoretical knowledge about financial issues but from socialization they also learn to behave and behave which will later affect their financial literacy (Rashid and Khan, 2020). Financial socialization is the main contributor to the provision and means of financial information to understand financial literacy [23]. The more often financial socialization is held by competent parties and the socialization activities are attended by MSME actors, the motivation for MSME actors will grow to increase knowledge in managing business finances.

The third monetary proficiency methodology to help business congruity is the accounting framework. Business progress and development can be seen and known from the bookkeeping system. In addition, a proper, clear and accurate bookkeeping system can provide 201m that culinary SMEs can make strategic decisions to be superior and faster in terms of business development and progress so that SMEs can continue their business.

4.2   Second literature [15]

The MSME Monetary Proficiency Level is at a moderate level or affects business execution. The results of this study are relevant to research conducted by Eke et al. (2013). According to Eke et al. (2013), that his research is not relevant to the research of Kotzè and Smit (2008) because the research conducted by Eke et al. (2013) did not distinguish between SMEs who are owners. Even if the owner understands finance (financial literacy), SMEs can hire financially literate people to help manage their business. Therefore, the conclusion is that MSME owners should not be harmed even if they are financially blind, as long as other people who are monetarily educated can assist with pursuing business choices in the monetary area as per Kotze and Smit (2008), Individuals with financial management knowledge can reduce the effects and consequences of financial mismanagement. The results of this study provide information that knowledge about the time value of money is still relatively low, which means that MSMEs do not understand knowledge about the time value of money so that the money they earn is not invested so that the existing capital in MSMEs does not develop.

Understanding of calculating loan interest per year is still relatively low. This means that understanding the calculation of interest on loans borrowed by MSMEs is not given enough attention. This can result in MSMEs getting bad credit, if MSMEs do not correctly understand the calculation of loan interest. This research is supported by research conducted by Djuwita et al. (2018). Djuwita et al. (2018 in his exploration shows that monetary education meaningfully affects business advancement. According to Djuwita et al. (2018), one of the things that drives the progress and development of MSMEs is the ability to access credit from banks, so that problems with capital difficulties can be resolved, and turnover can increase.

Monetary demeanor decidedly affects the exhibition of MSME entertainers in Palembang, meaning that the better the financial attitude, the better business performance. Financial attitudes measured in this study include statements that having a budget is an important strategy in finance, it is important to think about or plan finances, maintain important financial records for finances, it is important to make long-term investments, predict financial difficulties, carry out financial planning is the best way to improve business in the future. The results of this study are in line with research conducted by Esiebugie et al. (2018) shows the results that financial attitudes affect the performance of SMEs. The results of this study conclude that most SME owners are future-oriented, namely by setting good financial targets in the future. This finding also shows that future orientation can drive decision making and affect business performance. In addition, research conducted by [24] also showed the same results to support the results of this study. Hafifah's literature (2019), states that in reality if you have a good financial attitude, it will be easier for individuals to run their business.

4.3   Third Literature Discussion

(Fajar Febrian Putranto, Zhikry Fitrian, Bramantyo Adi Nugroho, Eka Nor Santi, Noor Wahyuningsih, Puput Wahyu Budiman, Adi Hendro Purnomo; 2019). The aftereffects of the 2016 financial evaluation show that Samarinda has the biggest number of specialty units in the territory of East Kalimantan, in particular 83,713 specialty units, 96% of which are miniature and private ventures. The advancement of little and medium ventures in different districts including Samarinda is indivisible from different issues like impediments regarding capital, restricted creation capacities, hardships in advertising the board and restricted HR.

This examination was directed to foster an elective procedure for strategy producers in fostering the miniature business area in Samarinda to help the Samarinda regional taxpayer supported initiative through local area financial strengthening. System detailing is completed utilizing Qualities, Shortcomings, Open doors and Dangers (SWOT) investigation, trailed by the readiness of a Quantitative Procedures Arranging Grid (QSPM) to decide the most need grouping of techniques to be carried out.

The examination results show that the system that possesses the main goal in creating miniature undertakings in Samarinda is advancing miniature venture items in an arranged and supportable way. Second, promoting miniature business items through nearby and public online business. Third, lay out an innovation based business hatchery. Fourth, urge the confidential area to assume a functioning part in enabling miniature ventures. The fifth key need is reinforcing provincial guidelines for the utilization of nearby miniature business items and spatial making arrangements for miniature business communities.

4.4   Results of the Fourth Literature Discussion

[16] financial literacy has an effect on business sustainability, research results support previous research [25] which states that financial literacy will support complex financial decision-making processes, and to maintain business continuity through an understanding of good financial literacy. The results of this study also support research conducted by [10].

Monetary education claimed by business entertainers is a significant perspective in overseeing funds, as per [26] making sense of that monetary proficiency is significant, from a few things people who have fundamental monetary information, people will actually want to get past the troublesome funds. Monetary troubles can emerge on the off chance that a mistake happens in monetary administration, for example, credit misuse, absence of monetary preparation, the significance of monetary information will help people in overseeing individual monetary preparation, which thus can boost the time worth of cash in speculation and can give benefits. what's more, work on their way of life.

The findings in this study indicate that the role of financial knowledge has not been maximized, especially supported by the education level of Jatisari MSME business actors, who are on average junior high and high school, so that financial knowledge is only owned by MSME actors, which is still small or still limited. The difficulties experienced by MSME actors, especially in managing finances, are due to a lack of understanding of financial knowledge and this has an impact on income and welfare that is less than optimal, the conditions faced by MSMEs Jatisari are in accordance with the research of Krishna, et al., (2010).

The characteristics of MSMEs in Jatisari are unique because they prioritize cooperation between business actors (cooperatives) rather than competition, so that this effort is truly maintained in maintaining business continuity, this is also in line with research by Kumar et al. (2012), there is knowledge sharing. and intra-SMEs cooperation is used as an effort to increase capacity and is still attached to the desire to complement each other and help the difficulties faced by business actors.

4.5   Fifth Literature Discussion

[17] The results of the study reveal that financial literacy is information and knowledge that forms the basis for financial management in an effort to increase business activities so that they can survive and develop in various market segments. The hypothetical ramifications is that monetary proficiency plays a significant part in monetary administration, expanding the utilization of monetary items and administrations for money dispersion in the economy. For all intents and purposes, this examination can be utilized as material for thought for entrepreneurs to enhance their insight and monetary data as a reason for further developing business progression so they have intensity with the goal that they can add to financial turn of events.

Financial knowledge will also have a lasting impact in the form of the use of financial products and services, which can then increase profits and encourage the development of innovation and creation in starting a business. This finding is in line with Soetiono and Setiawan (2018) regarding the definition of financial institution services. This can make a person more capable and wiser in utilizing the assets used so that they can provide more benefits in supporting their finances better now and in the future. Knowledge of finance in the industry will be properly planned and managed. Household business actors will also know the results or profits obtained and can plan future finances for their business.

This is in line with (Financial Services Authority (2017) that financial literacy has become a necessity for every individual to be able to plan and manage finances well to achieve prosperity. Having a good understanding of financial literacy can avoid things

that are detrimental to business, so that business actors can achieve its business goals Knowledge possessed about good financial literacy by business owners will be able to survive with changes in business activities.

4.6   Results of the Sixth Literature Discussion

(Cynthia Nur Fitriana Ichwan; 2018) The outcomes showed that the degree of monetary proficiency in view of orientation significantly affected the degree of monetary education. These results indicate that both men and women have the same level of financial ability and knowledge. This can be caused by increasingly competitive competition, so that both men and women, a business person must be able to maintain his business. Another reason is that technological advances are quite rapid, providing very complete information related to economics and finance, especially financial management, so that everyone can get the same knowledge.

Financial literacy level based on length of business, UKM managers in the Gerbangkertasusila area. This proves that the length of business has no effect on the level of financial literacy. The outcomes got in this study demonstrate that the age of a business affects the degree of monetary education. Because of the shortfall of contrasts in the degree of monetary proficiency between long periods of business, there are numerous respondents who have a business time of over 10 years. At this age managers think they can survive long enough without adding to or changing their management systems. This mindset will make an SME manager maintain the system without wanting to add knowledge related to financial management, while those who are younger apply the system more carefully.

The level of financial literacy is based on the age of UKM managers in the Gerbangkertasusila area. This proves that age does not affect the level of financial literacy.

These results indicate that young and old people have the same ability and financial knowledge. Individuals who are older are not necessarily able to manage finances well, and vice versa. Factors from within the individual itself can encourage someone to want to learn more about something. A person's curiosity cannot be judged through age but in an effort to acquire the various knowledge needed.

4.7   Seventh Article Findings

[18] found that the average financial literacy of MSME owners or managers in West Java was above the average with a score of 5. This shows that from a behavioral aspect, MSME owners or managers in analyzing their financial performance on a regular basis, can make payments to creditors, and purchase insurance products. From an attitudinal perspective, individuals are aware of lending operations in relation to individual financial needs and the costs and benefits of accessing credit. From a skill point of view, individuals are able to calculate loan interest rates and know the company's financial trends, whereas from a knowledge point of view, individuals have basic accounting knowledge, prepare financial budgets and understand that individuals can minimize losses by minimizing bad debts.

Admittance to MSME Money shows that for every sign of the government assistance perspective, bank monetary administrations empower organizations to meet their monetary necessities and can work on the organization's monetary condition. Seen from the part of value, the reserve funds and credit items given by the bank are as per the requirements of the organization. According to a use point of view, the agreements for credits given by banks can give advantages to the organization, in light of the consequences of the availability perspective, the expense of opening an underlying financial balance is reasonable.

The results of the MSME growth analysis show that the owner or manager has a relatively positive assessment of the company's growth. From the aspect of sales growth, the owner or manager assesses that the company's sales have increased from year to year, and the addition of the number of employees is being considered. The proprietor or supervisor likewise evaluates that there is an expansion in the organization's resources from one year to another, and extra resources are being viewed as founded on the viewpoint of resource development perspectives.

4.8 Findings of the Eighth Article

[19] The consequences of the examination show that the most noteworthy typical respondent solutions to the poll are giving neighborhood charge help and giving capital through low-interest credits. Respondents are more disposed to offer rotating capital that can expand the development limit of MSMEs. That's what the following respondent's response is assuming MSME business people get preparing and help from the Cooperatives and MSME Office of the Regional Administration of Malang, it will have more effect on their capacity to work on their monetary execution.

Fundamental information on monetary administration with pointers utilizing a straightforward day to day cash book, keeping diaries and records, as well as finance records (paying wages or installments to others) is the answer of respondents with the highest average. Which is followed by answers about credit management. Furthermore, the respondents' answers related to the administration of reserve funds and ventures. Respondents addressed that MSME business people understanding monetary education would help the MSME monetary administration framework. Utilizing an everyday money book can assist MSMEs with having legitimate records connected with operational expense and straightforward notes to record finance and wages. Recording deals joined by selling costs will help MSME business visionaries to comprehend the pay got from their deals.

This concentrate likewise demonstrates that monetary incorporation is a semi directing variable that can fortify the impact of the public authority's job and monetary education on the monetary execution of MSMEs. The aftereffects of the semi variable examination show that monetary consideration assumes a significant part in keeping up with and propelling the MSME business. The consequences of this study give a hypothetical commitment which alludes to job hypothesis and RBV hypothesis (asset based view). Viable advantages are extremely valuable for MSME business visionaries to further develop MSME monetary execution. This arrangement helps the Regional Administration of Malang and closely involved individuals to create and handle MSME help,

particularly the Service of Cooperatives and MSME in arranging MSME advancement and help programs in Indonesia.

4.9   Ninth Article Findings

(Hanifil Fiqri., Ramel Yanuarta RE; 2022) shows that business owner savings account ownership has a positive effect on MSE profits in Indonesia at all business scales, higher than business owners who do not have a savings account. Furthermore, to find out which official financial institutions provide loans, the impact felt will be smaller as the business scale grows. In other words, knowledge of the official lender's financial institution which has a positive effect on the profits of MSEs in Indonesia at all business scales is higher than business owners who do not know the official lender's financial institution. As for the level of education (educating), the owner of the UMK has a significant effect on the logarithm value of the UMK profits (lnrev) only in the upper middle quantile, the impact felt is greater the larger the scale of business. This shows that the education level of the business owner has a positive effect on the profits of MSEs in Indonesia only for middle and upper class businesses, with the impact being felt from a larger scale of business being felt.

The theory of savings account ownership is in line with the theory of financial literacy because savings account ownership is a component of financial literacy. This theory supports the results of research with financial literacy being able to make the right financial decisions so that it is expected to improve company performance. The results of [27] state that financial literacy has a positive effect on the ability to make financial decisions and welfare, as well as company performance. The theory of knowledge of formal financial institutions in providing loans is in line with the theory of financial literacy, because knowledge of formal financial institutions that can provide loans is a component of financial literacy.

The hypothesis of human resources is worried about how the points of view of individuals in an association add as far as anyone is concerned, abilities and capacities to improve authoritative capacities (Taylor and Armstrong, 2014). One of its capacities is the way MSE entertainers are at the instructive level for the headway of their business. The discoveries of this study are pertinent to investigate directed by McPherson (1996); Simanjuntak (2001); and Saraswati (2008) which expresses that the degree of instruction emphatically affects the benefits of MSE business visionaries, and that implies that the higher the training level of MSE proprietors, the higher the exhibition will be gotten.

4.10   The Findings of the Tenth Article

[20] If a business actor has an adequate level of financial literacy, he tends to be more careful in running his business and tries to maximize his business performance better, especially regarding matters matters related to finance. Business management tends to be easier for business actors who have good financial literacy skills.

If business actors in the MSME area have a satisfactory degree of monetary proficiency, then, at that point, monetary administration and business choices will generally foster in a superior course [10].

The higher the level of financial literacy owned by business actors, the better their ability to manage the business with the right business decisions so as to realize business continuity. Business managers with adequate financial knowledge can enable their companies to survive in crisis situations and tend to be long-term sustainable. [10] found the same thing in his research that there is an influence between financial literacy on business continuity. The ability to improve business continuity can also increase if financial literacy is also adequate.

Financial literacy can play a role in helping families achieve their financial goals. Based on their financial literacy, families can improve their welfare at the same time. Prosperous family life can be realized with a high level of financial literacy as the main support (Akmal and Saputra, 2016). Cognitive development and knowledge possessed by a person is closely related to the welfare and enjoyment obtained in human life (Balters, 1987). This statement is in accordance with the theory of life span development. Cognitive or knowledge has an important role in shaping welfare. Someone tends to have better welfare if it is supported by a better literacy level. Conversely, someone with a poor level of financial literacy,

Every individual can make financial literacy a life skill so that they can plan, organize and manage their finances well for the sake of prosperity. Because of the importance of financial literacy, it is hoped that every MSME actor will participate in increasing their capacity and insight related to financial literacy. Financial literacy skills will be useful in financial management activities carried out by MSME actors so as to help realize business continuity and community welfare.

Often MSME actors cannot separate personal finance and business finance. There are relatively many MSMEs who have not been able to manage business finances properly and in a structured manner. If this continues to be done by MSME actors, then financial management may encounter obstacles that impact on the sustainability of their business. Separation of business finance and personal finance is an important thing that must be done by MSME actors so that business improvements from a financial perspective can be seen clearly and with certainty.

The financial literacy of MSME actors can be increased through the edu finance program which includes training covering planning, implementation and follow-up. Fundamental problems that must be addressed immediately are problems regarding financial planning, financial management, and financial recording and reporting systems. Based on this, it would be wiser to make adjustments in advance to the needs of MSME actors in designing a financial literacy training model.

5   Conclusion

The aftereffects of the examination and conversation of the ten articles utilized as writing surveys, it very well may be reasoned that monetary way of behaving, monetary socialization, and day to day accounting frameworks are monetary proficiency techniques as supporting variables for SME supportability.

Finance is an important point of view in starting a business, including MSMEs. A business will progress if the financial conditions are able to run well. Maintaining good financial conditions, every party in MSMEs must understand financial literacy, especially in managing business finances, as well as knowledge about savings and loans.

Based on the education they have about finance, both financial services and financial strategies, an MSME will be able to make decisions about company finances, find good financial management strategies so that the business's financial condition gets better.

Giving training can likewise assist MSMEs with expanding information and understanding that isn't commonly known, and is a shortcoming of MSMEs. With this work to give instruction, it is trusted that it can work on the monetary education of MSME entertainers to be far superior. The consequences of this writing survey are likewise expected to assist MSMEs with keeping a monetary mentality in dealing with their business and to have the option to make upper hand, the right cutthroat system for business maintainability.

Financial literacy is a life skill that every individual can plan, organize and manage finances well for the sake of prosperity. Because of the importance of financial literacy, it is hoped that every MSME actor will participate in increasing their capacity and insight regarding financial literacy. Financial literacy skills will be useful in financial management activities carried out by MSME actors so as to help realize business continuity and community welfare.

Advice that can be conveyed to MSME actors is to increase their understanding of financial literacy more broadly and thoroughly as material for choosing various forms of financial products offered by various parties so that later in providing the right choice of financial products and providing financial benefits for business continuity so that it continues to grow and have higher competitiveness. Apart from that, the job of the public authority is desperately required through the Workplace of Cooperatives and Industry, namely to provide intensive training, mentoring processes for SMEs who are new to entrepreneurship.

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Effective Leadership's Role in Facilitating Change in Organizations Through Improvement and Innovation

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Abstract. Effective leadership is the key to success of an organization in the development of a modern and dynamic era, where there are lot of organizational instability due to the dynamics of the current situation. Effective leadership is one aspect of bringing positive changes to public service organizations that they can continue to provide excellent and reliable public services to the community. Without effective leadership, an organization can't drive in the way they desire and could experience negative change instead of positive. As one of the success factors in achieving goals, one of the effective leadership roles is to make improvements and innovations according to the demands of the times, so that the organization always follows the existing trends, so that the organization is not out of date and still able to serve optimally. Accordingly, this research intend to discuss the effective leadership, the effects, and how effective leadership contributes to innovation and improvement within public service organizations.

Keywords: Effective Leadership · Innovation · Improvement

1   Introduction

The globalization era and the dynamics of the world has had a huge impact on various aspects of human life at all levels of society. Whether in the fields of economy, social, politics, technology, environment and culture. Rapid economic growth, along with the emergence of the internet, made it easier to communicate with countries around the world. Also the growing of technology in general and in communications in particular so that it became a super-capacity and dense in deployment and easy to use and encourage the global technological system for innovation and further development and improvement [1].

This development also followed by the increasing number of technologies that make easier for people to find and get the information and services they want. In order to remain relevant in providing services to the community, public service organizations must adapt to the existing trends and be flexible in handling any changes that may arise due to the rapid development of the community.

Leadership is one of the most essential components of an organization's strategy for dealing with problems posed by the rapid growth of the modernization. In the same

way that leaders ensure an organization runs smoothly, they ensure that their goals and objectives are met while modernizing the organization in accordance with them. Furthermore, a good leader inspires their staff to perform at their best by fostering a positive organizational culture and promoting positive change and innovation.

2 Theory and Hypothetic Development

2.1 Leadership and Management

Leaders establish standards and manage environments in which their followers are self-motivated toward mastering long-term constructive goals, in a collaborative, mutually respectful environment compatible with their personal values. The US Army defines leadership as influencing people by providing purpose, direction, and motivation, while operating to accomplish the mission and improve the organization [2]. In addition to being an example or role model for their employees, a leader with strong leadership abilities also gets their employees' trust and admiration if he/she is able to achieve some good outcome. By mimicking, one inadvertently changes one's values, beliefs, behavior, and attitudes, since imitation is the sincerest form of flattery [3]. Aside from that, there is another way to define a leader with strong leadership, effective leaders provide clear direction to their employees while also inspiring them to commit to their jobs and work together to achieve the organization's goals and objectives [4].

Management is an art of getting things done through and with the people in formally organized groups and it is an art of creating an environment in which people can perform and individuals and can co-operate towards attainment of group goals [5]. The definition also strengthen which management is a problem-solving process of effectively achieving organizational objectives through the efficient use of scarce resources in a changing environment [6]. In additionally, management is a fairly integral part of life and is needed wherever human efforts are made to achieve desired outcomes.

Leadership and management involve actions such as motivating employees, setting goals, directing them, and ensuring an organization's well-being. Management and leadership, as well as human and material resources, contribute to creating order in a given situation. In addition, they gain commitment from others through communication.

Leaders manage people as a critical resource, but lead people individually or as a group to accomplish missions. In order to be a successful manager, it is important to understand policies, regulations, and the procedures of how an organization works within the context of a larger society. Additionally, it is helpful to be aware of current trends.

2.2 Strengthen Organizations with Leadership

An effective leader can influence the values, beliefs, attitudes, and behaviors of a group of employees. Good leaders usually have a clear vision for what they want the organizations to achieve. In this way, they are able to identify the problems and obstacles that the organization is currently facing. This enables them to bring about the necessary reforms effectively and efficiently, so the organization can stay up-to-date with contemporary changes. There have been four changes in the organization's leadership, especially in the public service sector, in order to strengthen its performance and serve the community.

Leading With Maintaining Stability and Create New Innovation.
Stability refers to maintaining the current practices of organizations without significant changes or deviations. This is accomplished through slow and gradual decision making processes and no changes are made to the service or functions. Public service organizations need to maintain stability in order to continue providing good services to the community. Leaders must maintain existing organizational patterns to ensure that activities are running smoothly.

Change is always a challenge for organizations, just as it is a common characteristic of human life. Change is definitely hard for people to accept because it takes people out of their comfort zones, makes them change their habits, and makes them extremely uncomfortable [7]. New innovation within an organization can be thought of as a twofold approach, encompassing both the organization as a whole and the individuals within it. This approach allows for a more gradual adaptation to change, adapting at a pace and style that suit each individual and organization. When done effectively, innovation can give an organization a competitive advantage.

As information technology advances and becomes more accessible to the public, public service organizations must mixed between new innovation and maintain the stability in order to continue providing services and information to the public. The leader must ensures that the public service organization is seen as credible and trustworthy by the public. For example The City or District Government must be able to provide new innovation to integrate and give a real-time information services about available hospital beds and local tourist attractions in order to add value to the area and improve convenience for the community. In the other hand, The City or District Government also provide old model service because not everyone understands the progress of technology that develops now, specially people who lives in the rural area. This requires firm determination from organizational leaders to continue to maintain its stability and make a new innovate for the better environment.

Creating Positive Culture. The trust between employees and leaders is essential for shaping a good culture within an organization. It is essential for employees and leaders to trust each other if they want to build a positive organizational culture. A good organizational culture leads to better performance by employees and makes them more likely to behave and feel positively about the organization. This means that employees are more likely to be motivated and feel like they belong to the company, which makes them more likely to be loyal and committed [8]. However, the leader must also provide examples of how the organization can be improved. A positive organizational culture creates a good working environment. Organizational culture can have a positive effect on employee motivation by promoting a sense of healthy competition and encouraging innovation. Hence, a strong organizational culture can change the overall performance of an organization.

Building Communication, Teamwork and Learning for Improvement.
Communication and teamwork are soft skills that refer to a person's ability to interact with others and work together effectively [9]. These skills are important in many workplace settings and can be helpful in both personal and professional relationships. It has been shown that soft skills are transferable across a variety of job types and situations, meaning that everyone can benefit from developing these skills.

There are a number of soft skills that are essential to success in all aspects of life, but communication skills are one of the most important. Importantly for public service organizations that interact with their communities on a daily basis, communication is critical to supporting the success of their mandates. It is essential for public service organization members to be able to work together effectively as a team, and good teamwork skills will help them to achieve the goals of the organization.

One way to improve the performance of an organization is to encourage continuous learning among its members. An organization has to improve not only its employees, but also its segmented management levels, if only to motivate them and set an example.

In order for an organization to effect change, leaders need to encourage employees to communicate and collaborate with each other. This way, people can explore new ways of thinking and produce better results for the organization. Additionally, learning from others helps employees improve themselves.

Giving Reward. Recognition initiatives are effective as a result of they specialise in the positives and send staff a transparent message that their work is appreciated. Rewarding staff for their performance can keep them motivated, targeted and driven to try more and do higher than before. Rewarding program encourage employees to set and reach their goals on their worklife. Applying rewards and recognition program also helps to give employees and give more advantages for the organization while increasing productivity and retention. Employee engagement is increased when employees are rewarded and recognized, leading to greater retention and a more positive workplace.

3   Methodology

The method used in this writing is Descriptive approach: in order to describe, interpret and analyze the search results.

4   Result and Discussion

The ability to lead effectively is critical to successfully managing an organization in today's environment. This is true whether the organization is adopting modern methods or sticking to more traditional ways of doing things. When leaders understand the process of change, they can better understand what they need to do and when. They can anticipate and mitigate many predictable problems by taking proactive measures. They know not only what actions to take today but also what must be done today to prepare for tomorrow.

As trend evolve over time, stability and change in the organizations must coexist. To fully realize the potential of the organization with fo changes above, effort must be expended on both ends simultaneously. We maintain the key organizational components that allow us to take advantage of the current trends model while simultaneously developing the new ideas that will help us achieve our desired future state. The current environment is constantly changing, and organizations must be able to adapt in order to stay competitive. If the organization doesn't build changes to adapt to this surroundings, it will not gain the public's trust. Leadership is responsible for creating a clear vision

and a systematic plan to achieve that vision. Without leadership, there can be no change in organizational management [10].

There are a number of factors that may affect the likelihood of such changes occurring in an organization. Leadership can make a significant difference. The behaviors and attitudes of employees can vary greatly, with some able to adapt to change easily while others may resist it. Some employees may follow and learn from their leaders, while others may become jealous and uncooperative. This would drag down the organization's performance. Leadership is the most effective way of managing change, but it is important to remember that no solution is perfect and that some issues cannot be resolved.

5   Conclusion

An organization's survival depends on its ability to manage change, and change is the only way to survive in today's world. An organization's survival depends on its ability to manage change, and change is the only way to survive in today's world. Consequently, leadership motivates and encourages people to constantly make changes. An organization's leadership plays a vital role in motivating and encouraging its employees to transform in order to remain competitive, innovate, and improve in the current environment.

In order to accomplish the organization's mission and vision, leaders must demonstrate leadership skills. Leadership involves guiding employees towards the right goals and motivating them to improve and innovate, so that employees perform better and the organization can thrive.

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Influence of Income, Business Expenses, and Business Capital on Net Profit of Business

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Abstract. The motivation behind this study is to decide how much income, operating expenses and operating capital have an effect either simultaneously or partially on net operating income. This study utilizes auxiliary information acquired by the Indonesian Stock Trade Corner and yearly reports. The perception time frame utilized is the period from 2019 to 2020. The example in this review comprised of 30 assembling organizations recorded on the Indonesia Stock Trade (IDX). The technique used to investigate the information is to utilize various direct relapse and to test the proposed speculation with the assistance of SPSS software. The consequences of the concurrent impact examination show that working pay, working costs and working capital together fundamentally affect working benefit. This should be visible from the huge worth of 0.000 which is lower than 0.05. While to some degree working pay essentially affects working benefit, this should be visible from the critical worth of 0.000 which is lower than 0.05. Working costs essentially affect working benefit, this should be visible from the huge worth of 0.000 which is lower than 0.05 and working capital altogether affects working benefit, this should be visible from the critical worth of 0.000 which is lower than 0.05.

Keywords: Income · Business Expenses · Business Capital and Net Profit of Business

1 Introduction

The principal objective of the organization, is to expand the worth of the organization. The increment or lessening in benefit will be viewed as in the decision making of the organization's administration. Profit as a component of the budget summaries that don't present established truths about the monetary state of the organization can be of far-fetched quality. Income that doesn't show genuine data about administration's presentation can misdirect the clients of the report. Assuming that this sort of benefit is utilized by financial backers to frame the market worth of the organization, then, at the point, the benefit can't make sense of the genuine market worth of the organization [1]. Income quality is income that accurately and precisely portray the organization's functional benefit. The ongoing year's income have great quality on the off chance that

the benefit is a decent mark of future profit, or is emphatically connected with future working incomes [2].

An increase in sales or operating income is the main target of every company which is expected to be a predictor of increasing operating profit, but because of the organization's business scope, the organization's operating income will also have an impact on the complexity of business operations that require greater financing. So in this case the amount of operating income requires every company management to operate optimally and efficiently, so that the amount of operating income obtained can have an impact on increasing net income received.

Another factor considered to have a direct impact on operating profit is operating expenses. Based on this, it can be said that profit is operating profit generated by the company from each level of sales. Meanwhile, in an all inclusive income statement, all elements of income and expenses are reported, so that unusual elements are also reported. However, in this study, it is assumed that profit is analyzed by the two largest elements in the income statement, namely operating income and operating expenses which generate operating profit. Other elements are considered not examined because they are in accordance with the research problem, namely the existence of fluctuating operating expenses but not followed by a proportional increase in deals and the motivation behind the review is to determine the organization's ability to earn profits from the organization's functional exercises, namely deals.

Every company basically will also carry out different exercises to accomplish the objectives that have been set. Each movement did by the organization generally requires reserves, both to fund everyday functional exercises and to back long haul speculations. Reserves used to complete day to day functional exercises are called working capital. Working capital is required by each organization to back its day to day tasks, where the functioning capital that has been given is supposed to have the option to get back to the organization in a brief time frame through the business of its creation. Working capital got from the offer of these items will before long be given in the future to fund further functional exercises. This functioning capital will keep on turning each period in the organization.

1.1 The Problem's Formulation

a. Do operating income, operating expenses, and capital simultaneously essentially affect the net benefit of assembling organizations on the IDX?
b. Do operating income, operating expenses, and capital simultaneously essentially affect the net benefit of assembling organizations on the IDX?
c. Among the variables of operating income, operating expenses and capital, which one has a dominant influence on the net profit of assembling organizations on the IDX?

1.2 Analytical Framework

(See Fig. 1).
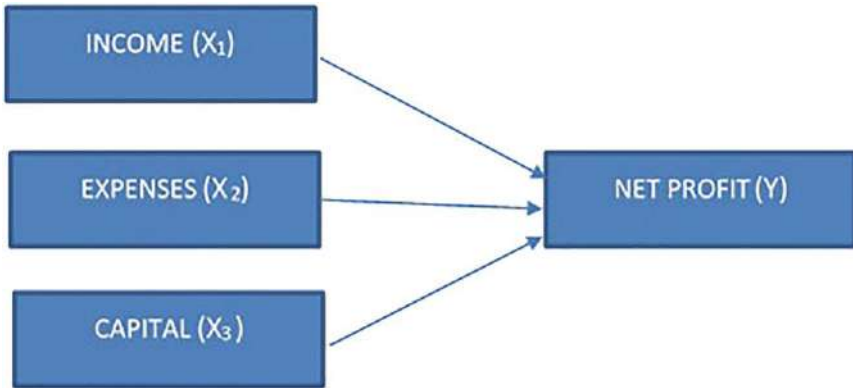
Fig. 1. Analytical Framework

1.3 Hypothesis

H1 = Operating income, operating expenses and operating capital simultaneously essentially affect operating profit in assembling organizations recorded on the IDX
H2 = Operating income, operating expenses, and operating capital partially fundamentally affect operating profit in assembling organizations recorded on the IDX.
H3 = Operating income has a dominant influence on operating profit in assembling Organizations recorded on the IDX.

2   Methodology

2.1   Data Type

The sort of information utilized in this study is the yearly monetary report information of assembling organizations recorded on the Indonesia Stock Trade (IDX) which is a verifiable record of the organization's monetary condition and execution. Then quantitative information incorporates Approaches and Guidelines connecting with the Accommodation of Budget reports of assembling organizations recorded on the Indonesia Stock Trade.

2.2   Information Source

The wellspring of information in this study is auxiliary information got by the creator by implication from the object of examination through middle person media. Optional information are by and large as proof or notes that are imperative for writers in research. Evidence or records such as: the company's annual financial statements.

2.3   Research Sample

The conditions uses to choose the example are as per the following:

a. Companies recorded on the Indonesia Stock Trade (IDX) consecutively for the period 2019 to 2020;
b. The company has published annual financial reports for time frame 2019 to 2020; in view of the testing standards, the quantity of exploration samples taken were 30 manufacturing companies.

2.4   Analysis Method

Different Direct Relapse Method

$$Y = a + \beta 1X1 + \beta 2X2 + \beta 3X3 + \varepsilon \tag{1}$$

Information:

Y = Operating Benefit (Rp)
α = Constant
β = Independent variable relapse coefficient
X1 = Operating Income (Rp)
X2 = Operating Expenses (Rp)
X3 = Business Capital (Rp)
ε = Residual

Classical Assumption Test. Classical assumption testing needs to be done to guarantee that the relapse model utilized in this study is liberated from heteroscedasticity side effects, multicollinearity side effects, and autocorrelation side effects and to guarantee that the information utilized are regularly dispersed. The traditional supposition tests completed are:

Multicollinearity Test. Expects to test whether the relapse model tracked down a relationship between's the free factors (autonomous). A decent relapse model shouldn't have a connection between's the free factors. Multicollinearity should be visible from the worth of Resistance and Variance Expansion Element (VIF), with the reason for pursuing choices as follows: On the off chance that the resilience esteem is above 0.10 and the VIF esteem is under 10, then, at that point, there is no multicollinearity issue, implying that the relapse model is great. Assuming that the resilience esteem is under 0.10 and the VIF esteem is over 10, then there is a multicollinearity issue, implying that the relapse model isn't great [3].

Heteroscedasticity Test. The heteroscedasticity test expects to test whether in the relapse model there is an imbalance of change from the residuals of one perception to another perception. A decent relapse model is that there is no heteroscedasticity. The method for distinguishing the presence or nonattendance of heteroscedasticity in this review is

Table 1. Summary of Various Relapse Examination Results.

Dependent variable	Independent variable	Regression coefficient	t_{hitung}	sig	t_{tabel}	Signifikan /tidak
	Operating Income (X1)	0.338	10.257	0.000		Signifikan
Cash Dividend (Y)	Operating Expenses (X2)	-0.084	-4.030	0.000	2.001	Signifikan
	Business Capital (X3)	0.276	5.861	0.000		Signifikan

Konstanta	= 206052818635,48	Fhitung	= 301,079
R	= 0,970	Ftabel	= 2,761
R Square (R2)	= 0,942	Sig F	= 0,000
Adjusted R2	= 0,938		

Source: Handled Information (2022)

to utilize the Glejser test. The Glejser test is completed by relapsing the outright worth of the remaining on the free factor. In the event that the importance likelihood esteem is above 0.05, the relapse model is liberated from heteroscedasticity side effects, running against the norm on the off chance that the importance likelihood esteem is underneath 0.05, heteroscedasticity happens in the relapse model [3].

Autocorrelation Test. This concentrate on utilizes the Durbin-Watson test (DW test) to test the supposition of autocorrelation. This tets expects to tets whether in a straight relapse model there is a relationship between's the jumbling mistake in the t-1 period (past). A decent relapse model is a relapse that is liberated from autocorrelation. Dynamic whether autocorrelation exists, namely:

0 < d < dl = there is a positive relationship
dl d du = cannot be concluded
4 – dl < d < 4 = there is a negative connection
4 – d u d – dl = inconclusive
du < d < 4 – du = no autocorrelation

3   Result and Discussion

Table 1 of the model summary shows the analysis model information, each of which is meaningful as follows:

The size of the connection between the free factor and the reliant variable is demonstrated by a R worth of 0.970 or 97%, the value indicates a very strong relationship, because the greater the value of R can be in view of the understanding of the information, it tends to be found in the accompanying table: Tabulation of the interpretation of the value of r.

The variety of the free factor (X) adds to the impact of the reliant variable as shown by the R Square worth of 0.942 or 94.2%, where it implies that the variety of the autonomous variable that is excluded from this study is 5.8%.

The degree of development of the reliant variable (Y) brought about by the autonomous variable (X) is demonstrated by the Change R Square worth of 0.938 or 93.8%.

3.1 Research Hypothesis Test

Simultaneous Effect Test. The main speculation testing is to break down at the same time, in particular the F test is completed to decide the concurrent impact of the autonomous variable on the reliant variable. From the ANOVA test or F test, the F count is 301,079 with a Sig number. 0.000. The F table worth should be visible in the df segment, where the numerator is 3 and the denominator is 56, so the F table worth is 2.761.

From the correlation of F count with F table, it tends to be seen that F count is more noteworthy than F table $(301,079 > 2,761)$, subsequently it is obvious that all free factors (X) essentially affect the reliant variable (Y). It is additionally seen in view of the worth of sig. F of 0.000 is underneath 0.05 $(0.000 < 0.05)$.

Partial Effect Test. Fractional testing is a trial of the impact of every free factor on the reliant variable, specifically the relapse condition equation in this review is as per the following: $Y = 206052818635.48 + 0.338.X1 - 0.084.X2 + 0.276.X3$.

The steady worth of 18.105 demonstrates that if the Operating Income (X1), Operating Expenses (X2), and Business Capital (X3) don't change in that frame of mind of an increment or decline (fixed) then, at that point, the degree of Net Operating Income (Y) is 206052818635.48. The magnitude of the regression coefficient will show the value of adding or subtracting to the constant value or Net Operating Income (Y) with multiples there of:

If there is an increase in Operating Income (X1) by 1% from the previous, the Net Operating Income will increase by 33.8%.
If there is an increase in Operating Expenses (X1) by 1% from the previous, the Net Operating Income will decrease by 8.4%.
If there is an increase in Operating Capital (X1) by 1% from the previous, the Net Operating Profit will increase by 27.6%.

To partially answer the research hypothesis, it is described as follows:

Effect of Operating Income (X1) on Net Operating Income (Y). The value of t count on Operating Income (X1) is 10.257 while the t table value is 2,001. By contrasting the worth of t count and the worth of t table, and seeing the size of the critical worth, one might say that Operating Income (X1) altogether affects Net Operating Income (Y). This is on the grounds that the worth of t count is more prominent than the worth of t table $(10.257 > 2.001)$, and the critical worth is 0.000 (lower than 0.05).

Table 2. Multicollinearity Test Results.

Variable	Tolerance	Variance inflation factor
Operating Income (X1)	0,264	3,793
Operating Expenses (X2)	0,279	3,590
Business Capital (X3)	0,125	7,977

Source: Handled Information (2022)

Effect of Operating Expenses (X2) on Net Operating Income (Y). The value of t count on Operating Expenses (X2) is 4.030 while the t-table value is 2.001. By contrasting the worth of t count and the worth of t table, and seeing the extent of the huge worth, one might say that Operating Expenses (X2) essentially affect Net Operating Income (Y). This is on the grounds that the worth of t count is more prominent than the worth of t table (4.030 > 2.001), and the huge worth is 0.000 (lower than 0.05). The resulting negative value (-) indicates that the effect of operating costs is to reduce operating net income, so that increasing operating costs will automatically reduce operating profits.

Effect of Business Capital (X3) on Net Operating Income (Y). The value of t count for operating capital (X3) is 5.861 while the t table value is 2.001. By contrasting the worth of t count and the worth of t table, and seeing the greatness of the huge worth, one might say that Business Capital (X3) fundamentally affects Net Operating Income (Y). This is on the grounds that the worth of t count is more prominent than the worth of t table (5.861 > 2.001), and the huge worth is 0.000 (lower than 0.05).

3.2   Classical Assumption Test

Multicollinearity Test. This multi collinearity test is utilized to decide if there is different collinearity (high relationship) between's the free factors utilized in the model. To decide if there is multicollinearity between factors, you can see the Variable Expansion Component (VIF) and Resistance, where the VIF esteem isn't more than 10, and the Resilience esteem is more than 0.1. For additional subtleties should be visible in the accompanying table:

In view of the Table 2, it shows that this study doesn't have side effects of multicollinearity. Since every one of the contemplations and examination necessities of the multicollinearity test have been met.

Heteroscedasticity Test. One of the exemplary presumptions in numerous straight relapse models is assuming the perplexing variable has a similar difference from another perception (Homoscedasticity). In the interim, assuming the difference is not quite the same as one perception to another, it is known as the heteroscedasticity side effect. Heteroscedasticity test is completed by leading an icy mass test, in particular by playing out without a doubt the lingering on the worth of the reliant variable, which will then be done a relapse test, which is as per the following: Multicollinearity Test (Table 3).

Table 3. Coefficient of Heteroscedasticity Test.

Model	Unstandardized coefficients		Standardized coefficients	t	sig
	B	Std. error	Beta		
Constant	1E + 011	3E + 010		3.680	.001
Operating income	0.41	0.16	.436	2.570	.286
Operating expenses	0.14	0.10	.235	1.422	.161
Business capital	0.16	0.23	.169	.688	.495

a.   Dependent variabel: Abs_Resid

In light of the huge worth of the free factor, it very well may be seen that the worth is more noteworthy than the 0.05 degree of importance. So in this review, there were no side effects of heteroscedasticity.

Autocorrelation Test. The autocorrelation test expects to test whether in a relapse model there is a connection between's puzzling blunders (because of residuals) in period t and period t-1. Autocorrelation emerges on the grounds that successive perceptions after some time are connected with one another. A decent relapse model is a relapse that is liberated from autocorrelation.

To see if the relapse condition contains a sequential connection or not between puzzling factors. To decide the presence of autocorrelation, the Durbin-Watson test was utilized which should be visible from the relapse test and traditionally which can be said to have satisfied the autocorrelation supposition assuming that the Durbin-Watson test esteem was near number 2. And according to Santoso (2004), in general it can be taken as a benchmark that [4].

D-W numbers underneath -2, it intends that there is a positive autocorrelation.

The D-W number is between -2 to +2, truly intending that there is no autocorrelation. D-W numbers over +2, it intends that there is a negative autocorrelation.

The value of Durbin - Watson in this study should be visible in the accompanying table:

Model	Durbin - Watson
1	1.898

Source: Processed Data (2022)

Based on the table above, it very well may be resolved that the Durbin Watson esteem in the relapse model of 1.898 is between -2 to +2, meaning that there is no autocorrelation.

3.3   Discussion

The outcomes showed that there was a massive impact of operating income, operating expenses and operating capital on the organization's operating profit, so the three elements were thought about for the organization to build the organization's operating profit. The management of operating income, operating expenses and working capital involves all aspects related to these three things.

Operating income. Management of operating income and its projection on operating profit is carried out by the company in several ways, among others, by increasing sales volume with optimal marketing policies, and developing and expanding the company in the marketing area sector.

This is in line with the theory put forward by Donald, Jerry, and Terry (2008), which suggests that income is an inflow of assets or other increases in an entity's resources or the settlement of its commitments (or a blend of both) during a period, brought about by conveyance or production [5]. Products, providing services, or other activities that are part of the company's main or central operations.

Operating expenses. Operating expenses which are the contribution and consequence of the organization's exercises to back all the organization's business operations are the most basic thing in managing the source and use of company funds. The higher the operating expenses, it is hoped that it can support the company's marketing activities which are oriented to operating profit as much as possible.

This is in line with the theory put forward by Jusuf (2004) which makes sense of that in the event that the organization can diminish working expenses, the organization will actually want to increment net gain [6]. The other way around, in the event that there is a misuse of costs will bring about diminished benefits.

Business capital. Business capital is a factor that supports all business activities, with optimal business capital, the company can run its business operations to achieve the goal of getting optimal profit. Based on this, working capital management needs to be implemented effectively by the company so that it can predict and project business activities funded by the organization's venture to create ideal benefits.

This is in accordance with the hypothesis set forward by Munawir (2004), which recommends that the more noteworthy how much working capital supported or got from the venture of the proprietor of the organization, the better for the organization in light of the fact that the more prominent the organization's capacity to get credit, and the more noteworthy the assurance [7]. Transient leasers. Aside from the venture of the proprietors of the organization, super durable working capital requirements can likewise be supported from the offer of bonds or different sorts of long haul obligation, however for this situation the organization should consider the development of this drawn out obligation as well as additionally considering the interest cost that should be paid by the organization.

4   Conclusion

In light of the consequences of the concurrent impact examination, the outcomes show that operating income, operating expenses and operating capital together fundamentally affect working benefit. This should be visible from the huge worth of 0.000 which is lower than 0.05.

In light of the consequences of the halfway impact examination, the outcomes show the accompanying impacts: Operating income altogether affects operating profit, this should be visible from the critical worth of 0.000 which is lower than 0.05. In view of this, the increment or reduction in working pay will straightforwardly influence the increment or abatement in the organization's operating profit. Operating expenses fundamentally affect working benefit, this should be visible from the huge worth of 0.000 which is lower than 0.05. In view of this, the increment or decline in operating expenses will straightforwardly influence the increment or lessening in the organization's operating profit. Business capital altogether affects operating profit, this should be visible from the critical worth of 0.000 which is lower than 0.05. In light of this, the increment or decline in operating capital will straightforwardly influence the increment or reduction in the organization's operating profit.

The business income factor has the most dominant influence compared to the operating expense factor and the business capital factor. This is seen in view of the t-count worth of the working pay variable of 10.257 which is more prominent than the t-count of the operating expense factor of 4.030 and the working capital factor of 5.861.

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Knowledge Management Implementation Impact on Increasing the Quality of Information Services and Community Complaints at the District Health Office of Tangerang City

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Abstract. The purpose of this study is analyzing the effect of Knowledge Management on increasing the quality of information services and community complaints at the District Health Office of Tangerang City. Knowledge Management consists of some indicators known as Knowledge Sharing, Personal Knowledge, Technology, and Learning Organization and Job Procedure. The sample of this study was 130 people. Descriptive research methods were used with a quantitative approach to explain the extent to which Knowledge Management impacted service quality District Health Office of Tangerang City. SPSS 25 is used to analyze the data. The results show those factors together affect the Quality of Service with a coefficient of Determination 74,5%. Factors that affect service quality improvement at the District Health Office of Tangerang City are Knowledge Sharing, Personal Knowledge, Job Procedure, Technology, and Learning Organization.

Keywords: Knowledge Sharing · Personal Knowledge · Tangerang City · Information Quality · Service Quality

1 Introduction

District Health Office is one of the Regional Apparatus Organizations (OPD) active in the health sector. There are quite a lot of related parties or stakeholders in the district health office organization, apart from structural/operational management where Tangerang City Health Department has a Type A organizational structure consisting of 1 Secretariat and 4 Divisions, two Sub-departments, 13 sub-coordinators, and 40 Units Technical Implementers. This is set through Tangerang Mayor Regulation Number 131 of 2021 concerning position, organizational structure, duties, and functions and working procedures of the district health office of Tangerang City) as well as other external parties such as other Regional Apparatus Organizations (OPD), other private health institutions, professional organizations, associations and institutions outside the government and of course the community. All these related parties need each other so it must be arranged in such a way that all parties can get the best service, and, in the end, it satisfies all parties.

According to Munir (2008) [1], Knowledge Management (KM) is important to gain a sustainable competitive advantage, as its implementation offers operational and service advantages that can increase the personal ability to maintain knowledge and develop innovative products (Asri, 2004) [2]. According to Prijono (2008) [4] well-implemented Knowledge Management (KM) is very beneficial for the organization among others. Explicit knowledge documents and procedures are better recorded, because sources of knowledge (experts) are easily accessible, it is best to keep records in practice, every business process will change over time to become more efficient, the same mistakes will not happen again and a culture of collaboration will be formed as the effect of a shared culture so that innovation can emerge.

The integration of various applications will allow the sharing of knowledge that is needed by the district health office. The Knowledge Management (KM) approach ensures a more effective allocation of resources and staff thereby increasing productivity without having to increase costs. Service quality is considered one of the components that organizations need to achieve because it has the effect of introducing new customers and can reduce the possibility of old customers moving to other organizations [5]. Service quality is a measure of how an organization delivers its services compared to the expectations of its customers.

The importance of public services and information disclosure for the community in the current digital era greatly affects public trust, therefore district health office is trying its best to meet the standards of information disclosure in the digital era. Usually, there are forms and systems of leadership that affect the continuity of relationships/communication activities in groups/organizations. It is expected two-way communication or two-way communication (reciprocity) is an indicator of effective communication in the communication activities of the parties. For this reason, cooperation is needed which is expected by all parties to achieve organizational goals. If the organization applied good service, the intended target will be achieved as well.

To increase services to the public, the district health office provides integrated information and complaint services that are integrated with the Tangerang City government's Communications and Information Technology. In this service, the public can submit requests for information, submit objections, and public complaints either in writing or unwritten, offline or online. Through this service, the community can make good use of it and strive to continue to improve the services available at the district health office.

Handling requests for information and public complaints is important in the current era of information disclosure, therefore increasing knowledge and management systems is very important to improve. This is evidenced using the service requesting information and complaints by the public in Tangerang City to submit complaints and aspirations for the services provided by the Tangerang City Health Department.

Table 1 shows a decrease in the number of incoming reports from 2021 to 2022. In 2021, in semester 1 the number of incoming reports reached 2,221 reports, then in semester 2, there was an increase in the number of incoming reports by 5,609 reports. This is different in 2022, which experienced a considerable decline, which in semester 1 of 2022 there were 1,187 reports submitted. It can be interpreted that the Tangerang City Health Department has experienced improvements related to the performance of

Table 1. Data Recapitulation of Suggestion Box Aspiration Service Report (LAKSA) Tangerang City Health Department

Year	Semester 1						Total	Semester 2						Total
	January	February	March	April	May	June		July	August	September	October	November	December	
2021	150	103	198	73	149	1548	2221	1555	1902	1217	449	263	223	5609
2022	395	285	242	107	81	77	1187	133						

service requests for information and public complaints related to the services provided to the community by the Tangerang City Health Department.

The study was conducted to verify and analyze the influence of knowledge management in the form of knowledge sharing, personal knowledge, job procedures, technology, and learning organization on the quality of information services at the District Health Office of Tangerang City.

1.1 Theoretical Review and Hypothetical Development

Knowledge Management (KM). Knowledge can be defined as various experiences, values, contextual information, expert opinion, and basic intuition that provides an environment and framework for evaluating and integrating new experiences with information [6]. In organizations, knowledge is stored in organizational routines, processes, practices, and norms beside stored in documents or repositories [3].

Knowledge management (KM) is understood as planning, collecting, leading, organizing, and controlling data and information that has been combined and analyzed by various forms of thinking and various competent sources. Therefore, the major principle of knowledge management is to recommend organizations to "know what they know" [7].

According to Alavi & Leidner (2001) [8] KM consist of knowledge creation, knowledge storage or retrieval, knowledge transfer, and knowledge application. A major challenge for government or public organizations is changes in the era of globalization. The government has autonomy and responsibility in carrying out public services. The government must carry out various innovation for public services. Setiadi, et al. (2011) [9] revealed that the application used in government organizations same as in private organizations. The difference is about the profit. Private organizations application aimed for profit, while government organizations using these for improving public services. The application that government used intended to facilitate the process of creating, collecting, storing, and knowledge transfer. It can close the knowledge gap between individuals, individuals to groups, and groups to groups within an organization. It is also improve ability to manage existing intellectual assets, knowledge, and experience.

The purpose of implementing knowledge management at the Tangerang City Health Department is to facilitate the process of creating, collecting, storing, sharing knowledge, and applying knowledge specifically related to public information services, complaints, and public aspirations. The method of implementing the application in this organization begins with conducting a literature review.

Hypothetical Development. One of the elements of service quality is knowledge and expertise so it can be said that knowledge is very important in service quality (Saleh, 2010) [10]. In knowledge management, there is a system as a container of knowledge assets. The knowledge management system can also assist in improving service quality because it can assist in communicating with customers without being limited by space and time. According to Tobing (2007) [11] the advantages of KM is improving quality in customer handling.

There are several previous research studies that support this research. In addition, this study will compare material related to the research model using knowledge management and service quality variables.

The independent variable refers to the SECI theory from Nonaka et al. (2009) [12] mention that in the application the knowledge creation process arises from interaction through a knowledge conversion process called SECI (socialization, externalization, combination, and internalization). SECI applied to five knowledge management processes.

Based on the above, the relationship between the variables in this study is:

1. The relationship between knowledge sharing and service quality
   Knowledge sharing by employees will trigger activities. This means that the more you do these activities, the higher the opportunity for a response to knowledge-sharing activities so that performance can be improved by service-based man-agement. As an institution that provides services to the community, the De-partment of Health is trying to improve the quality of services through knowledge sharing. These services include communicating both verbally and non-verbally, such as how to welcome visitors and how respond to visitors.

2. The relationship between personal knowledge and service quality
   Personal knowledge is an individual's personal experience, and then sharing these experiences can improve employee performance. With the experience they have, they can explore more widely the potential that exists within themselves, this will make their performance even better to produce quality services. Better personal knowledge will improve the performance and ability of employees in the field of work and in terms of services performed.

3. The relationship between job procedures and service quality
   One form of job procedure is the Standard Operation Procedure (SOP), which is a basic implementation procedure designed to maintain service quality and work results. By using SOPs, tasks will be easier to do and produce better services. Assisted by the supervision carried out in the work process, the SOP can be implemented. The Health Office must be more consistent, and ensure the creation of the desired service for the users of these services.

4. The relationship between technology and service quality
   Technology is one of the main elements. It is known as a medium to simplify knowledge transmission. Technology will always develop in the form of a system that facilitates the process of spreading knowledge. The District Health Office uses telecommunications media, namely through social media such as Email, Whatsapp, and Instagram. The more sophisticated the technology used, the easier the work that impacts improving services.
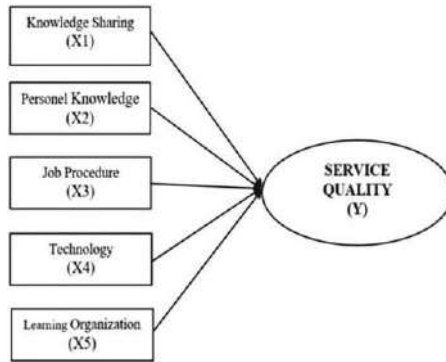
Fig. 1. Research Concept Framework

5. The relationship between learning organization and service quality
   The application of learning organization in the health sector is appropriate. The Department of Health has the main function as the front line in providing the best service to the community. Organizations in the field of Health are organizations that continue to move in improving the quality of services and continue to improve organizational capabilities.

   From the relationship between the variables above, hypothesis formulated as follow:

H1: There is a positive and significant influence of knowledge sharing on service quality
H2: There is a positive and significant influence of personal knowledge on service quality
H3: There is a positive and significant effect of job procedure on service quality
H4: There is a positive and significant influence of technology on service quality
H5: There is a positive and significant effect of a learning organization on service quality (Fig. 1).

2   Method

This research was conducted to identify and test the independent variable and the dependent variable. The independent variable in this study is knowledge management, while the dependent variable is service quality. Descriptively, this research is quantitative research to what extent which knowledge management has impact on service quality at the Tangerang City Health Department. The sample of this research was carried out by 130 employees/staff who are responsible and involved in the service.

3   Results

3.1   Descriptive Description of the Improvement of Information Services and Public Complaints

The Tangerang City Health Department carried out improvements in the information and complaint service system as well as its human resources. Improvements in the service

system include the use of social media and websites, the use of chat group communication media, the improvement of procedures and report response times, and in terms of human resources with the formation of an implementing team.

Utilization of the media used in delivering complete information is carried out through social media, the use of social media (Instagram and/or YouTube) as well as the official website of the Tangerang City Health Department is considered as media to transfer information to the right community in the current era of digitization, with the delivery of information that is always updated. and routinely carried out, is one aspect that reduces demand for information because people get factual and real-time information.

The use of chat group communication media such as WhatsApp makes it easier for the handling team to share information, discuss and provide input in requests for information and public complaints that go to the Tangerang City Health Department. Improvements were also made to the public complaint service procedure and the response time to complaints, there are several procedures that must be carried out related to the implementation of compliant services. And these procedures are written in the form of Standard Operating Procedures (SOP) and also in several forms, such as flyers, standing banners, and in the service procedure information menu on the Tangerang City Health Department website channel.

This service improvement can also be felt by the formation of a work team through the Decree of the Head of the Tangerang City Health Department Number 440/Kep.79-Sekret/XII/Dinkes/2021 so that there is a team of personnel who have duties and functions in the public information service system and public complaints. With this team, the information delivery process carried out can be divided by team members who have skills in technical fields such as website managers and social media managers. This also allows the acceleration of response times for incoming complaints, so that incoming reports do not pile up and an answering mechanism has been designed for similar questions. However, with improvements to the things above, it is still felt that there are shortcomings in its implementation, both in terms of human resources, procedures, and other things.

Based on the phenomena found in the research, the focus of observation is on competence and knowledge management. Competence is related to the abilities possessed by employees. the acquisition of knowledge start the learning process. This knowledge is then maintained and shared so that it can be used widely, therefore knowledge transfer was chosen by the Tangerang City Health Office as one of the processes for applying knowledge management because the Tangerang City Health Office considers that providing facilities and opportunities for learning can improve employee competence.

Organizations that are supportive of knowledge management are organizations that value knowledge, the application of knowledge management has an impact in order to improve the quality of services at the Health Office so increasing good knowledge for organizations is an important thing to implement. Through knowledge management and service quality, organizations consciously seek to find out their capabilities and facilities and use them to improve service performance and produce various innovations. Organizations must recognize the importance of understanding effective knowledge management and service quality.

3.2   Research Result

This study was conducted to analyze the effect of knowledge management in which there are five variables, namely knowledge sharing, personal knowledge, job procedures, technology, and learning organization. This research was conducted by distributing online questionnaires to 130 employees of the District Health Office and processed using SPSS 25.

3.3   Description of Respondent Identity

Characteristics of respondents based on gender, most of them are women with a percentage of 57.7%, the age of the largest number of respondents is 20–40 years with a number of respondents as much as 80%, with the highest level of education is Bachelor as much as 83.8%.

3.4   Validity Test and Realiability Test

The results of the validity test show that all the indicators and variables have an r-count > 0.30. Thus all indicators are valid. While the variable Knowledge Management, Personal Knowledge, Job Procedure, Technology, Learning Organization on Service Quality, where all the question items have a Cronbach's alpha value > 0.60, means that it can be declared reliable.

3.5   Multiple Linear Regression Analysis

The regression equation is obtained based on the results of the processed regression data above as follows: Y = 30.272 + 0.611 + 0.576 + 0.667 + 0.712 + 0.536, indicating that all regression coefficients have a positive sign which means that the values of the independent variables is improved, it will encourage the improvement of service quality. And from the regression results, the technology variable (X4) is the largest variable with a beta () value of 0.712, meaning that the technology variable (X4) is the variable that most influences the improvement of service quality.

3.6   Hypothesis Testing

Based on the results of the Anova test, Knowledge Sharing, Personal Knowledge, Job Procedures, Technology, and Learning Organizations have a significant influence on improving service quality, as evidenced by the calculated F value of 44,399 > F anda significant value of 0.000 < 0.05. T-test result found that knowledge management, personal knowledge, job procedures, technology, and learning organization have a significant effect on improving the service quality.

3.7   Determinant Coefficient

Knowledge management (knowledge sharing, personal knowledge, job procedures, technology, learning organization) has a strong relationship to improving service quality from the value of R = 0.863. Then the quality of service is influenced by knowledge management by 74.5%, while the remaining 25.5% is influenced by other variables included in this study.

4   Discussion

4.1   The Effect of Knowledge Sharing on Service Quality

Multiple linear regression analyzing found significant effect to service quality by knowledge sharing. As the hypothesis statement it can be proven that there is an effect of knowledge sharing on service quality. The results of this study in line to the research conducted by Wahyuni and Kistyanto (2013) [13] studying and analyzing the Effect of Knowledge Sharing on Departmental Performance through Service/Service Innovation, stating the influence of knowledge doming and knowledge collecting on service/service innovation. So it can be concluded that the knowledge-sharing activities carried out by employees at the service management of PT. Telkomsel, Tbk in providing knowledge or information is carried out actively.

4.2   The Influence of Personal Knowledge on Service Quality

Multiple linear regression analysis showed that the second hypothesis states that personal knowledge has a significantly positive effect on service quality, so this test proves that personal knowledge has a positive and significant effect on service quality. This is in accordance with the hypothesis statement and it can be proven that there is an influence of personal knowledge on service quality.

Previous research by R. Zarkowi & W. Widiartanto (2016) [14] showed that the higher the assessment of the ability to support personal knowledge owned by Patra Jasa Semarang hotel employees, the more their performance will be to continue to explore and continue to bring out high values in serving its guests in order to offer the best service to its guests. So it can be concluded that personal knowledge is one of the factors for individuals in the organization to clearly know the roles and responsibilities of each in managing knowledge because each individual has different knowledge, abilities, and experience, so the quality of performance is different.

4.3   The Influence of Technology on Service Quality

Multiple linear regression analysis showed that the second hypothesis states (job procedures) have a significantly positive effect on service quality, so this test proves that job procedures have a positive and significant effect on service quality. This is in accordance with the hypothesis statement and it can be proven that there is an effect of job procedures on service quality.

The results of this study in line to Maysaroh Tanjung and Makmur (2019) [15], stating that the Job Procedure at the Rokan Hulu District Hospital has been carried out well, Hospital employees have a responsibility to provide maximum service and the best quality service to their patients, so it can be concluded that with the job procedure known as the Standard Operational Procedure (SOP) is made to maintain the quality and results of work where tasks will be easier to do.

4.4   The Influence of Learning Organizations on Service Quality

Multiple linear regression analysis showed that the second hypothesis statement is that Learning Organization has a significantly positive effect on service quality, so this test proves that learning organization has a positive and significant effect on service quality. This is in accordance with the hypothesis statement, and it can be proven that there is an influence of learning organization on the quality of service at the district health office.

Continuous improvement or continuous improvement has become a demand for every organization today. Various organizations are trying to improve themselves so as not to be left behind with the development of an increasingly advanced and globalized world. Organizations must provide opportunities for their members to always learn and develop so that they can have a positive impact on the organization. One thing that must be done is to develop a learning organization.

The results of this study are in line to Andi Junita and Muhammad Hermansyur (2014) [16] study, that stated organizations are tangible as learning organizations where members carry out the learning process both as individuals, groups and as members of the organization will tend to be ready to make changes both in cognitive, affective and psychomotor aspects.

by the employees. So that employees should improve the quality of service through education and development activities in terms of service.

5   Conclusion

Analysis to influence of knowledge management on Service Quality at the District Health Office found that variables of knowledge sharing, job procedures, technology, personal knowledge and learning organization have a positive and significant influence on service quality. While the technology variable is the biggest influence among other variables because of the benefits of using technology to facilitate communication and exchange information quickly and easily. And the learning organization variable is the lowest influence among other variables. The implementation of learning organization at the District Health Office is empowered by carrying out aspects of learning, organization, people, knowledge, and technology, carried out by sharing knowledge and ideas, both work and in general.

The District Health Office expected to maintain and be able to continue to develop technology systems on a scale in accordance with developments that occur because based on research conducted, technology variables are the most dominating variables, so they have the most positive impact on service improvement.

The implementation of the learning organization has been going well but not yet perfect. Employee leadership and cooperation are factors that support the implementation of a learning organization. The target of the learning organization in the District Health Office is employees and visitors, but its implementation is more visible in employee activities.

This research is also expected to contribute to the development of science related to knowledge management and service quality in the future so that it can enrich scientific studies.

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The Influence of Intellectual Capital on the Financial Performance of Property and Real Estate Sector Companies

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Abstract. Return on assets in property and real estate firms traded on the Indonesia Stock Exchange is analyzed, along with the impact of human capital efficiency, structural capital efficiency, and capital employed efficiency (IDX). All 47 businesses in the property and real estate industry that were listed on the Indonesia Stock Exchange between 2017 and 2019 make up the population for this analysis. Purposive sampling was used to pick the sample, and a total of 23 companies meeting the requirements were found. The annual financial statements of companies trading in property and real estate on the Indonesia Stock Exchange were used as secondary data for this study. Multiple linear regression analysis is used to quantitatively approach the study question. Descriptive statistics, tests for assumptions (normality, heteroscedasticity, multicollinearity, and autocorrelation), and the triad of statistical procedures (coefficient of determination, partial, and simultaneous) are also employed. Companies in the property and real estate sector listed on the Indonesia Stock Exchange saw a positive and statistically significant relationship between human capital efficiency, structural capital efficiency, and capital employed efficiency and return on assets (IDX).

Keywords: human capital efficiency · structural capital efficiency · capital employed efficiency · return on asset

1 Introduction

Every business nowadays must be competitive and efficient to keep up with the expanding realms of globalization and free trade. Economic blocs around the world like the World Trade Organization, the North American Free Trade Agreement, the Asia-Pacific Economic Cooperation, and the Association of Southeast Asian Nations (ASEAN) have all had a role in the current global economic crisis. Companies within the economic block and outside of it have a responsibility to sustain the market and compete with one another. Additionally, businesses need to develop distinctive qualities or additional value for their products and services [1]. Companies need to prepare numerous strategies to boost competitiveness and maintain corporate survival as rapid innovation of technology

and information makes competition in the business sector more intense. Winning in the market does not always require the use of physical assets. Companies that have been around for a while need to adjust their approach. Making the transition from a "labor-based" to a "knowledge-based" enterprise, characterized by the hallmarks of scientific inquiry, is one option [2].

The "Death of Samurai" is an example of the failures of companies that have not placed a premium on intellectual capital. Even Panasonic, one of Japan's most prominent conglomerates, was not immune to this catastrophe in terms of intellectual capital. The Japanese corporation is falling behind because of the country's penchant for consensus and peace. Intellectual capital, of which innovation is a subset, is crucial to the success of a business, as evidenced by the Panasonic phenomenon. Economic rivalry in today's free market period is fierce, and it has become clear that the recognition of intellectual capital is a factor that drives economic growth [3]. Companies like Nokia and Kodak show what may happen when an organization's culture is closed off to new ideas and inventions.

Management, IT, sociology, and even accounting are just few of the disciplines that have started paying close attention to the concept of intellectual capital (intellectual capital) [4]. The goal of investing in intellectual capital is to boost the company's economy for the long term. Positioned strategically, intellectual capital contributes to an institution's or society's success or development. The first reason is the general trend toward the transformation of industrial and service societies into knowledge-based ones. Second, in the context of rivalry and the pursuit of a competitive advantage basis, it appears to be very difficult to exclude or relate this development at the micro-enterprise level [5].

The country of Indonesia has yet to fully realize the potential of its intellectual capital. As a result, many Indonesian businesses use outdated methods of raising financing and producing goods, leaving the country's consumers behind [6]. To be competitive in today's market, businesses must invest heavily in their human and intellectual resources. According to data provided by the Business Competition Supervisory Commission (KPPU), Indonesia's competitiveness index has fallen once again. According to the 2016–2017 WEF report, Indonesia ranks 41st among 138 countries. According to the data, Indonesia dropped four spots from the previous year's ranking. Despite this improvement, the country is still ranked worse than some of its fellow ASEAN members.

Measuring Intellectual Capital (IC) is important since IC has significant value to a business. The Value Added Intellectual Coefficient (VAIC) approach was created by Public in 1998 to evaluate IC. Profitability in creating value through a company's intellectual capacity is quantified by value added tax. Intellectual capital is made up of three subcomponents according to the Value Added Impact Chain (VAIC) approach: Human Capital Efficiency (HCE), Structural Capital Efficiency (SCE), and Capital Employed Efficiency (CEE) (CEE). In this analysis, the Return on Assets (ROA) ratio was used to assess the company's profitability. The Return on Assets (ROA) measures the return on the capital the company has invested, as stated by [7].

Commercial real estate and property services providers are the focus of this study. Companies in the service sector, especially those in the property and real estate sector, remain understudied in Indonesia, which is why this industry was selected as the focus of this investigation. Conversely, the success of service businesses hinges on the expertise of

Table 1. IDX-Listed Real Estate and Property Firms' After-Tax Profits, 2017–2019.

Year	Net Profit After Tax		
	ASRI	BEST	KIJA
2017	684.288	211.936	331.443
2018	510.243	336.288	426.542
2019	1.120.721	283.254	165.750

Sumber: IDX, Data Processed 2021

its employees (its intellectual capital). Furthermore, IC intensive enterprises, as defined by the Global Industries Classification Standard (GICS), include those in the property and real estate service industry. High-IC Intensive Industries are those that put a premium on developing and protecting their intellectual property in order to get an edge in their respective markets. Since the construction and real estate industries are intertwined with many others (including the manufacturing of building supplies and heavy machinery, the distribution of building plans and blueprints, the distribution of printed materials, the distribution of advertisements, the recruitment and training of employees, and the provision of housing), they are the primary engines [8].

Researchers are interested in the real estate and property industry in part because the industry's financial performance is volatile and generally poor from year to year. This is evidenced by a comparison of the three property and real estate firms listed on the Indonesia Stock Exchange in 2017 and 2019, each of which shows a significant increase in net profit after taxes:

Table 1 shows that while PT. Alam Sutera Realty Tbk (ASRI) saw its net profit fall in 2017 and 2018, it rose in 2019, while PT. Bekasi Fajar Industrial Estate Tbk (BEST) and PT. Jababeka Industrial Estate Tbk (KIJA) both saw their net profit rise in 2018 and fall in 2019. So, this is something of a phenomenon in the business at this point.

The topic of intellectual capital has been the focus of extensive study both at home and abroad. There is a discrepancy between the research' findings. Intellectual capital has been shown to improve a company's bottom line in a number of studies. [9] found that intellectual capital had a beneficial effect on the bottom lines of Indonesia Stock Exchange-listed banks (IDX). Financial success is also positively impacted by intellectual capital, as evidenced by studies [1]. Meanwhile, studies conducted by (Andriana, 2014) show that intellectual capital has little bearing on financial performance or corporate value [3]. [5] looked at a cross-section of IDX-listed companies in the real estate industry and came to the conclusion that a company's current and future performance are unrelated to its level of intellectual capital or its pace of intellectual capital growth. According to the findings of Nalal (2014)'s study, not all aspects of a firm's intellectual capital have a substantial impact on the profitability of that company [6].

Researchers must investigate intellectual capital and provide empirical proof that it has a favorable and significant effect on the financial performance of property and real estate companies listed on the IDX due to contradictory findings. In light of the aforementioned context and the contradictory findings of previous studies, this article will raise and discuss questions about the impact of intellectual capital on the bottom

lines of companies in the property and real estate sector that are traded on the Indonesia Stock Exchange (IDX) between 2017 and 2019.

1.1 Theoretical Review

Resources Based Theory (RBT). According to RBT, a business should be seen as a collection of distinct resources, each of which may be effectively managed to yield a distinct advantage. According to the pioneering resources-based theory (Penrose, 1959; Rahmah & Nanda, 2019), a firm's resources are diverse and not uniform; the available productive services stem from these resources, giving each firm its own identity [10]. [11] agree that a company's capacity to acquire and keep its physical, financial, human, and organizational resources is a key factor in determining its competitive edge.

Stakeholder Theory. The stakeholder perspective is emphasized more in stakeholder theory. The corporation gives this group top priority when deciding what to include in the performance report and what to leave out. According to the principles of stakeholder theory, a company's responsibility extends beyond reporting its financial results. There are two distinct categories of information included in the yearly financial statements: required and optional disclosures. Informational differences help to illustrate the distinction. More financial details are revealed in the required disclosures, while more details are revealed in the optional ones. Among the optional details is data regarding intangible assets. This data demonstrates that the firm has a value-added in the intellectual capital management process [12].

Human Capital Theory. Human capital theory, created by Gary Becker in 1964, argues that investing in people is just as important as investing in physical or financial assets [13]. In addition, according to Becker, the theory's central tenet is that training and education have a substantial impact on output. According to Human Capital Theory, a company's capacity to acquire and keep its physical, financial, human, and organizational resources is what gives it an edge over its competitors.

Definition of Financial Performance. Identifying metrics that may quantify an enterprise's ability to turn a profit is central to the concept of financial performance, as defined by [14]. This is consistent with what Yulandari (2019) said, namely that a company's financial success is indicative of its health in relation to predetermined targets, benchmarks, and criteria [15]. The health of an organization can be gauged by how well it manages its finances. You can judge the corporation by its financial performance. Investors and stockholders can use them to make informed choices.

Financial Ratios. Financial ratios are calculated by comparing two different monetary values, as stated by [16]. Meanwhile, financial ratio analysis is defined by Firmansyah (2012) as the process of comparing one report entry against other financial statement entries, either singly or collectively, in order to establish causality between entries in the balance sheet and the income statement [17]. The ratio characterizes the connection and comparison between two amounts in separate line items of the financial statements. Applying analytical tools like this ratio will shed light on the company's good or bad status or financial position.

Understanding Intellectual Capital. The knowledge and expertise of the company's employees constitute intellectual capital, an intangible asset that serves as the foundation of the firm's key competences and, thus, its ability to weather adverse conditions and

gain an advantage in the marketplace. Non-monetary assets that can be valued but are not represented by anything tangible are considered intangible assets. Klein and Prusak (Denopoljac et al., 2016; Wijayani, 2017) laid the groundwork for the concept of intellectual capital by defining it as "stuff that has been collated, captured, and exploited to generate higher asset values [18]." It is widely believed that the presence of intellectual capital is crucial to the delivery of future high-value economic benefits.

Value Added Intellectual Coefficient (VAIC). Company intelligence can be evaluated with the help of the Value of Imagination and Creativity (VAIC) metric. Starting with the company's value creation capabilities, this model (VA). According to this theory, the effectiveness of Human Capital (HC), Structural Capital (SC), and Employee Capital (EC) all have an impact on VA (CE). Because it is built from accounts in the financial statements (balance sheet and income/loss statement), Public's 1997 technique is straightforward to implement (Janoevi et al., 2013) [19]. The public elaborated that VA is determined by subtracting the outcome from the input. Everything created and sold by the business is considered its output (OUT), which is equivalent to its total revenue. Concurrently, IN represents all costs borne by the business in order to turn its output (OUT) into a profit. Importantly, under this model, employee costs are not factored into the IN since they are seen as an investment in the company's future success rather than a necessary evil.

Employing people with the right mix of skills, experience, and creativity is the key to running a successful business, and this is where human capital comes in. According to the resource-based idea, businesses can gain a competitive edge and increase their worth by properly managing and putting to use their stockpile of intellectual capital. An organization's ability to generate income and profit is directly correlated to the quality of its management of its human resources (HR) [4]. According to the findings (Rahmah & Nanda, 2019), human capital efficiency has a favorable and statistically significant effect on financial success [10]. The study's first hypothesis is based on this description:

HI: Human Capital Efficiency (HCE) has a positive and significant effect on Financial Performance

The capacity of an organization to carry out its everyday processes and structures, which in turn support the efforts of its personnel to create peak intellectual performance and overall commercial success, is known as its "Structural Capital" [20]. This demonstrates that a company's ability to generate a solid performance, which in turn boosts the company's profits and output, is directly tied to the quality of its management of its structural capital. According to the findings of the research (Rini & Boedi, 2017), structural capital efficiency has a favorable and statistically significant effect on financial performance [7]. The second hypothesis of this investigation is based on this description.

H2:   Structural Capital Efficiency (SCE) has a positive and significant effect on financial performance

Another form of intellectual capital, capital employed, quantifies the value created by a business's investment in physical capital. Acquiring CEE occurs when a business's operations are so well-oiled that they produce favorable conditions for both the business

Table 2. Operational Variables.

Variables	Indicator	Major Reference
Human Capital Efficiency (HCE) (X1)	HCE = VA/HC	(Gupta & Raman, 2021)
Structural Capital Efficiency (SCE) (X2)	SCE = SC/VA	(Bontis et al., 2018)
Capital Employed Efficiency (CEE) (X3)	CCE = VA/CE	(Ozkan et al., 2017)
Return on Asset (Y)	$\text{ROA} = \frac{NettProfit}{TotalAset}$	(Habibah & Riharjo, 2016)

and its clients. Increasing sales often follows the introduction of new capital, or the introduction of significantly more capital. This demonstrates how proper capital allocation may boost sales and ultimately boost a company's bottom line. According to the findings of Salim and Karyawati (2013), capital employed efficiency has a favorable and significant impact on financial performance [8]. In light of this information, the third hypothesis of this investigation is as follows:

H3:   Capital Employed Efficiency (CEE) has a positive and significant effect on financial performance.

2   Methodology

Quantitative methods were used in this investigation. The 47 businesses in the property and real estate industry that were traded on the Indonesia Stock Exchange between 2017 and 2019 make up the population for this analysis. Purposive sampling was employed here to collect the study's sample. A definition of what constitutes a purposeful sample in this study is provided. Between 2017 and 2019, a number of real estate and property development companies entered the Indonesia Stock Exchange. Financial statements in Rupiah from property and real estate companies listed on the Indonesia Stock Exchange that have been audited or presented consistently throughout 2017–2019. From 2017 to 2019, property and real estate businesses traded on the Indonesia Stock Exchange posted positive earnings. The study's sample size of 23 businesses was based on those criteria. All information is derived from secondary sources. Companies in the property and real estate sector that were listed on the Indonesia Stock Exchange (IDX) between 2017 and 2019 were the subjects of this secondary data collection. The documentation approach was used to gather secondary data. Descriptive statistics, a test for classical assumptions (including normality, heteroscedasticity, multicollinearity, and autocorrelation), and tests of all hypotheses (using the coefficient of determination test, a partial test, and a simultaneous test) must be performed after data collection is complete (Table 2).

3   Results and Discussion

3.1   Results

The amount of data (N) and the range (maximum, minimum, mean, and standard deviation) of each variable were summarized using descriptive statistics. Table 3 shows the results of using the SPSS application to process the data.

From 2017's data (Table 3), we can conclude that PT BUMI Cita Permai Tbk has the lowest Human Capital Efficiency (HCE) value, at 1.15300. In 2019, PT Bekasi Fajar Industrial Estate Tbk produced the highest HCE value, 8.67842. In terms of HCE, the mean is 3.6075165 and the standard deviation is 1.90671383. Since 3.6075165 > 1.90671383, the average value of the HCE variable for the observation period (2017–2019) is likely to be satisfactory. Simultaneously, PT Bumi Cita Permai Tbk in 2018 has the lowest value of 0.13270 for the Structural Capital Efficiency (SCE) variable. In 2017, PT Bekasi Fajar Industrial Estate Tbk produced the highest SCE value, at 0.88477. SCE averages 0.6332528 and fluctuates by 0.19641436 on average. The SCE variable over the observation period (2017–2019) has a mean that is higher than the standard deviation, with a value of 0.6332528 and a standard deviation of 0.19641436 respectively, suggesting that the data is likely to be of high quality.

Capital Employed Efficiency (CEE) ranges from a minimum of 0.02432, based on 2017 data from PT. SentulCity Tbk, to a maximum of 0.50026, based on 2018 data from PT Plaza Indonesia Realty Tbk. The typical range of CEE is 0.06667268, with a mean value of 0.1293686. Specifically, the CEE variable's data typically centers around, or lies close to, the value of 0.1293686. Given that 0.1293686 > 0.06667268, we may assume that the CEE variable's observational period (2017–2019) data is reliable. PT Anggada Realty Tbk has the lowest value of the study's dependent variable, Return on Assets (ROA), at 0.47 for the year 2017. PT Plaza Indonesia Realty Tbk has a 2019 ROA of 15.82%, which is the best of any company. Standard deviation for ROA is 3.15865 (mean = 5.0361). For the time period under consideration (2017–2019), the ROA variable shows promise, as its mean value, 5.0361, is larger than its standard deviation, 3.15865.

Moreover, the normality test is intended to determine if the regression model's dependent variable, independent variable, or both have a normal distribution. The Kolmogorov-Smirnov (KS) test was employed to check for statistical normality in this investigation. Table 4 displays the outcomes of the tests.

Table 3. Descriptive Statistical Analysis.

	N	Minimum	Maximum	Mean	Std. Detion
HCE	69	1,15300	8,67842	3,6075165	1,90671383
SCE	69	,13270	,88477	,6332528	,19641436
CEE	69	,02432	,50026	,1293686	,06667268
ROA	69	0,47	15,82	5,0361	3,15865
Valid N (listwise)	69				

Table 4. Kolmogrov Smirnov Test.

		Unstandardized Residual
N		69
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	1,22480043
Most Extreme Differences	Absolute	,098
	Positive	,098
	Negative	-,060
Test Statistic		,092
Asymp. Sig. (2-tailed)		,099[c]

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: ROA
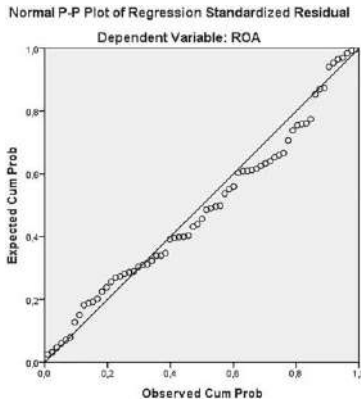
Fig. 1. Normal P-Plot of Regression Standardized Residual

Table 4 reveals a Kolmogrov Smirnov test statistic of 0.092 at a 0.099 level of significance. Since 0.099 is more significant than 0.05, we can conclude that the data follows a normal distribution. Normal probability plot analysis can be used to assess for normality in addition to statistical testing (the Kolmogorov-Smirnov test). Due to the fact that the data has a normal distribution across the diagonal of the plot graph, the normality assumption of the regression model can be safely applied to this study (Fig. 1).

Data in Fig. 2 scatters down the Y axis without forming any discernible pattern, as seen by the scatterplot graphic. This demonstrates that the regression model is free of heteroscedasticity, making it possible to use the influencing variables—Human Capital Efficiency (HCE), Capital Employed Efficiency (CEE), and Structural Capital Efficiency (SCE)—to forecast Return on Assets (ROA) (SCE).

The purpose of the multicollinearity test is to determine if the independent variables in the regression model are highly correlated with one another or perfectly correlated. In colliery statistics, the tolerance value approach or Variance Inflation Factor (VIF) is employed in this test. There is no multicollinearity if either the tolerance value or the
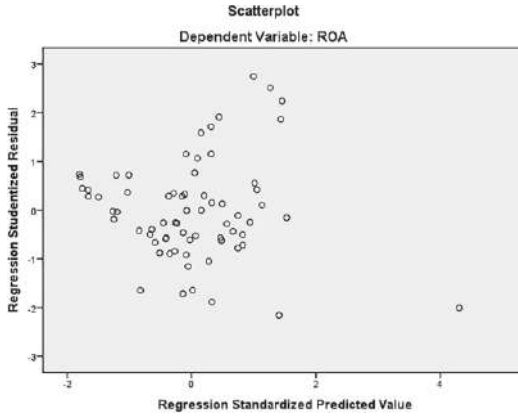
Fig. 2. Scatterplot Graph

Table 5. Multicollinearity Test Results.

Model	Collinearity statistics		Information
	Tolerance	VIF	
I (Constant)			
HCE (X1)	,243	4,222	Multicollinearity does not occur
SCE (X2)	,245	4,378	Multicollinearity does not occur
CEE (X3)	,812	1,250	Multicollinearity does not occur

Table 6. Autocorrelation Test Results.

Model	Durbin–Watson	dU < d < 4 – dU	Info
1	2,010	1,7015 < 2,010 < 2,2985	No symptoms of autocorrelation

VIF value is greater than 0.10 or less than 10, respectively. Multicollinearity develops when the tolerance value is less than 0.10 or the VIF value is greater than 1.

Looking at the results in Table 5, the calculation of the tolerance value shows that none of the three independent variables has a tolerance value of less than 0.10 and the results of the VIF calculation show that none of the independent variables has a VIF value greater than 10. Referring to the calculation of the value of tolerance and VIF, there is no multicollinearity between independent variables in the regression model.

The autocorrelation test aims to test the regression assumption where the dependent variable is not correlated with itself. Correlation means that the value of the dependent variable is not related to the variable itself, either the last variable or the value of the period after.

Table 6 shows that the Durbin-Watson value is 2.010 based on the autocorrelation test findings. Since this number is within the range of 1.7015 to 2.2985, it follows that autocorrelation does not occur in the regression model employed. Additionally, when

Table 7. Multiple Linear Regression Test Results.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-2,767	,614		-4,507	,000
HCE	,427	,145	0,287	2,945	,005
SCE	3,826	1,621	0,239	2,360	,020
CEE	27,835	2,489	0,588	11,183	,000

Table 8. Results of the Coefficient of Determination (R2).

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,917[a]	,827	,822	1,25189	2,010

investigating the impact of several independent factors on a single dependent variable, multiple regression analysis is an invaluable tool. Table 4 presents the test results for the coefficients derived from the SPSS version 24 output that are used to forecast the link between HCE, SCE, and CEE and ROA.

The multiple linear regression equation is derived from the data in the table of test results for this method.

$$Y = -2,767 + 0,427X1 + 3,826X2 + 27,835X3$$

The constant value of -2.767 in the multiple regression results indicates that when the independent variables (Capital Employed Efficiency, Human Capital Efficiency, and Structural Capital Efficiency) are all zero (0), the value of the dependent variable is also zero (0), as predicted by the regression model. Human Capital Efficiency (bl) has a positive regression coefficient of 0.427. Assuming the other independent variables (SCE and CEE) remain constant, this suggests that a one-unit rise in HCE will result in a 0.427 percentage point gain in financial performance (ROA). Structural capital efficiency (b2) has a positive regression coefficient of 3.826. If we assume that the two independent variables (CEE and HCE) remain constant, then an increase of one unit in SCE will result in an increase of 3,826 in financial performance (ROA). Positively-slanted regression coefficient (b3) for capital employed efficiency. If we hold the other two independent variables (HCE and SCE) constant, then we find that a one-unit increase in CEE results in a 27.835 percentage point increase in financial performance (ROA).

With the first hypothesis in mind, we can examine the impact of the three independent variables—human capital efficiency, structural capital efficiency, and capital employed efficiency—on the dependent variable—financial performance—by calculating the coefficient of determination (R2) (ROA).

Table 9. T-Test Results.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-2,767	,614		-4,507	,000
HCE	,427	,145	,287	2,945	,005
SCE	3,826	1,621	,239	2,360	,020
CEE	27,835	2,489	,588	11,183	,000

Coefficient of determination (COD) and correlation (R) values are displayed in Table 7. (R square). How closely the independent variables are related to the dependent variable is represented by the value of R. Data analysis reveals a robust connection between variables X (HCE, SCE, and CEE) and Y (ROA), with a value of 0.917 (or 91.7%). Human Capital Efficiency, Structural Capital Efficiency, and Capital Employed Efficiency were shown to have a combined R square value of 0.827, or 82%, indicating their significance in explaining financial outcomes (ROA). The remaining 18% is accounted for by variables not included in the study.

The t-test was used to compare the impact of the three independent variables (human capital efficiency, structural capital efficiency, and capital employed efficiency) on the dependent variable (return on assets). The significance level of the test is determined by comparing the t-count values of the dependent and independent variables; if the t-count value of the dependent or independent variable is less than 0.05 (sig value 0.05), the hypothesis is accepted (Table 9).

Research into the correlation between HCE and return on investment (ROI) reveals a statistically significant relationship. As the significance level of 0.005 is less than 0.05 (0.005 0.05), this is clearly the case. That Human Capital Efficiency (HCE) significantly affects financial performance (ROA) is the first hypothesis (H1), which is supported by the results. T = 2.888 means the effect has a positive correlation with the dependent variable.

The relationship between Structural Capital Efficiency (SCE) and Return on Assets (ROA) is demonstrated through testing. This is evident from the fact that the 0.020 significance value is less than 0.05 (0.020 0.05). If structural capital efficiency (SCE) is found to significantly affect financial performance (ROA), then the second hypothesis (H2) is adopted. An effect size of 2.383 suggests a positive impact on the dependent variable.

Analysis of the relationship between CEE and return on investment (ROI) yielded statistically significant results. An indicator of this is the significance value of 0.000, which is less than 0.05 (0.000 0.05). Therefore, the third hypothesis (H3) is accepted; this hypothesis asserts that Capital Employed Efficiency (CEE) significantly affects financial performance (ROA). A t-value of 11.127 suggests a favorable impact on the dependent variable.

Table 10. F-Test Results

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	576,411	3	192,137	121,992	,000[b]
Residual	102,024	65	1,5696		
Total	678,435	68			

The F test determines if there is a statistically significant relationship between the independent factors and the dependent variable. Table 10 displays the results of the concurrent tests, which were analyzed using SPSS version 24.

Table 10 displays the F value of 122.434 with a significance level of 0.000, as determined by the results of the F test. For a 5% confidence interval, the F table yields a value of 2,740, which is the value requested in the distribution table. Human Capital Efficiency, Structural Capital Efficiency, and Capital Employed Efficiency all together (simultaneously) have a considerable effect on financial performance, as the estimated F value (121.992) is larger than the F-tally table's of 2.740. (ROA). In addition, the significance value at a 5% level can be examined while doing the F test. Processing results show that a significance value of 0.000 is less than 0.05, indicating that the efficiency of property companies listed on the Indonesia Stock Exchange's Real Estate Sector has a significant effect on the financial performance (ROA) of Human Capital Efficiency, Structural Capital Efficiency, and Capital Employed Efficiency all at once (IDX).

3.2 Discussion

Human capital efficiency (HCE) was found to have a statistically significant and beneficial effect on financial outcomes (ROA). To put it another way, if you have a high level of Human Capital Efficiency (HCE), it will have a good impact on your return on investment (ROI). HCE rises when a company makes good use of the expertise it has on staff. Human capital is the key to a successful business, as it is the driving force behind growth and innovation. When a firm invests more in its people, it improves both its intellectual output and its bottom line. HCE is achieved if the money spent on workers will result in the desired increase in sales or will give more substantial benefits than the money spent. An organization receives a value-added (or profit) if the sum of its employee costs is less than its net profit. This means that for every rupiah put into human capital, the corporation sees a corresponding increase in value. Companies in the property and real estate industries understand that their human capital is the key to establishing a stable customer base and expanding into new markets. That is to say, the faster the cash flow and the amount of cash spent in the firm are returned through higher sales, the more skilled the company's personnel must be.

Employees are supposed to be motivated to work more in exchange for higher pay and better benefits in order to improve sales and profits. According to human capital theory, which contends that a company's output is heavily influenced by its investment in its people, this makes sense. The findings of this study corroborate those of a previous

study (Maisaroh, 2015) that found HCE to have a favorable and statistically significant impact on ROI [11]. Contrary to the findings of the aforementioned study, however, HCE has been found to have no appreciable impact on financial performance [13]. (ROA).

Structural capital efficiency (SCE) was found to have a positive and statistically significant effect on ROA (ROA). As is, a high level of Structural Capital Efficiency (SCE) has an impact on financial performance in the same way that a high level of return on assets does (ROA). In general, a firm's financial results will improve in proportion to the size of its SCE. A firm's efficacy and efficiency can be increased with the help of good structural capital, which is an organizational structure that can link people with data and make it easier to put company actions into action. The ratio of structural capital to human capital is inverse. Effective utilization of structural capital reduces the workload of workers by making business processes easier to access, faster to complete, and requiring fewer workers overall. And that lighter load means more money in the company's pocket.

Organizational capabilities that go to market, hardware, software, databases, structures, patents, trademarks, and everything else that helps organizations be productive are all examples of structural capital. Better financial results can be achieved through increased productivity thanks to the use of efficient Structural capital. In accordance with the human capital theory, which holds that a company's resources include not only its physical assets but also its human capital and its organizational and structural frameworks, all of which have the potential to contribute to the company's bottom line if managed effectively. According to previous studies (Yulandari & Gunawan, 2019), SCE has a favorable and significant effect on financial performance, and the findings of the current study support these findings (ROA) [15]. In contrast, studies (Simarmata & Subowo, 2016) have found that SCE does not have a major impact on a company's bottom line [21].

Capital employed efficiency (CEE) was found to have a statistically significant and positively impact financial outcomes (ROA). That a high level of Capital Employed Efficiency (CEE) has a positive impact on ROA suggests that CEE influences ROA in the same way that the return on assets does. A higher CEE correlates to improved financial results for a business (ROA). The results of this study demonstrate that the property and real estate firms analyzed maximized their utilization of capital to boost their earnings (ROA). The corporation has effectively leveraged its human resources to manage its capital to ensure low operating expenses and streamlined procedures. Capital efficiency occurs when a company's expenses are less than its profits from those expenses. The value provided to the business, measured by the gap between revenues and expenses, determines the company's bottom line. An increase in the company's earnings will be reflected positively in the ratio of return on assets to total assets.

The resource-based view predicts that a company's economic worth will increase if it is able to effectively manage and make use of its resources (including its physical and financial assets). This study's findings corroborate those of [21]. Who found a positive and statistically significant relationship between CEE and financial performance, and those of (Maisaroh, 2015), who found no such relationship between CEE and ROA-measured financial performance for businesses [11].

4 Conclusion

Based on the results and discussions that have been carried out, it can be concluded that Human Capital Efficiency (HCE) has a positive and significant effect on the financial performance of property and real estate companies, meaning that human capital efficiency can improve financial performance. This shows that the better the company manages and utilizes its human resources, the more competitive advantages will be created, improving financial performance. Structural Capital Efficiency (SCE) has a positive and significant effect on the financial performance of property and real estate companies, meaning that structural capital efficiency can improve financial performance. This shows that the better the structural capital owned by the company, the better employees will work so that it will create added value and produce a better financial performance as well. Capital Employed Efficiency (CEE) has a positive and significant effect on the financial performance of property and real estate companies, meaning that capital employed efficiency can improve financial performance. This shows that the higher the value of a company's capital employed, the more efficient the management of its intellectual capital to improve its financial performance.

Focusing on managing intangible assets like intellectual capital is preferable for firms to attain the required financial performance or better. Intellectual property is a company's most valuable asset and should be given more consideration by investors. Researchers can enhance their perspective on studies pertaining to intellectual capital by conducting longer studies, including additional variables, and establishing a new study's object of inquiry.

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How Leadership Style, Commitment, Work Climate, and Work Motivation Affect on Satisfaction and Performance

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Abstract. This research aims to examine the direct and indirect effects of leadership style, staff commitment, work motivation, and workplace climate on job satisfaction. The primary source of data for this study was a 60-person staff survey. The data was examined using Structural Equation Modeling (SEM) using Smart PLS. The findings revealed that: (1) leadership style, employees' commitment, work motivation, and work climate had a positive and significant effect on job satisfaction; and (2) through job satisfaction as an intervening variable, employees' commitment, work motivation, and work climate had a positive and substantial impact on employees' performance, although leadership style had no significant impact; and (3) While leadership style has little effect on worker performance, other variables such as employee commitment, work motivation, and work climate have an indirect positive and considerable impact on worker performance through job satisfaction. (4) Job satisfaction directly and positively impacts employee performance. While leadership styles that have a small impact on employee performance should be enhanced and prioritized, work motivation, employee commitment, and the working environment that have a significant impact should be preserved.

Keywords: Leadership Style · Commitment · Working Climate · Work Motivation · Satisfaction · Employee Performance

1 Introduction

Employees are one of the essential parts of an agency; without them, an agency cannot achieve the expected goals. Employees are the most critical resource in the organization because they support the organization with their energy, talents, and creative ideas. No matter how excellent the financial and technological resources are, it will be easier for the organization to achieve its goals with qualified employees. Employees who have good work quality can provide optimal performance [1]. Employee performance is a standard used by organizations as regard in assessing their work. Employee performance is the result of work done by someone in an organization to achieve the organization's desired goals and minimize losses. Without maximum employee performance, activities

within an organization are unlikely to run. Therefore, organizational performance, both business organizations, and government organizations, cannot be separated from individual performance. Employees must carry out work following job requirements and their responsibilities to the organization. The low professionalism of employees, work culture, work ethic, and inconsistency of involving employee discipline are classic problems that can be found in Civil Servants in Indonesia from the past until now, especially civil servants or ASNs in the district areas. This then gave rise to skepticism from the public about ASN's performance. Decreased performance can have an impact on organizational achievement [2]. Leaders must understand the organization's needs and know what desires can improve employee performance. The Government has made various efforts to improve the quality of civil servants in Indonesia. One of the actions taken is to implement an employee performance management system that is accurate, accountable, and professional, as specified in PP number 30 of 2019. Civil employees' Performance Assessment strives to ensure the objectivity of development based on achievement systems and career systems, according to Government Regulation (PP) Number 30 of 2019. The assessment is based on performance planning at the individual and unit or organizational levels, taking into account the aims, successes, results, advantages obtained, and public servant behavior.

According to Perkap No. 13 of 2015, Polri performance is an achievement or ability shown by an employee within the Polri environment in supporting and carrying out its primary duties and functions. Meanwhile, to improve Polri's performance, the state officially regulates the central authorities and responsibilities of Polri by Law No. 2 of 2002, article 13, "Maintaining security and public order, upholding the law, providing protection, protection, and community service. In this case, to improve employee performance, especially in the Polres Pinrang area, several factors can be considered in influencing high or low employee performance, one of which is leadership style. Leadership style is synonymous with the attitude of a leader in leading an organization. In general, many leaders adjust their leadership style to the conditions of the organization they lead. There is even a leader with more than one leadership style to achieve organizational goals (Islami et al., 2018) [3]. One of the leadership styles widely applied by various organizations is the transformational leadership style. The transformational leadership style calls more on the moral values of followers to increase their awareness of ethical issues. Transformational leadership is a type of leadership that guides or motivates followers in the direction of established goals by clarifying roles and task demands. This leadership style provides individualized consideration and intellectual stimulation and has charisma. Transformational leadership style is essential to improve employee performance in the organization. Research conducted by (Belias & Koustelios, 2014) [4]; (Muhajir, 2016) [5]; (Margaretta, 2020) [6] shows that the transformational leadership style has a positive and significant relationship to employee performance. In addition, another study (Amalia & Fakhri, 2016) [7] stated that transformational leadership style has no significant effect on performance. Research by (Cahyono et al., 2014) [8] shows that transformational leadership has no significant and positive impact on the performance of PDP Jember employees. Therefore, a leader must carry out his leadership effectively to achieve the group's goals.

Optimal or non-optimal employee performance depends on the difference between what is expected. If what the employee gets is lower than expected, it will cause the employee to be dissatisfied, and the employee's performance will be low. If it is by the wishes of employees, of course, it will affect employee motivation in working so that it can produce even better work. Motivation is the driving force that causes a member of the organization to be willing and willing to mobilize abilities in the form of expertise or skills, energy, and time to carry out various activities for which they are responsible and fulfill their obligations to achieve predetermined organizational goals and objectives [9]. Motivation is a condition or energy that drives self/employees to achieve organizational goals and the employees themselves. Employees' positive attitude towards work situations strengthens their work motivation to achieve maximum performance. Motivation has a relationship with employee performance because the motivation of the leadership also determines the success or failure of an organization in achieving its goals. After all, the stimulus from superiors to subordinates will make employees more motivated to get the job done better. Government Regulation (PP) Number 30 of 2019 concerning Civil Servants (PNS) Performance Appraisal emphasizes that the SKP that has been prepared and agreed upon as intended is signed by PNS and determined by the PNS Performance Appraiser Officer, set annually in January. Furthermore, the SKP assessment is carried out using the results of performance measurements carried out by the Civil Servants Performance Appraiser. Specifically for functional officials, the evaluation of SKP can consider the assessment of the Functional Position Credit Score Assessment Team. The State Civil Apparatus (ASN) or Civil Servant (PNS), as elements of the state apparatus, also implements the implementation of general administration and development administration to function as the driving force for the running of a strong, effective, efficient, and accountable government. It is on this basis that ASN is needed that is capable of carrying out their duties in a professional, responsible, honest, and fair manner, as well as being clean and free from corruption, collusion, and nepotism through fostering and developing human resources and employee work ethics.

The work environment is a significant factor and greatly influences employee performance. If the work environment is clean, healthy, comfortable, and fun, it will make employees feel at home in their workspace and more enthusiastic about completing their work. Conversely, if the work environment is not supportive, it will make employees less comfortable and less excited about completing their work. According to [10], the work environment is everything around workers, which can influence them in carrying out the tasks they are charged with. [11] argues that the work environment is everything around the workers and can influence them in carrying out the tasks he is charged with.

The phenomenon of the performance of the State Civil Apparatus (ASN) in the regions has a very complex culture, including the condition of ASN in the Pinrang Police. This is because it is influenced by the government bureaucracy's work environment, which tends to be formalistic. This condition then affects the habits of ASN behavior, which always prioritizes the interests of the community's needs within a minimum capacity, thus impacting ASN performance. This is reinforced by the views of [12] argue that for an organization to live healthily and compete with other organizations, the organization must have the ability (organizational capabilities). This organizational capability is supported by 6 (six) elements: work system, management process,

human resources system, principles and values, and leadership behavior and environment/strategy. The six factors mentioned above have grown and developed naturally in an organization. When an organization faces challenges in its environment, it responds by creating appropriate management practices at the time; these management practices will then become an institutionalized habit in its human resource management system (recruitment, selection, promotion, and employee termination processes). Research conducted by [13]. The impact of Employee Motivation on Work Performance shows that high work motivation will produce maximum performance, so work motivation can partially be a variable that strongly influences performance. In another study [14]. The Influence of Motivation on Employees' Performance: A Study of Some Selected Firms in Anambra State. This study reveals that extrinsic motivation given to an organization significantly influences worker performance—the Impact of Working Motivation and Working Environment on Employees' Performance in the Indonesia Stock Exchange. The study's results simultaneously influenced work motivation and work environment on employee performance. The research gap referred to in this study is [15], which found the work environment had no significant effect on employee performance. [16] also found that the work environment did not substantially affect the performance of PDAM Boyolali Regency employees. Similar to the research [17], the work environment does not affect employee performance.

[18] In his research, he the influence of motivation, work environment, competence, and compensation on job satisfaction and employee performance in the office environment of the Bali Province public works office. Proving that motivation and work environment has no significant effect on job satisfaction while competence and compensation have a considerable impact. Motivation and competence have no significant effect on employee performance, while work environment, compensation, and job satisfaction have a significant effect. The research results have implications for inspiration, working environment conditions, competence, and employee compensation which need to be increased to increase job satisfaction. If job satisfaction increases, employee performance will also increase.

Meanwhile, the gap phenomenon at the Pinrang Police Station shows that ASN work motivation still needs to be increased because it has experienced ups and downs. This can be seen by the psychological state of employees who work only to fulfill organizational routines, with minimal innovation, and employee creativity is still considered standard, likewise, with the presence of employees. By looking at the phenomenon mentioned above, according to [19], the application of work motivation must be carried out by organizational leaders to communicate with employees so that they are willing to change their behavior as well as an effort to increase one's awareness and willingness to comply with all rules and social norms that apply. apply. In the study of worker or employee performance management, some things require essential considerations because the individual performance of an employee in an organization is part of the organization's performance and can determine the organization's performance. Based on PP number 30 2019 regarding performance appraisal, an illustration of ASN performance achievements within the Pinrang Police can be seen in the Table 1.

Table 1. 2020 Pinrang Police ASN SKP Scores.

SN	Indicator	Average
1	Service Orientation	85,42
2	Integrity	85,47
3	Commitment	85,44
4	Discipline	85,67
5	Cooperation	85,43
6	Leadership	85,87
7	Behavior	85,40
SKP Average Score		**86,12 (Marginal)**

Source: Polres Pinrang, 2021

Based on Table 1, it can be justified that all performance assessment indicators based on PP 30 of 2019 have a value with sufficient criteria. This means that phenomenally, the urgency of this performance appraisal has not been implemented properly.

2 Literature Review

The low professionalism of employees, work culture, work ethic, and the inconsistency of applying employee discipline are classic problems that can be found in Civil Servants in Indonesia from the past until now, especially civil servants or ASNs in the regions. This then gave rise to skepticism from the public about ASN's performance. Decreased performance can have an impact on organizational achievement. Leaders must understand the organization's needs and know what desires can improve employee performance. The Government has made various efforts to improve the quality of apparatus resources in Indonesia. One of the efforts taken is to implement an employee performance management system that is accurate, accountable, and professional, as stipulated in PP number 30 of 2019. In this case, to improve employee performance, especially within the Pinrang Polres, several factors can be considered in influencing employees' high or low performance, including leadership style. One of the leadership styles widely applied by various organizations is the transformational leadership style. The transformational leadership style calls more on the moral values of followers to increase their awareness of ethical issues. Research shows that the transformational leadership style positively and significantly affects employee performance. Therefore, a leader must carry out his leadership effectively to achieve the group's goals.

Optimal or non-optimal employee performance depends on the difference between what is expected. If what the employee gets is lower than expected, it will cause the employee to be dissatisfied, and the employee's performance will be low. If it is by the wishes of employees, of course, it will affect employee motivation in working so that it can produce even better work. Motivation determines the progress of every organization, regardless of the type of organization. Motivation is formed from organizational
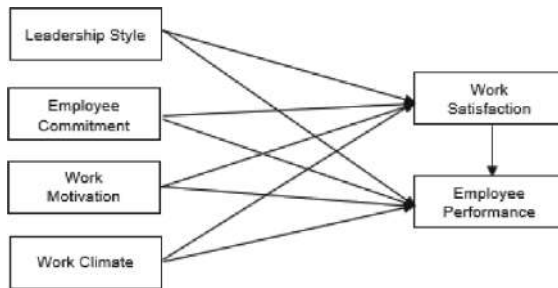
Fig. 1. Conceptual Framework

philosophies and values shared by human resources in the organization, but the role of top management is vast in developing motivation [20]. To carry out this expectancy theory, a boss or even a company is also considered to be careful in practice because if the expectations given to employees are not what was expected at the beginning, it is feared that it will backfire for the company itself and even in the case of at worst, the company will lose its valuable asset, namely competent human resources. Motivation is the basis for someone entering the organization to fulfill their needs and achieve organizational goals. Therefore management is a critical factor in motivating to become an influential driving force in efforts to increase job satisfaction [21]. Organizations, in achieving their goals, have a significant factor, namely human resources, because no matter how good an organization is, no weight how the facilities and infrastructure owned by the organization, without the role of human resources, everything will not go well, because human resources as a driving force for life [2].

Another factor that affects employee performance is environmental problems in the workplace. A good work environment is also needed in an organization. Employees who care about the work environment both for personal comfort and to make it easier to do better tasks. Temperature settings, light, and other environmental factors should be moderate (too much or too little), for example, too hot or dimly lit. Besides, most employees prefer to work in clean, relatively modern facilities with adequate tools and equipment [22]. In theory, the better the work environment, the better employee performance. Conversely, the worse the work environment, the lower the employee's performance. The results of research [19, 23, 24] found that the work environment affects employee performance. [25] research also found that the work environment has a positive and significant effect on employee performance. However, it is different from [26], which found the work environment had no significant impact on employee performance. This is inversely proportional to the theory, which states that the work environment is an essential component of employees' activities. This opinion was also expressed by figures who said that the work environment could affect the work itself because the condition of a good and supportive work environment will produce good results as well.

Based on the above studies, the research model is described as follows: These factors are used as dimensions in this study. For more details, the conceptual framework scheme in this study can be seen in Fig. 1.

Based on the description of the background, the main problem, and research objectives, the following hypothesis is proposed:

H1: Leadership style has a significant effect on job satisfaction.
H2: Employee commitment has a significant effect on job satisfaction.
H3: Work motivation has a significant effect on job satisfaction.
H4: Work climate has a significant effect on job satisfaction.
H5: Leadership style has a significant effect on employee performance.
H6: Employee commitment has a significant effect on employee performance.
H7: Work motivation has a significant effect on employee performance.
H8: Work climate has a significant effect on employee performance.
H9: Leadership style has a significant effect on employee performance through Job satisfaction as mediating
H10: Employee commitment has a significant effect on employee performance through job satisfaction as mediating.
H11: Work motivation has a significant effect on employee performance through job satisfaction as mediating.
H12: Work climate has a significant effect on employee performance through job satisfaction as mediating.
H13: Job satisfaction has a significant effect on employee performance.

3   Research Method and Materials

3.1   Data Sample

The population in this study were ASN employees and members of the police who were assigned as administration and community service staff at the Pinrang Police, totaling 60 people. By using the census sampling method, the entire population is used as the research sample.

3.2   Measurement

Furthermore, in the data analysis section, we use the SEM-PLS analysis approach to test the hypothesis of this study. It consists of several demonstration relationships, namely, trying direct, indirect, and moderating relationships. However, before entering the hypothesis testing stage, several stages in the process of testing this study include measuring the distribution of respondents' answers, then calculated using Smart-PLS to determine the standard deviation value, the average value of the distribution of respondents' answers, loading factor > 0.60 [27, 28]; inner-model testing with assessment criteria > 0.60 (i.e., Cronbach alpha, composite reliability, and AVE) (Chin, 1998) [29]. The demonstration of the item-variable data measurement is shown in Table 3.

Furthermore, if the measurement data has been declared feasible as with the measurement criteria described above, then the next step is to measure the goodness of fit model by assessing the data testing criteria, i.e., Standardized Root Mean Square Residual and Normed Fit Index (SRMR < 0.80, NFI > 0.90) (Fassott et al., 2016; Bentler & Bonett,

Table 2. Measurement of variables.

No.	Variable	Dimension
1.	Leadership style	• Participatory • Transformative • Directive • Supportive • Achievement orientation
2.	Employee commitment	• Affective • Continuing • Normative
3.	Work motivation	• Need for achievement • Need for affiliation • Power requirement
4.	Working climate	• Psychological • Structural • Social dimension • Bureaucratic dimensions
5.	Work Satisfaction	• Rate of Productivity (-) • Rate of Labor Turn-over (-) • Rate of Complain (-) Rate of Absence (-)
6.	Employee Performance	Management by objectives Subjective appraisal Number of errors (-) work efficiency

1980) [30, 31]. d_ULS and d_G with original value criteria (saturated model **>** estimated model). The results of the demonstration of the Goodness fit model test are illustrated in Table 4. Furthermore, the following testing stage tests the coefficient of determination and the F-test (R-Square and F-test), shown in Table 6. The last step of research testing is testing the hypothesis using the constant bootstrapping method with chi-square (n = 255), determining the T-statistic value and P-Value value with the measurement criteria sig < 0.05 as demonstrated in Table 7. In this study, the data collection method used a distributed questionnaire. For the entire study sample, the number of questions consisted of 39 questions with a distribution of answers using a Likert scale (1 = Totally Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Totally Agree) which in detail can be seen in Table 2. Measurement items as shown in Table 5.

4   Result and Discussion

4.1   Descriptive Analysis

The characteristics of the respondents aim to know the identity of the employees involved as the research sample. The characteristics of the respondents were analyzed based on

Table 3. Characteristic by gender.

5	SN	6	Gender	7	F	8	%
9	1	10	Man	11	45	45	75
13	2	14	Woman	15	15	16	25
17	Total			18	60	19	100

Table 4. Characteristic by age group.

20	SN	21	Age Group (Years)	22	F	23	%
24	1	25	20–30	26	29	27	48,3
28	2	29	31–40	30	18	31	30,0
32	3	33	>40	34	13	35	21,7
36	Total			37	60	38	100

Table 5. Characteristic based on length of service.

39	No	40	Length of work (Year)	41	F	42	%
43	1	44	Less 1 year	45	9	46	15
47	2	48	1–5	49	27	50	45
51	3	52	6–10	53	24	54	40
55	Total			56	60	57	100

gender, age, last education and length of work conducted on 60 employees of the Pinrang Police. Details are described as follows:

Table 3 provides an illustration that the involvement of Polres Pinrang employees with male gender is more dominant as a sample of the study, where male respondents are 75% while female respondents are 15%.

Table 4 illustrates that the average Pinrang Polres employee is 20–30 years old with a percentage of 48.3%. Next is the age group of 31–40 years, namely 30%, and the age group over 40 years, namely 21.7%.

Table 5 illustrates that the average Pinrang Polres employee has worked for 1–5 years with a percentage of 45%. The rest is less than 1 year of service by 15% and the percentage of 6–10 years of service is 40%.

The Table 6 that the involvement of respondents with an undergraduate education level is more dominant as Pinrang Police officers with a percentage of 40%. High school education is 28.3%, Masters degree is 11.7% and the percentage of Police School education is 20%. Furthermore, the results of the validity and reliability tests of each variable statement item in this study can be seen in Table 7.

Table 6. Characteristic based on education level.

58	No	59	Level of education	60	F	61	%
62	1	63	Senior High School	64	17	65	28,3
66	2	67	S1	68	24	69	40,0
70	3	71	S2	72	7	73	11,7
74	4	75	Police School	76	12	77	20,0
78	Total			79	60	80	100

Based on the data in Table 7, it can be explained that of the six variables used in this study, the Corrected Item Total Correlation value was obtained between 0.60–0.90 so that it can be said that the results of validity and reliability.

4.2 Statistical Result

Based on the data in Table 6, it can be interpreted that the results of testing the direct effect, indirect effect, and total effect between variables are also empirical findings from this study; all variables have a positive and significant impact except for hypothesis 9 (Tables 8 and 9).

5 Conclusion

Leadership is the central point and policy determinant of the activities to be carried out in the organization because leadership is the behavior of a leader in encouraging and influencing morale. The interactions between leaders and employees make a leader the key to the group. As stated by [32], leadership style is a way for a leader to influence the behavior of subordinates who aim to encourage work passion, job satisfaction, and high employee productivity to achieve maximum organizational goals. One indicator of the success of a leader is the success of his subordinates in carrying out their duties. For this reason, a leader certainly needs to have strong leadership and position himself as the protector and director of his members so that the company can achieve common goals. The right leadership style is needed so that the organization can continue to carry out its duties amid significant changes that occur in management, one of which is the transformational leadership style. According to [33], transformational leadership is related to solid self-identification, creating a shared vision for the future, and the relationship between leaders and followers based on one thing: more than just rewarding obedience. The transformational leadership style provides education and transfers expertise from a leader to his employees. In contrast, in implementing a transformational leadership style, leaders tend to set an example and serve employees.

Transformational leadership is a type of leadership that guides or motivates followers in the direction of established goals by clarifying roles and task demands. This leadership style provides individualized consideration and intellectual stimulation and

Table 7. Validity and reliability test results of research instruments.

Variables	Items	Correlation Coefficient		
		Loading Factors	Cronbach's alpha	Info
Leadership Style	LS1	0,744	0,928	Valid and Reliable
	LS2	0,877		
	LS3	0,893		
	LS4	0,864		
	LS5	0,879		
Employee Commitment	EC1	0,856	0,943	
	EC2	0,877		
	EC3	0,756		
	EC4	0,783		
	EC5	0,784		
Work Motivation	MW1	0,786	0,934	
	MW2	0,875		
	MW3	0,805		
	MW4	0,734		
	MW5	0,811		
Working Climate	WC1	0,836	0,945	
	WC2	0,679		
	WC3	0,781		
	WC4	0,725		
	WC5	0,673		
Work Satisfaction	WS1	0,842	0,977	
	WS2	0,895		
	WS3	0,831		
	WS4	0,832		
	WS5	0,858		
Employee Performance	EP1	0,871	0,916	
	EP2	0,718		
	EP3	0,852		
	EP4	0,755		
	EP5	0,872		

Table 8. Result of direct effect parameter estimation between variables on SEM-PLS.

Relationship between Variables		Mark Estimate	t-statistics	P (Prob)
Leadership Style	Work Satisfaction	0,181	2.941	0,018
	Employee Performance	0,148	1.022	0,110
Employee Commitment	Work Satisfaction	0,226	6.955	0,000
	Employee Performance	0,351	4.811	0,000
Work Motivation	Work Satisfaction	0.428	5.779	0,000
	Employee Performance	0.263	3.562	0,000
Working Climate	Work Satisfaction	0.325	3.639	0,000
	Employee Performance	0.243	2.988	0,000
Work Satisfaction	Employee Performance	0.360	6.955	0,000

has charisma. Transformational leadership style is essential to improve employee performance in the organization. Therefore, a leader must carry out his leadership effectively to achieve the group's goals. The transformational leadership style variable in this study refers to Ancok's theory, which consists of 5 indicators, namely charismatic, inspirational, intellectual stimulation, and individual attention. The descriptive analysis illustrates that the transformational leadership style is upbeat or in the excellent category because the majority of respondents chose to agree. No one respondent chose a statement that strongly disagreed, so the charismatic, inspirational, intellectual stimulation, and individual attention leaders can influence the performance of Polres Pinrang employees. In their daily work activities. With this transformational leadership style, followers feel trust, admiration, loyalty, and respect for the leader, and followers are motivated to do more than was initially expected. Transformational leadership further enhances employee motivation and performance. Transformational leadership effectively influences subordinates so that their way of thinking becomes creative and innovative. Transformational leadership brings organizations to high performance in the face of renewal and change demands. Transformational leadership is considered capable of continuously increasing organizational competitiveness in an increasingly competitive era. The transformational leadership style in this study has a positive (unidirectional) and significant (significant) effect on employee performance variables. This means that every increase in the value of the transformational leadership style by 1 unit will also increase the performance of the Pinrang Police staff by 0.380. Thus, this study accepts the H1 hypothesis; namely, the transformational leadership style significantly affects employee performance. Transformational leaders effectively influence their subordinates, encouraging and motivating them to think positively, creatively, and innovatively because it provides high performance by supporting the actions of subordinates to make choices.

Motivation is a mental condition that encourages an action (action or activity) and provides strength that leads to achieving needs, giving satisfaction, or reducing imbalances. [34] states that motivation is formed from the attitude of employees in dealing

Table 9. Direct, indirect, and total effect between variables in the SEM.

HP	Variables			P-value (≤ 0,05)	Direct	Indirect	Total	Description
	Independent	Mediating	Dependent					
1	Leadership Style	Work satisfaction	-	0.017	0.143	-	0.130	significant
2	Employee Commitment	Work satisfaction	-	0.000	0.265	-	0.225	significant
3	Work motivation	Work satisfaction	-	0.000	0.352	-	0.322	significant
4	Working Climate	Work satisfaction	-	0.000	0.278	-	0.228	significant
5	Leadership Style	-	Employee performance	0.110	0.399	-	0.169	significant
6	Employee Commitment	-	Employee performance	0.000	0.434	-	0.234	significant
7	Work motivation	-	Employee performance	0.000	0.557	-	0.357	significant
8	Work Climate	-	Employee performance	0.000	0.319	-	0.219	significant
9	Leadership Style	Work satisfaction	Employee performance	0,424	0.277	0.038	0.275	Not significant
10	Employee Commitment	Work satisfaction	Employee performance	0,002	0.335	0.034	0.269	significant
11	Work motivation	Work satisfaction	Employe performance	0,043	0.456	0.025	0.381	significant
12	Work Climate	Work satisfaction	Employe performance	0,038	0.319	0.050	0.269	significant
13	-	Work satisfaction	Employee performance	0.000	0.586	-	0.486	significant

with work situations in companies (situation). Motivation is a condition or energy that drives employees who are directed or directed to achieve the company's organizational goals. Employees' positive attitude towards work situations strengthens their work motivation to achieve maximum performance. [35] state that a positive attitude at work can be implemented with various attitudes that lead to motivation so that employees continue to excel. Motivation is a condition that moves people towards a specific goal, a skill in directing employees to want to work optimally. Employees who have high motivation will work more than what is expected. Conversely, unmotivated employees see work as something unpleasant, and negative attitudes will arise, such as not doing work responsibly, avoiding work that is physically and psychologically stressful, and

absenteeism. Improving employee performance in the organization requires leaders to take an indirect approach, creating motivation through an organizational atmosphere that encourages ASN to be more productive. This atmosphere is created by managing organizational factors through reward systems, standards, rules, and policies, as well as maintaining communication and a leadership style that promotes mutual trust. Motivation or encouragement to employees to be willing to work together to achieve common goals in this study refers to Maslow's theory with the fulfillment of 5 physiological needs, safety, social, esteem, and self-actualization. Based on the descriptive analysis, it gives an illustration that work motivation is a positive or outstanding category because the majority of respondents made a choice strongly agree and no one respondent chose the statement strongly disagree so that the salary earned can meet the necessities of life, benefits are increased, comfortable with the security system, like interacting and helping each other co-workers, having awards, giving the best performance to get a higher position can affect the performance of Pinrang Polres employees in their daily work activities.

The results showed that work motivation has a positive (unidirectional) and significant (significant) effect on employee performance variables. That is, for every increase in the value of work motivation by 1 unit, it will also increase the performance of the Pinrang Police staff by 0.428. Thus, this study accepts the H2 hypothesis; namely, that work motivation significantly affects employee performance. The results of this study illustrate that employee motivation is energy to generate self-esteem and is a condition that influences arousing, directing, and maintaining behavior related to the work environment. ASNs desire that their performance will be correlated with the rewards obtained from the agency. ASNs determine expectations regarding rewards and compensation received if a certain level of performance is achieved. Hard work and high performance are recognized by the leadership and rewarded by the agency, ASNs will expect such a relationship to continue in the future. To maintain the synergy between performance and ASN motivation, it is necessary to have an accurate ASN performance appraisal. These rewards are directly related to performance levels and feedback from leaders. The work environment in a government agency is one of the essential things to pay attention to. According to [10], one factor that influences employee performance is the work environment. The work environment is everything that exists around workers who can influence them in carrying out the tasks assigned. Creating a comfortable, safe, and enjoyable work environment is one way to improve employee performance. The work environment is everything around the workers and can influence them to carry out their tasks. The work environment factor that needs attention is creating an attractive atmosphere for employees' views of their work. The work environment variable in this study refers to Nitisemito's theory (2002), which consists of 3 indicators: relationships with co-workers, superior-subordinate relationships, and work facilities. A working environment is good if employees can carry out activities optimally, healthy, safe, and comfortable.

Based on the descriptive analysis, it gives illustrates that the work environment is positive or in a suitable category because the majority of respondents chose to agree and none of the respondents chose statements that strongly disagreed so that they were able to establish cooperation, build effective communication with co-workers, leaders who were able to establish good communication. Good with employees, being friendly and

polite, fair leadership, complete facilities and infrastructure, and excellent air conditions in the workspace can affect the performance of Pinrang Polres employees in their daily work activities. Therefore the determination and creation of a good work environment will significantly determine the success of achieving organizational goals. Conversely, if the work environment is not good, it will reduce motivation and morale and ultimately reduce employee performance. Paying attention to a good work environment or creating conditions that motivate employees to work can impact employee morale. This indicates a positive relationship between employee performance and the work environment. The results showed that the work environment had a positive (unidirectional) and significant (significant) effect on employee performance variables. That is, for every increase in the value of the work environment by 1 unit, it will also increase the performance of the Pinrang Police staff by 0.232. Thus, this study accepts the H3 hypothesis, namely, that the work environment significantly affects employee performance. When employees are motivated, their performance will increase, and they will achieve the desired results and job goals.

The results of this study prove that the work environment has a vital role for agencies because it can affect employee performance. An inadequate work environment will reduce performance and ultimately reduce employee motivation. Suppose an employee likes the work environment where he works. In that case, the employee will feel at home in his workplace to carry out activities so that work time is used effectively and is optimistic that employee performance is also high. Based on the simultaneous test shows that the variable transformational leadership style, work motivation, and work environment together have a significant influence on employee performance variables. The influence of the independent variable on the dependent variable is 0.758 or 75.80%. This shows that the variables of transformational leadership style, work motivation, and work environment can only partially influence the performance of Polres Pinrang employees. There are still, 24.20% of the performance of Pinrang Polres employees influenced by other variables not involved in this study.

6   Conclusion

Of the three independent variables, which has a more dominant influence on the performance of Pinrang Polres employees is the work motivation variable. This is due to the coefficient value indicated by the work motivation variable, which is 0.428, which is more dominant when compared to the coefficient value of the transformational leadership style variable of 0.391 and the coefficient value of the work environment variable of 0.232. This is to the objective conditions that exist at the Pinrang Polres, where employees who achieve work targets and work optimally receive rewards from the leadership in the form of recognition, allowances, compensation, and promotion so that work motivation is further enhanced in the form of fulfilled physiological needs of employees, security guarantees at work, harmonious interactions between employees, appreciation for performance achievements and self-actualization, the higher the performance of Pinrang Police officers. The motivation of employees in their daily work activities is giving the best performance to get a higher position.

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Analysis of Z Generations Toward Stock Investment Intention: Testing the Theory of Planned Behavior

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Abstract. This study aims to determine the impact of Z Generations intention to invest in stocks, thereby determining the impact of subjective norms on Z Generations intention to invest in stocks and determine the impact of this study. The effect of perceived behavioral control on the intention to invest in stocks of Z Generations. stocks. This study uses a quantitative analysis method based on descriptive data, the data used in this study is primary data. The population of this study included Bosowa Polytechnic students classified as Z Generations, totaling 200. The results showed that controlling for attitude and perceived behavior had a significant effect on investment intention. Gen Z shares. The higher the Gen Z stock investment intention and the smaller or less perceived barriers to investment, the stronger the intention to invest in stocks. Meanwhile, the subjective norm has no significant impact on Gen Z's intention to invest in stocks. This is due to lack of normative beliefs and lack of motivation to follow people's opinions. another determines the subjective norm.

Keywords: Behavior · Stock · Investment · Generation Z

1 Introduction

Investing is a word that is always associated with preparing for a peaceful retirement. In the past, many people kept their money in savings accounts even though the interest rates were low and the risks were low. Indonesia's economic situation is experiencing inflation every year and people are choosing to enter the world of capital market investments that have promising future outcomes. Working in the investment arena of the capital markets is now less expensive and less stressful. One of the investment vehicles in the capital markets is equities. Investing in stocks is certainly promising, but carries a higher risk than investing in the form of deposits.

The ease of investing, especially capital market instruments in the form of shares, is quite a lot of attention for today's young generation. Based on a survey conducted by Thee Indonesia Capital Market Institute (TICMI) found that 61.76% of 168 millennial respondents have done financial management by investing [9]. Millennials' highest

investment choice is 54.41% in capital markets, with the remainder in banking products and real estate. Out of 54.41% of millennial investment product choices (80.88%) are stocks, followed by 16.18% mutual funds, 1.47% bonds and 1.47% The final % is an investment product. others (Capital Market Village Survey: Investing in stocks is the main choice of millennials - The Indonesia Capital Market Institute (TICMI), 2018) [9].

Based on the 2020 Census data released by the Central Statistics Office at the end of January 2021, it provides an overview of the demographics of Indonesia that have experienced many changes compared to the results. Results of the previous census in 2010. Interestingly, the 2020 census results show that you Indonesia's population composition is mainly Generation Z./Gen Z (27.94%), namely the generation born between 1997 and 2012 Millennials, who are expected to drive the movement of society today, are slightly lower than Gen Z, who make up 25.87% of the population. Indonesia's total population. This means that the existence of Generation Z plays an important role and influences the present and future development of Indonesia [7].

Planned Behavior Theory (TPB) shows that the primary factor influencing an individual's behavior is the individual's intentions for the action. Behavioral intentions are influenced by her three components: attitudes, subjective norms, and perceived behavioral control. This theory is based on the view of beliefs that can influence a person to perform certain actions. A trust perspective is achieved by incorporating various characteristics, qualities, and attributes of a given piece of information to shape the will to act (Uriana, 2010). TPB aims to explain the intended behavior by three factors: Personal evaluation of behavior (personal attitudes), perceived social pressure to (not) perform the behavior (social norms), and perceived ease or difficulty in performing the behavior. Behavior (perceived behavioral control). An intention is a decision, whether conscious or unconscious, to act in a desired way or an incentive to perform an action (Raymond J, 2002). This intention is the beginning of human behavior formation. The theory of planned behavior is well suited to explain all behaviors that require planning [1].

Attitude is defined as the degree of affection a person feels when accepting or rejecting an object or action, as measured by the process of rating people on a two-point scale, such as good/bad and agree/disagree. Attitudes towards behavior are determined by beliefs and the consequences of the behavior. The combination of behavioral beliefs and outcome evaluation helps to link actions with outcomes [1].

Previous research has shown that attitudes have a significant impact on stock investment intentions. This means that attitudes influence an individual's stock investment decision making. Although the intention to invest in stocks is not immediately apparent to individuals, individuals are actually interested in the opportunity to invest in stocks and like the risks and challenges [2].

1.1 Hypothesis

- H1 = Attitude affects Generation Z's intention to invest in stocks

Subjective norm (Subjective Norm) Is a social pressure that affects a person in doing the behavior or not doing the behavior. Subjective norm is determined by normative belief and motivation to comply. Usually the desire of the individual to perform the
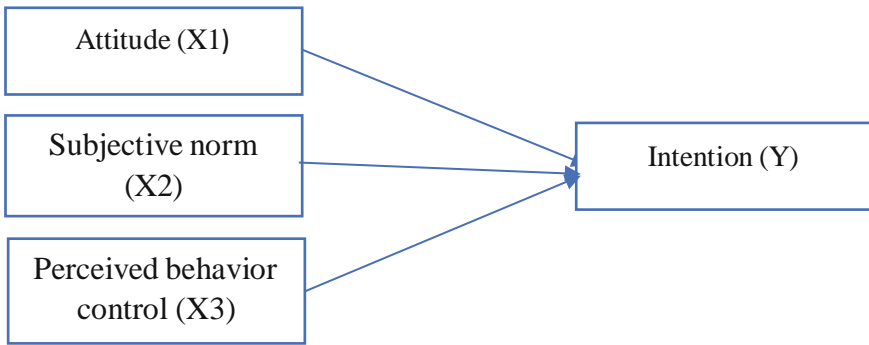
Fig. 1. Research Model

behavior will quickly grow if the individual gets encouragement from the people around him. Likewise, if the individual does not get encouragement from the people around him, then the individual tends not to carry out the behavior that is carried out [1]. In previous research, it was revealed that subjective norms affect the intention to invest in Islamic stocks [6].

- H2 = Subjective norm affects Generation Z's intention to invest in stocks

Perceived behavior control refers to the ease with which a person feels in carrying out the behavior. Perceived behavior control is determined by control beliefs, namely individual control over the presence or absence of factors that support and prevent individuals from performing a behavior. This belief arises based on the individual's experience of a behavior, the information that the individual has about a behavior that is obtained by observing the knowledge obtained by the individual. Owned by themselves and others known to the individual, and also by various other factors that can increase or decrease the individual's feelings about the level of difficulty in carrying out a behavior [1].

- H3 = Perceived behavior control affects Generation Z's intention to invest in stocks

Intention refers to a person's decision to do or not to do something. Behavioral intent indicates how much effort was expended to engage in that behavior. It can be concluded that the more beneficial attitudes, subjective norms, and perceived behavioral control aare, the greater the recommended behavioral control and the stronger the individual's intention to carry out the behavior [1].

1.2 Research Model

See Fig. 1.

2 Methodology

This study used quantitative analysis of descriptive data. The data used in this study are primary data. The research data source was taken directly from the original source in the

form of a questionnaire/questionnaire. This study was carried out from October 2021 to November 2021. The study site was chosen as Bosowa Polytechnic. The research was done at the university because the vehicle for investing in stocks is quite complete. When having a business relationship with one of Bosowa's business entities, namely Bosowa Sekuritas. The population for this study was 200 Bosowa Polytechnic students classified as Generation Z.

The sampling method used in this study is non-probability sampling with purposeful sampling technique. The data analysis in this study consisted of several basic steps such as the editing process, the coding process, the scoring process, and the tabulation. Second, for the research results to be objective and there is no doubt about the authenticity, the research measurement instrument must be valid and reliable. This study also conducts a number of tests before testing the hypothesis, including normality test, multicollinearity test, variable variance test. The data analysis technique used iin this study is multiple linear regression analysis used to determine the influence of investment attitude on investment intention. The hypothesis test used in this study is the T test. The T test is used to test the impact of the independent variable on the partially dependent variable by comparing the table and the arithmetic level.

3   Results and Discussion

Respondents in this study were Generation Z, represented by Bosowa Polytechnic students who were included in the Generation Z category, namely those born between 1997 and 2012. So the number of selected samples that met the requirements were 60 respondents.

3.1   Validity and Reliability Test

Validity test conducted to check whether the content of the research tool, the research tool used is suitable or not [8], the validity test results show that all the sentences in the questionnaires were published as valid.

While reliability testing iis performed to check the consistency of the measuring instrument when the same person uses the measuring instrument at different times or different people simultaneously [8]. Reliability test results show that all questions in the questionnaires are reliable.

3.2   Classic Assumption Test

Normality test. Normality tests look at the results of statistical tests to see if the noise or residual variables are normally distributed in a regression model [3].

Figure 2 the results of the pp-plot test, which can be seen in Figure 2, showing that the data fulfills the assumption of normality, as the data propagates around the diagonal and in the direction of the diagonal line.

Multicollinearity test. Multicollinearity test is used to determine if there is a correlation between the independent variables. Good data is data that has no correlation between thee
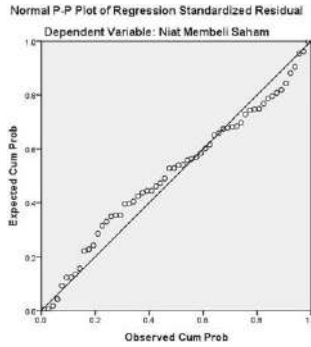
Fig. 2. Normality Test

Table 1. Multicollinearity Test Results

Variable	Tolerance	VIF	Description
Attitude	0.475	2.106	There is no Multicollinearity
Subjective norm	0.331	3.023	There is no Multicollinearity
Perceived behavior control	0.306	3.263	There is no Multicollinearity

Source: Primary Data processed, 2021

independent variables but only the correlation with the dependent variable. To detect the presence or absence of multicollinearity in the regression model, it can be seen from the tolerance value and the variance inflation ffactor (VIF). The thre shold value commonly used to indicate the presence of multicollinearity is the tolerance value $< 0 > 10$.

Based on Table 1, each variable has a VIF values less than 10 and a tolerance greater than 0.10. This means that thee regression model does not have multicollinearity problems, so it meets the requirements of regression analysis.

Heteroscedasticity Test. The test of variance is aimed at testing whether in a regression model there is an in equality in the variance of the residuals from 1 observation to another [3]. The dots on the Fig. 3 spread out random, don't form a certain pattern (wavy, expand then shrink) and have no obvious pattern and the dots spread above and below zero (0) on the Y-Axis Data, so it is recommended to use it to test hypotheses.

3.3   Hypothesis Test Results

Multiple Linear Regression Analysis. After all the variables have gone through the classical assumption test, the next analysis is carried out Multiple Linear Regression with the aim of ensuring that each variable has an effect on investment intentions (Table 2).

Attitude affects Generation Z's intention to invest in stocks. Attitude variable has a significant value of $00.026 < 0.050$ This shows that the Attitude variable contributes to
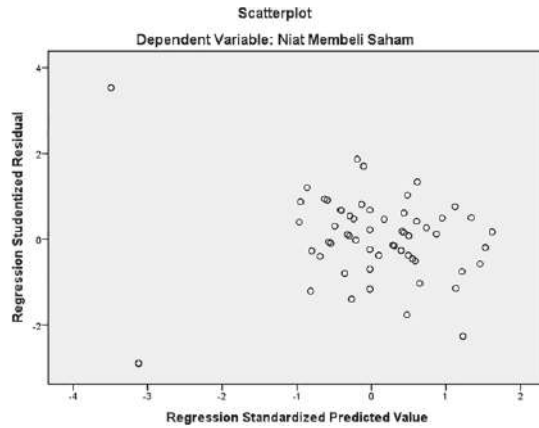
Fig. 3. Multicollinearity Test

Table 2. Multiple Linear Regression Analysis

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B Std. Error	Beta		
1(Constant)	3.024 1.319		2.293	.026
Attitude	.609 .132	.587	4.618	.000
Subjective norm	-.137 .121	-.171	-1.134	.262
Perceived behavior control	.440 .202	.343	2.179	.034

a Dependent Variable: Y

the intention to invest in securities. Therefore, the first hypothesis (H1) is accepted and we can conclude that the Attitude variable has a significant influence on the intention to invest in stocks.

Subjective norm has an influence on Gen Z's intention to invest in stocks. Subjective standard variable has a significant value of $0.262 > 0.05$. This shows that the subjective standard variable has no contribution to thee intention to invest in stocks. Therefore, the second hypothesis (H2) is rejected and we can conclude that the subjective standard variable has no significant iimpact on the intention to invest in stocks. Compared with Cognitive Behavioral Control on Gen Z's stock investment intention.

Variable that controls cognitive behavior has a significant value of $0.036 < 0.05$. This shows that the behavioral control variable contributes to the intention to invest in securities. While the third hypothesis (H3) is accepted and it can be concluded that the perceived behavioral control variable has a significant influence on the intention to invest in securities.

Table 3. F test results

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	484.748	3	161.583	22.194	.000[b]
	Residual	407.713	56	7.281		
	Total	892.462	59			

a. Dependent Variable: Y
b. Predictors: (Constant), X3, X1, X2

Table 4. The coefficient of determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.737[a]	.543	.519	2.69826

Simultaneous Significance Test (F test). The F-statistical test basically shows whether all the independent tor independent variables included iin the model have a common effect on the dependent or dependent variable [3]. The results of the simultaneous significance test of the individual parameters are presented in Table 3.

Based on the F test results in Table 3, a significance value of 0.000 was obtained, which is less than 0.05. This shows that thee variables Attitude, subjective norm and behavioral control have a simultaneous influence on the intention to invest in securities.

Check coefficient of determination (R2). The coefficient of determination test is used to decide the concurrent contribution of every variable to the based variable. The higher the value of R2, the better the ability of thee independent variable to explain the dependent variable.

Base on thee test results in Table 4, the value of the coefficient of determination is 51.9. The value 51.9 explains that attitude, subjective norms and perceived behavioral control affect the intention to invest in stocks of 51.9%, while 48.1% are affected by other variables that do not in this study.

4   Discussion

Using the model The TPB refers to research done by [1]. This study aims to determine the influence of each component of the theory of planned behavior, namely attitude, subjective norm and perceived behavioral control, on the intention to invest in action of generation z., in this case a student at the City Polytechnic School. Bosowa.

The effect of attitude on the intention to invest in securities.

Attitude can be understood as something positive or negative regarding a particular object. Attitude is also an emotional response that favors or rejects an object it faces

(investment). Based on the results of the t-test, it is concluded that attitude has a significant influence on the intention to invest in stocks. This means that attitudes affect how the intention to invest in stocks manifests itself in individuals. The intention to invest in stocks does not appear immediately in the individual, but the individual is genuinely interested in the opportunity to invest in stocks and enjoys the risk and challenge.

The results of this study are consistent with the research of Art and Ratnadi (2017), Mahardika and Zakiyah (2020) [4], and Ekowati and Suwandi (2021) [2] that attitude has a significant influence on the intention to invest in stocks. So, a person is positive or considered good to invest in stocks and how investors or potential investors will influence the individual's intentions to behave next. Indeed, individuals who have a positive view of stock investing will increase their intention to invest in stocks. Conversely, if an investor or potential investor has a negative attitude towards investing in stocks, it is not that his intention to invest in stocks is low.

Effect of Subjective Norm on Intention to Invest in Stocks. Based on the results of the t-test, it is concluded that the subjective norm has no significant effect on the intention to invest in stocks. According to research by Ekowati and Suwandi (2021) [2], this is due to lack of normative beliefs and lack of motivation to follow the opinions of others which determine subjective norms.

This result is not in line with research conducted by Seni and Ratnadi (2017) [5], and Mahardika and Zakiyah (2020) [4] which state that subjectively partial norms have a significant effect on stock investment intentions. So someone who is positive or thinks well of other people's beliefs in investing in stocks will affect how the individual's intention to behave in the future. Subjective norm is a perception or view of the beliefs of others, and that view influences us to do something (behavior). Subjective norm in the individuals studied did not significantly affect the intention to invest in stocks, this is because individuals do not attach importance to the views of other people's beliefs.

If an investor or potential investor has negative thoughts about other people's views on stock investment, it is not impossible that his actions in investing in stocks will experience many stumbling blocks. Other people's opinions are needed to see opportunities and reduce the risk of mistakes that have been experienced by other people which we will apply when we enter the world of stock investment.

Perceived behavior control on stock investment intentions. Based on the results of the t test, it is concluded that Perceived behavior control has a significant effect on stock investment intentions. Perceived behavior control is the control that is felt in an individual to feel whether he is able or not to do it.

the action he is taking. This shows that the individual feels that he has the ability to invest in stocks, there are no problems that are too complicated that the individual feels in carrying out these intentions.

The results of this study are in line with the research of Art & Ratnadi, (2017), Mahardhika & Zakiyah, (2020) and Ekowati and Suwandi (2021) [2] which state that the perception of Perceived behavior control has a significant impact on the desire to invest. This condition explains that the smaller or thee least perceived barriers to investing, the stronger a person's intention to invest.

Even though there are obstacles in investing, an individual will continue to invest because he feels capable. This happens because the perception of behavioral control

in this study is an internal factor that is the trigger for investing in stocks, namely the belief that he is very well behaved. In addition to internal factors, external factors also trigger individuals to invest in stocks, one of which is economic factors, good economic conditions will encourage individuals to enter the world of stock investment. So it can be concluded that student trust and economic support from students studied in this study synergize well so that the Perceived behavior control variable has a significant effect.

5   Conclusion

The purpose of this study is to analyze the effects of attitudes, subjective norms, and perceived behavioral control on stock investment intentions. Based on the results of the analysis and discussion performed, the following conclusions are drawn. The results show that attitudes have a significant impact on Gen Z's stock investment intentions. This means that the more positive attitudes toward stock investment, the higher Gen Z's willingness to invest in stocks.

The results show that subjective norms do not significantly influence Gen Z's stock investment intentions. This is due to the lack of normative beliefs and the lack of motivation to pursue the opinions of others that determine subjective norms.

The results showed that perceived behavioral control had a significant impact on Gen Z's stock investment intentions. This explains why individuals are more willing to invest in stocks when barriers to investment are smaller or less recognized.

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Cocoa Competitiveness Analysis in Pinrang District

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Abstract. Cocoa is one of Indonesia's leading plantation commodities which plays an important role in the Indonesian Economy, namely as foreign exchange earner, a sources of income for farmers, creating job opportunities, encouraging agribusiness and agroindustry and regional development. Therefore, cocoa commodity continues to be develop in Pinrang District considering the potential for land and area of 19,623.44 ha and average production of 11,443.75 t. The problems in this area are knowing how the level of competitiveness in this region, so it is hoped that this commodity can have a significant impact on the economy and community development in Pinrang District. This study aims to determine the level of competitiveness of cocoa commodity. This research use the type of secondary data obtained from Central Statistics Agency and South Sulawesi Province. The analytical method used in this research is Location Quotient (LQ). The LQ value of Pinrang District is greater than one, indicating that the cocoa commodity is a superior commodity or has comparative competitiveness in the region. Based on the results of this study, the average value of LQ in the last five years (2016–2020) is 1.41, which means it has the potential to be develop in Pinrang District.

Keywords: Cocoa · Competitiveness · Pinrang District · Location Quotient (LQ)

1 Introduction

The cocoa bean is one of the most important agricultural export products of Indonesia. In the past 25 years, the Indonesian cocoa sector has experienced massive growth, driven by rapid expansion of smallholder farmer participation. Indonesian smallholders contribute - by far - most of the national production, thus outperforming big state plantations and large private estates. The country currently has approximately 1.5 million hectares of cocoa plantations.

As one of the important sub-sectors in the agricultural sector, the plantation sub-sector has traditionally had a significant contribution to the Indonesian economy. In this case cocoa commodity, the area of cocoa commodity in 2015 was 1,724,092 Ha. In general, the average increase in cocoa area in the period 1980–2016 was 11.48% per year. The development of cocoa productivity in Indonesia during 2006–2016 tends to fluctuate. In 2006 Indonesia's cocoa productivity was 849 kg/ha, then in 2015 it fell to

797 kg/ha and in 2016 it was estimated by the Directorate General of Plantation to be 799 kg/ha or an increase of 0.25% compared to 2015. Regarding cocoa exports in 2015 it reached 355,32 thousand tons. Total cocoa exports in the last five years have fluctuated, increasing ranging from 7.31 to 7.53 percent per year [1].

The region that contributes to cocoa exports in Indonesia is South Sulawesi. This is supported because of the large area and supportive agro-climatological conditions. Cocoa production centers include North Luwu, Bone, Luwu, and Pinrang Regencies. Especially for the Pinrang Regency area, considering the large area and high production, the cocoa commodity has the potential to continue to be developed because it contributes to people's income and regional income.

The area and production of cocoa commodities in each district of South Sulawesi are presented in Table 1.

Table 1. Area and Production (tonnes) of Cocoa Commodities in South Sulawesi 2020

No	District/City	Area (ha)	Production (tons)
1.	Kepulauan Selayar	591	165
2.	Bulukumba	7.419	2.706
3.	Bantaeng	5.313	3.689
4.	Jeneponto	103	29
5.	Takalar	26	4
6.	Gowa	3.801	1.247
7.	Sinjai	4.315	270
8.	Maros	1.585	171
9.	Pangkep	302	63
10.	Barru	759	273
11.	Bone	16.805	8.159
12.	Soppeng	10.537	4.111
13.	Wajo	14.819	10.114
14.	Sidrap	6.897	4.560
15.	Pinrang	19.584	11.091
16.	Enrekang	6.509	2.124
17.	Luwu	33.845	22.000
18.	Tana Toraja	4.126	1.322
19.	Luwu Utara	40.701	27.942
20.	Luwu Timur	13.792	6.055
21.	Toraja Utara	1.548	297
22.	Kota Makassar	0	0
23.	Kota Pare-pare	0	0
24.	Kota Palopo	2.603	190
South Sulawesi		**195.980**	**106.582**

Source: Central Statistics Agency of South Sulawesi, 2021

Table 2. Total and Average Land Area and Production (tonnes) of Each Commodity in the Plantation Sector of Pinrang Regency 2016–2020

Commodity	Total		Average	
	Large land(ha)	Production (tons)	Large land(ha)	Production (tons)
Coconut	38.705,63	16.048,60	7.741,13	3.209,72
Coconut Hybrid	6.729.00	1.456,11	1345.80	291,222
Cocoa	98.117,18	57.218,75	19.623,44	11.443,75
Robusta Coffee	18.947.00	13.406.10	3.789.40	2.681,22
Arabika Coffee	2659	1.249,34	531,8	249,87
Cashew	6.401.40	511,08	1.280,28	255,54
Hazelnut	5981,9	1.281,47	1196,38	256,29
Clove	3331	197,30	666,2	39,46
Kapok	1027,5	51,30	205,5	10,26
Pepper	499,4	48,91	99,88	9.782,00
Vanilla	285	0,40	57	0,08
Aren	1977	759,36	395,4	151.872
betel nut	305,77	67,10	61,154	13,42
Nutmeg	674,69	0,30	134,938	0,06
Palm Oil	4465,8	6.068,60	893,16	1.213,72
Patchouli	6	0,00	1,2	0,00

Source: Central Bureau of Statistics of Pinrang Regency, 2017–2021 (processed)

Until now, the agricultural sector is still the driving force for the economy of the people of Pinrang Regency and is still the backbone of increasing regional income. In 2019 the agricultural sector. contributed 8,839.08 billion to the GRDP of Pinrang Regency [2]. Especially in the plantation sector of Pinrang Regency, cocoa is a commodity that is quite possible to continue to be developed by looking at the average area and average production each year.

Especially in the plantation sector of Pinrang Regency, cocoa is a commodity that is quite possible to continue to be developed by looking at the average area and average production each year. Table 2 presents data on the total and average land area and production of each commodity in the plantation sector of Pinrang Regency 2016–2020.

Among the plantation commodities that have a good enough opportunity to continue to be developed in Pinrang Regency is cocoa by looking at the potential of the average land area in the last five years (2016–2020) is 19,623.44 ha and the average yield production in the last five years (2016–2020) amounted to 11,443.75 t. Based on the description above, the formulation of the problem in this study is as follows: How is the

level of competitiveness of cocoa commodities in Pinrang Regency? Based on the background and problems that have been described previously, the objectives of this study are: To find out how big the level of competitiveness of cocoa commodities in Pinrang Regency. This research is expected to provide benefits for related parties, including: 1). This research can be used as one of the considerations for the government and the private sector to formulate and implement policy instruments, especially the agricultural sector in Pinrang Regency. 2). It is expected to increase knowledge about the problems that have been described. As a study material to add insight and reference for further research.

2 Methodology

This research was conducted in Pinrang Regency. The research was conducted in Februari until May 2021. The type of research is quantitative research because the implementation includes data, analysis and interpretation of the meaning of the data obtained.This study uses secondary time series data in the period 2016–2020. Secondary data is data obtained from agencies or institutions related to research. Secondary data sources were obtained from the Central Statistics Agency of Pinrang Regency and the Central Statistics Agency of South Sulawesi and other sources of information were obtained from previous studies.

Analysis of LQ (Location Quotient). LQ analysis can be used to determine the concentration and or distribution of production activities in an area. LQ is used to describe the comparative advantage of producing a commodity in the region [3].

The analysis used is quantitative analysis. Quantitative analysis to explain the level of competitiveness of comparative advantage is carried out by using LQ (Location Quotient) analysis. LQ is one of the indirect approaches used to determine whether a sector is a basic/non-basic sector and whether a commodity is the flagship of a region. In other words, the LQ value will give an indication of the ability of a region to produce a commodity, whether it has the potential to supply other regions, bring in from other regions, or is in a balanced state. Mathematically, the LQ formula is as follows [4].

$$LQ = \frac{\frac{pi}{pt}}{\frac{Pi}{Pt}}$$

Description:

pi = Production/area of commodity i at the district level of Pinrang
pt = Production/area of total commodity at Pinrang Regency level
Pi = Production/area of commodity i at South Sulawesi level
Pt = Production/total commodity area at South Sulawesi level

Criteria:

1. If LQ > 1, it means that the commodity in a region has a comparative advantage or is a basic sector. The potential of these commodities can not only be developed for needs in the area itself but can also be met in the surrounding area.

2. If LQ = 1, it means that commodity i in a region is not a non-base sector. The potential of these commodities can only meet their own area without fulfilling the surrounding area.
3. If LQ < 1, it means that commodity i in a region is not a non-base sector or commodity i in a region does not have an advantage so that commodity i is not suitable to be developed in that region.

3   Results and Discussion

From the results of interviews with palm sugar craftsmen and facilitators of palm sugar production development, there are several production factors that affect the amount of palm sugar production. The factors that influence the development of palm sugar production identified by the matrix of internal and external strategies are:

3.1   Location Quotient (LQ) Analysis Results

There are three stages to apply this LQ method:

Insert data on total production of cocoa commodities and all plantation sub-sectors at the district level and at the South Sulawesi level. The data on total production of cocoa commodities and all plantation sub-sectors at the district level and at the South Sulawesi level It can be seen in Table 3.

Table 3 shows that the amount of cocoa commodity production in Pinrang Regency in 2016 was 12,281.00 t, 2017 was 11,067 t while in 2018 it fell to 10,556.00 t and in the following year 2019 had the same production in 2017 which was 11,067 t. In 2020 it was 11,091.00 t with an average production in the last five years (2016–2020) of 11,212.40 t. The total production of the plantation sub-sector at the Pinrang Regency level in 2016 was 19,083.00 t.

In 2017, 18,142.48 t, in 2018 there was a decrease from the previous year, which was 16,922 t, in 2019 it was 18,073 t, an increase from the previous year and in 2020 it decreased again, namely 17,606 t with an average production within five years. The last one (2016–2020) was 17,965.30 t.

Especially for the amount of cocoa production at the provincial level of South Sulawesi, in 2016 it was 151,392.00 t. In the following year 2017 experienced a decrease of 122,887.24 t. Next, in 2018 there was another change of increase, namely 124,332.00 t and in the following years there was a decrease in 2019 is 118,775.00 t and in 2020 is 106,582,00 t with an average production in the last five years (2016–2020) which is 124,793.65 t. The total production of the plantation sub-sector at the South Sulawesi level in 2016 was 309,670.00 t.

In 2017 it was 2,314,775 t, then in the following year 2018 it became 323,025.00 t and in 2019 it decreased by 292,422 t, and in 2020 it was 441,906 t with an average production in the last five years (2016–2020) which was 38,603.00 t. In the last five years the number of cocoa production in Pinrang Regency has fluctuated. The lowest production amount was in 2018 which was 10,556.00 t and the highest production was in 2016 which was 12,281.00 t.

Table 3. Total Production (tonnes) of Cocoa and Plantation Sub-Sectors at the District Levels of Pinrang and South Sulawesi 2016–2020

Years	2016	2017	2018	2019	2020	Average
Total Production (tons) of Cocoa in Pinrang	12281	11,067	10,556.00	11,067.00	11,091.00	11,212.40
Total Production (tons) of Plantation Subsector at Pinrang	19,083.00	18,142.48	16,922	18,073.00	17,606	17,965.30
Total Production (tons) of Cocoa at South Sulawesi	151,392.00	122,887.24	124,332.00	118,775.00	106,582.00	124,793.65
Total Production (tonnes) of Plantation Subsector at South Sulawesi	309,670.00	2,314.78	323,025.00	292,422	441,906	38,603.00

Source: Central Statistics Agency of South Sulawesi, 2017–2021 (processed)

Likewise, the amount of cocoa production at the South Sulawesi Province level has experienced ups and downs. At the Pinrang Regency level, if in 2016 it was the largest cocoa production, also at the South Sulawesi Province level in 2016 it was the largest cocoa production amount, namely 151,392.00 t. Meanwhile, the lowest cocoa production was in 2020, which was 106,582.00 t.

Calculating the LQ of cocoa commodities. After knowing the amount of production of cocoa commodities and the amount of production of the plantation sub-sector which is at the level of Pinrang Regency and South Sulawesi. Then the formula to find out the value of this LQ can be used. The calculation is based on the amount of production in a certain area. Commodity production is then converted into the formula so as to produce the values presented in Table 4.

Table 4 shows the Location Quotient (LQ) value of cocoa for the last five years in Pinrang Regency. In 2016 the LQ value is 1.31, the LQ value in 2017 is 0.01, the LQ value for 2018 is 1.62 and the 2019 LQ value is 1.50 and in 2020 it is 2.61. So that in the last five years the average value of LQ is 1.41.

Based on the amount of production of the plantation sub-sector commodity, this greatly affects the LQ of the cocoa commodity. If the amount of cocoa commodity production is high in a region, it does not become a benchmark for the region to become a leading sector/base. However, what affects is the optimal limit of cocoa commodity production with the number of plantation sub-sector commodities in the region. If the

Table 4. Cocoa Commodity LQ Value in Pinrang Regency

Years	Total Production (tons) of Cocoa at the District Level of Pinrang	Total Production (tonnes) of Plantation Subsector at Level Pinrang	Total Production (tonnes) of Cocoa at the Provincial Level of South Sulawesi	Total Production (tonnes) of Plantation Subsector at Level South Sulawesi	Nilai LQ
2016	12,281.00	19,083	151,392.00	309,670.00	1.31
2017	11,067	18,142.48	122,887.24	2,314.775	0.01
2018	10,556.00	16,922	124,332.00	323,025.00	1.62
2019	11,067	18,073	118,775	292,422	1.50
2020	11,091	17,606	106,582	441,906	2.61
Average LQ Value					1.41

Source: Central Statistics Agency of South Sulawesi 2017–2021 (processed)

difference in the amount of production between the plantation sub-sector and cocoa commodities is higher, it will affect the LQ value in the region.

On the other hand, if the total production of the plantation sub-sector is not much different from the total production of cocoa commodities in the region, then it is very likely that the commodity is the leading/base sector.

The results of the study indicate that the cocoa commodity in the last five years has an average LQ value greater than one, namely 1.41, meaning that it has development potential because it is a superior commodity or has comparative competitiveness, meaning that the production does not only meet the needs of the region but also can be exported outside the region.

The results of the analysis also show that the share of the commodity analyzed is cocoa in Pinrang Regency which is greater than the share of the same commodity at the provincial level.

Determining Superior/unfavorable Commodities. After the LQ value is obtained, it can be determined that the commodity is included in the superior/unseeded category through the following criteria:

a   If the LQ value of a commodity is more than one (>1), then the commodity is a superior/basic commodity or has a comparative advantage. This means that the cocoa commodity can not only meet the needs of the region but can also be exported to other regions or surrounding areas.

b   If the LQ value of a commodity is equal to one ($=1$) then the commodity is not a leading commodity, meaning that the commodity in a region is not a non-base sector. The potential of these commodities can only meet their own area without fulfilling the surrounding area.

c   If the LQ value of a commodity is less than one (<1) then the commodity is not a leading commodity, meaning that the commodity in an area is not a non-base sector

and has no good potential to be developed. It also means that the production of commodities in a region cannot meet its own needs, so supply or import from outside is required.

Based on the LQ analysis criteria, the results of the calculation of LQ for cocoa commodities on average in the last five years (2016–2020) are 1.41 where >1 means that the commodity is a superior/basic commodity or has a comparative advantage. This means that the cocoa commodity can not only meet the needs of the region but can also be exported to other regions or surrounding areas.

4   Conclusion

The results of the data using Location Quotient (LQ) analysis on the level of competitiveness of cocoa commodities in Pinrang Regency indicate that the analyzed cocoa commodities are superior commodities or have comparative competitiveness in the region. With an average LQ value in the last five years (2016–2020) which is 1.41, which means it has potential for development in the region.

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Assessing the Impact of Road Infrastructure and Density on the Local Welfare

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Abstract. The ultimate goal of economic development is a better change in people's welfare. Researchers and policymakers have conducted many discussions, studies, and policies to improve people's welfare. Welfare can be measured using changes in per capita income. This study aims to examine the impact of road infrastructure, population density, and control variables on people's income. The researcher used the GLS fixed effect regression model with secondary data. Secondary data was from the publication of the Central Statistics Agency, and the sample size was 13 sub-districts (individuals) from 2016 – 2020. The results show that road infrastructure is not a significant determinant of increasing people's income. Meanwhile, population density significantly affects people's income. In other words, increasing population density can determine changes in people's welfare non-linearly. The more significant the increase in the number of people who have productivity, skills, and education, naturally and urbanization at a certain threshold can increase income. The findings of this study can contribute to the literature and the population management policies in Tangerang City.

 Keywords: Infrastructure · Road · Density · Income · Welfare

1   Introduction

One of the crucial indicators in measuring the success of a region's economic development is an increase in the population's welfare. Better welfare will reduce the problem of income inequality and poverty. Many researchers have previously studied economic development at the local level, including [1], who argue that the concept of local development economics is related to institutions, income, wealth, social capital, and labor. Local economic development is the process of creating wealth using available resources in the government [2]. More recently, [1] defined economic development as "a means of achieving sustainable improvements in prosperity and quality of life through innovation, reducing transaction costs, and leveraging capabilities towards responsible production, and diffusion of goods and services."

The indicators used to measure local economic development by previous research are quality of life [1, 3], tax base [4], per capita income [5, 6], and job vacancy and growth [7, 8]. Other proxies for local economic development are the number of business incentives offered [8], the growth rate of gross domestic product [9], and the level of per capita
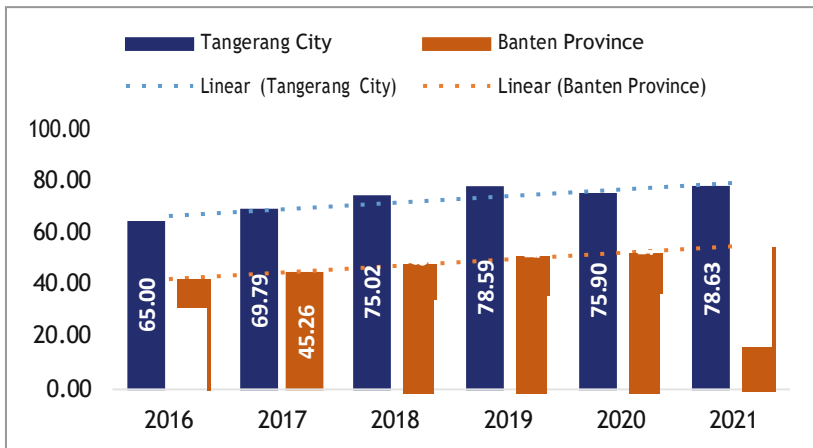
Fig. 1. Comparison of Tangerang City's Per Capita Income with Banten Province (According to Current Prices), 2016 – 2021. Source: BPS Banten Province (2022)

income and expenditure [5, 10, 11]. This study uses a measure of income per capita as a variable of local people's income because the higher the income per capita, the welfare will also increase. The income per capita measure of economic development is generally assessed at the global, regional, inter-country, national, provincial, and district/city levels. Studies at the local or sub-district level are still rarely conducted.

The condition or development of Tangerang City's per capita income in 2016–2021 shows a better condition and the trend of per capita income in Banten Province (see Fig. 1). Figure 1 shows that the per capita income of Tangerang City is higher than Banten Province. The average income per capita in Tangerang City during this period was IDR. 73.82 million per year, while Banten Province was IDR. 49.27 million per year. The highest achievement of per capita income in Tangerang City occurred in 2019 and 2021; IDR. 78.59 million per year and 78.63 million per year [12]. In other words, the prosperity or welfare of the people of Tangerang City improved that year, while the worst was in 2016. Figure 1 presents the details.

The development or availability of road infrastructure determines the level of prosperity or welfare of the community. Road infrastructure development ease to reach the location of economic facilities and community services by creating accessibility [11]. Road construction is a form of land transportation infrastructure [13] which benefits in encouraging the regional economy to increase connectivity or networks between regions [14]. The better the condition of the road network system in an area, the better the level of connectivity, which means the more accessible the relationship between regions. The higher level of connectivity can be seen from the shorter distance traveled and the increasing number of routes that become the choice of destination. Thus, it allows direct travel to the destination area and makes it accessible [15].

Road infrastructure investments directly affect users by reducing travel time and transportation costs [16]. In addition, investment in the transportation sector provides economic benefits for the production sector in the region (direct economic benefits).

These benefits include reduced costs of transportation of goods, a more extensive scale of operation, and economic accessibility [17]. The construction of road infrastructure and facilities directly impacts the community's welfare by creating jobs to reduce poverty levels [18]. Quality road infrastructure affects the accessibility and mobility of a region's development [19]and the improvement of the regional economy [11, 20]. Another study also proves that it is necessary to strengthen the road infrastructure in quality and quantity to increase people's income in one area [5]. However, another study found that the relationship between transportation and economic growth is indirect because it is through infrastructure capital stock, not transportation and private capital [21]. A recent study by Hidayati & Permana (2022) found that road infrastructure did not affect increasing per capita income. Therefore, the findings of previous studies regarding the linkages between road infrastructures are still inconsistent, and further research is needed to improve the consistency of the findings [22].

Another factor that affects local people's income is the population density of an area. Population density is the ratio between the total population and the area of a specific area. The high population growth will lead to an increase in population density. Population density between regions has different variances because it depends on the population and the area. Increasing population density depends on birth rates and urbanization flows [5, 23]. The relationship between population density and people's income as measured by per capita income has been carried out by previous researchers. For example Amri (2014) found a negative correlation between population density and per capita income [5]. Meanwhile, Gielen et al. (2021) test the relationship between population density and per capita expenditure, and the results show a significant negative relationship [24]. Meanwhile, other empirical results found that a low-density development pattern resulted in cost inefficiency in the provision of local public services [25]. Only a few researchers find the opposite: a positive correlation exists between population density and income per capita in aggregate [26]. This finding illustrates a pattern of positive and negative relationships, so testing innovations using a non-linear model is needed by adapting the Kuznets inequality hypothesis (Kuznets, 1967).

Previous studies examined the impact of road infrastructure, population density, and control variables on people's incomes at the global, inter-country, regional, national, provincial, and district/city levels. However, only a few examined the sub-district or village level. Therefore, this research was conducted using secondary data at the sub-district or village level. In addition, the authors find that the relationship between road infrastructure and community income is still inconsistent. Meanwhile, the relationship between population density and community income is linear. This study proposes a non-linear relationship for these two variables and evaluates the Kuznets' inequality curve at the sub-district level of Tangerang City. The research findings are expected to contribute to the literature on transportation and population economics and determine local government policies in improving the quality and quantity of sub-district roads and population problems.

2   Methods

The authors use panel data regression to examine the effect of road infrastructure and density on local people's income. The scope of this research is Tangerang City. Panel

data is a combination of cross-sectional data and time series data. The data in this study is secondary data sourced from the Central Statistics Agency of Banten Province and the Central Statistics Agency of Tangerang City. The time range for the time series data is 2016–2020, and the number of individuals is 13 sub-districts in Tangerang City, resulting in a sample size of $t \times i = 5 \times 13 = 65$ units.

The dependent variable in this study is the community's income as measured by the income per capita of the sub-district. The author sets the independent variables consisting of road infrastructure and population density. Meanwhile, the control variables in this study are health and education infrastructure. For more details, the Table 1 presents the operationalization of the research variables.

The authors set specifications for the panel data empirical model to facilitate the testing of the variables used in this study as follows:

$$pic_{it} = \alpha_1 + \alpha_2 inf\_road_{it} + \alpha_3 lden_{it} + \alpha_j Z_{it} + u_{it} \tag{1}$$

where pic_{it} = local community income in sub-district i period t, inf_road_{it} = road infrastructure in sub-district i period t, $lden_{it}$ = population density in sub-district i period t, zit = control variable, which includes health and education infrastructure in sub-district i period t. α_0 = intercept, α_i = coefficient 1, 2,…, 4, and u_{it} = error term in estimation.

The use of Eq. (1) should meet the assumptions as a requirement of the analysis. These assumptions include that the data are typically distributed and free from multicollinearity, heteroscedasticity, and autocorrelation problems. Furthermore, it can be

Table 1. Operationalization of the variables

Variable name	Type of variable	Description	Scale
Local people's income [5, 11, 20, 28]	Dependent variable	Sub-district per capita income by working population aged above 15 years old	Ratio
Road infrastructure [5, 11, 20]	Independent Variable	Availability of road infrastructure as measured by road length per resident per sub-district area	Ratio
Population density [5, 26]	Independent variable	The total population of the sub-district is divided by the area of the sub-district.	Ratio
Health infrastructure [29]	Control variables	The number of hospitals, health centers, and posyandu in each sub-district is divided by the total population.	Ratio
Educational infrastructure [29, 31]	Control variable	The number of school infrastructures (junior, senior, and vocational high schools) in each sub-district is divided by the total population.	Ratio

done by selecting the best model by first conducting the Chow test to select the Common Effect (*CE*) or Fixed Effect (*FE*) model. The criteria set are if the probability value is < 0.05, then the model chosen is the fixed effect model. Next is choosing between Fixed Effect and Random Effect (*RE*) models with Hausman's test (Hausman, 1978). Both models are potentially valid in estimating the panel model with unobserved sub-district heterogeneity. Therefore, the *FE* or *RE* model can be a valid model based on the results of the Hausman specification test. To make the right decision between the *FE* and *RE* models, the Hausman formal specification test is estimated with the criteria that if the probability value is < 0.05, the model chosen is the fixed effect model. To produce the best model, if there is a heteroscedasticity problem, it is necessary to use the generalized least square (*GLS*) method.

3   Result

The author presents a statistical data description, including the mean, standard deviation, minimum, and maximum values. The presentation of the general statistical description of the data aims to control the data to be analyzed. The average value of the sub-district income per capita is 7.8710, and the standard deviation is 0.0812. This figure can be interpreted as the average income per capita of the sub-district in Tangerang City is IDR. 74,251,629.37 (see Table 2). Table 2 presents the description of statistical data.

The road infrastructure variable shows an average value of 0.00246 and a standard deviation of 0.0008, which means that the average length of sub-district roads is 0.00246 km per area per resident. Meanwhile, the average value of the population density variable is 4.09216, and the standard deviation is 0.1481, which means that the average sub-district population density is 13,016.06 people per kilometer during the study period (see Table 2).

A normality test is intended to test whether the data is typically distributed or not. The Jarque-Bera test has the criteria that if the significance probability value is >0.05, then the data is normally distributed. The results of the residual normality test resulted in the Jarque-Bera value = 3.7183 and the probability value = 0.1557 > 0.05. Therefore, it concludes that the data is typically distributed. The next assumption test is a multi-collinearity test using the correlation between variables with r value criteria < 0.80. The

Table 2. Statistical description

Variables n = 65	Mean	Std. Deviation	Maximum	Minimum
pic	7.87101	0.08122	8.1022	7.5631
inf_road	0.00246	0.00088	0.0050	0.0009
lden	4.09216	0.14815	3.3546	3.8502
lden2	16.7674	1.2097	18.9625	14.8240
hinf	0.00058	0.00013	0.0012	0.0002
edinf	0.00067	0.00016	0.0013	0.0003

Table 3. Model selection test

Types	Effect test	Stat.	df	Prob.	Conclusion
Chow Test	Cross-section chi-square	108.956	12	0.000	Fixed effect model
Hausman Test	Cross-section random	149.9910	4	0.000	Fixed effect model

multicollinearity results produce a correlation value between -0.5439–0.0029 < 0.80, concluding that the panel data regression model is free from multicollinearity problems.

The next classic assumption test is the heteroscedasticity test using the Panel Cross Section Heteroskedasticity LR test. The test results show that the LR test value = 24,667, and the probability value is sig. = 0.0025 > 0.05. These results show that in the regression model, there is a problem of heteroscedasticity. Furthermore, the autocorrelation test aims to determine the error relationship between times. The author used the Durbin-Watson (DW) test to detect this problem. The test results show the value of DW = 1.8927. This value is compared with 4-du, 4-dl, du, and dl with k = 4. Values dl = 1.5034, du = 1.6960, 4-du = 4–1.5034 = 2.4965, 4-du = 4–1.6960 = 2.3039. Because the value of DW = 1.8927 is between 1.6960–2.3039, the panel data regression model is free from autocorrelation problems.

Before examining the impact of road infrastructure, population density, and control variables on the welfare of local communities in Tangerang City, the authors conduct a model selection test. There are three approaches in the model-selection test of panel data: the *LM* test, the Chow test, and the Hausman test. The following table presents the results of the model selection test:

Table 3 shows that the selection of the best panel data regression model only uses the Chow test and Hausman test because the results of the Chow test produce a probability value = 0.000 < 0.05, which means that the proper regression model is the fixed effect model. Likewise, the Hausman test results show that the probability value = 0.000 < 0.05, so the most common panel data regression model is the fixed effect model. Therefore, the *LM* test is no longer needed in this case.

As previously explained, the results of testing the heteroscedasticity problem are unavoidable, so the authors set a *GLS* fixed effect model to predict the welfare of local communities. Using the fixed effect *GLS* model is better than other regression models because it can overcome the problem of heteroscedasticity. The following table shows the estimation results of the regression model to test the effect of road infrastructure, population density, and control variables.

Table 4 explains that the selected model is the fixed effect model, and the fixed effect *GLS* shows relatively consistent results. The difference lies in the *GLS* fixed effect model that accommodates heteroscedasticity disorders. Therefore, the interpretation of the research results refers to the prediction results with the *GLS* 1 fixed effect model. R-square value = 0.9532 and adjusted *R*-square = 0.9364, *F*-Stat value = 59.881, and probability value = 0.000. It means that at least variables of road infrastructure, population density, and education infrastructure have a simultaneous effect on increasing the income of local people in Tangerang City. The predictive ability of these three

Table 4. Regression results (dependent variable = local per capita income)

Variables	Fixed effect model		GLS fixed effect model 1		GLS fixed effect model 2	
	Coefficient/Std. error	Prob.	Coefficient/Std. error	Prob.	Coefficient/Std. error	Prob.
inf_road	-0.23.237 (13.437)	0.090	-28.639 (9.336)	0.004	-28.323 (9.037)	0.000
lden	-1.4637 (0.117)	0.000	-1.453 (0.086)	0.000	-6.477 (2.587)	0.015
lden2	-	-	-	-	0.606 (0.311)	0.058
hinf	34.804 (45.308)	0.446	9.833 (41.307)	0.813	41.643 (45.168)	0.361
edinf	-376.346 (42.643)	0.000	-389.252 (22.090)	0.000	-399.116 (22.057)	0.000
constant	14.152 (0.493)	0.000	14.145 (0.370)	0.000	24.529 (5.369)	0.000
Obs.	65		65		65	
R-square	0.8599		0.9523		0.9566	
Adjusted R-square	0.8133		0.9364		0.9408	
F-stat.	18.423		59.881		60.905	
Prob(F-stat.)	0.0000		0.0000		0.0000	

variables in determining people's income is 93.64%, and other variables determine the remainder.

The coefficient value of the road infrastructure variable is negative 28.639, and the probability value is $0.003 < 0.05$; therefore, for every 1 percent increase in new roads, it reduces the income of local communities by 28.63%. In other words, road infrastructure does not contribute to increasing people's income or welfare. Furthermore, the coefficient value of the population density variable is negative 1.452, and the probability value $= 0.000 < 0.05$. The interpretation is that for every 1% decrease in population density, local people's income will increase by 1.45%. In other words, the lower the population density, the higher the community's average income for all sub-districts in Tangerang City. Meanwhile, the control variable for the availability of health and education infrastructure does not determine the increase in community income for all sub-districts in Tangerang City, even though education infrastructure has a probability value $= 0.000 < 0.05$, but the coefficient value is negative.

The author also presents the estimation results using the *GLS* 2 fixed effect model by including the quadratic population density variable to determine whether the relationship between population density and community income forms a quadratic pattern (forming a

U curve) with the control variable. This model adapts from Kuznets' income inequality curve. The test results show that the relationship between population density and local people's income forms a *U* pattern. The coefficient values of population density and population density squared are -6,477 and 0.606, respectively, and the probability values are $0.015 < 0.05$ and $0.057 < 0.1$, respectively. Thus, the increase in population density initially negatively affects up to a certain threshold. Furthermore, increasing population density increases the average income of local people for all sub-districts in Tangerang City.

4   Discussion

The availability of road infrastructure in every sub-district of Tangerang City is expected to support the growth of the local economy because it will increase the mobility of goods and people in meeting their needs and economic activities. In addition, improved transportation flows and people's access to economic resources can increase goods and services. However, this study's results cannot prove that the sub-district road infrastructure variable per resident significantly affects increasing people's income. The author failed to prove that the availability of road infrastructure in increasing income is caused by the measurement of the variable length of roads per sub-district population. Moreover, the use of sub-district road length data is not disaggregated according to road conditions and types in each sub-district. As a result, road construction cannot be a significant determinant in increasing people's income.

This study's results certainly do not confirm previous research [5], which found that the increase in per capita income was determined by adding road length and road repairs. Likewise, other studies have found that quality road construction can increase access and reduce costs because it can save on production activities and increase people's income [11, 20]. However, this study is consistent with research findings that conclude that the availability of road infrastructure is not a significant determinant in increasing per capita income.

Meanwhile, the level of population density, as measured by the number of residents per region, has been shown to increase the income of local communities significantly. Population density is related to population growth in an area which means an increase in the number of the workforce so that it can encourage increased economic growth. The test results show that researchers can prove that population density significantly affects people's income. The higher population growth will impact increasing density in an area, so it can cause various problems that can hinder development. However, if this population density is appropriately handled, it can stimulate rapid economic development and increase people's income. This condition illustrates that the relationship between population density and community income (measured by sub-district per capita income) shows a parabolic relationship pattern, not linear.

For this reason, the researcher also examines the non-linear relationship between population density and people's income. The test results show that the relationship between the two variables forms a "U" relationship pattern, which means that the higher the population density, the income of the community will decrease (negative relationship) to a certain threshold. The addition of population can increase people's income. The

population growth is an increase in productive age, adequate skills, and education to create jobs and support the success of local economic development. On the other hand, the increase in the population with no skills, low productivity, and uneducatedness can hinder local economic development. These findings are consistent with Kuznets's theory of income inequality (Kuznets, 1967) but do not form an inverted U pattern. Previous studies that are consistent with the findings of this study include [5, 23]. Recent studies in Indonesia also show that cities' urbanization encourages regions' existence and even increases population density, which impacts economic agglomeration (Tri & Angga, 2021).

In fact Mattson (2021) concludes that density is negatively correlated with per capita expenditure for the following cost categories: operational costs for fire protection, roads and highways, parks and recreation, sewerage, solid waste management, and water; construction costs for roads and highways, parks and recreation, sewers, and water; and the cost of land and existing facilities for police, sewers, and water. In other words, the more densely populated an area is, the lower the cost of spending, which means there is savings in income or an increase in welfare. Likewise, several previous studies that confirmed the findings of this study include a Spanish city study which also showed a negative relationship between population density or sprawl and per capita expenditure (Gielen et al., 2021). Meanwhile, Hortas-Rico & Solé-Ollé (2010) conducted an empirical analysis of 2500 Spanish municipalities and found that low-density development patterns lead to higher costs for local public services. However, other studies find that specialization in the production of capital goods is a source of increased yields in the aggregate economy, and population density is positively correlated with per capita income [26].

The researcher realizes that this research still has variable measurement limitations and findings. The limitation of this research is that the study of measuring the sub-district income per capita variable uses a proxy for the population aged 15 years and over who works in determining the Gross Regional Domestic Product at the sub-district level divided by the total population of the sub-district. The use of working people aged over 15 years; and people over 65 years are still counted even though they are no longer working. Likewise, the use of the length of sub-district roads and ignoring good road conditions, lightly damaged, moderately damaged, and heavily damaged, as well as the number of vehicles in Tangerang City in the analysis model. As a result, researchers cannot prove the role of road infrastructure as a determinant of increasing people's income. In contrast, good road infrastructure can increase the accessibility and mobility of economic resources to encourage the success of local economic development.

5   Conclusion

This study examines the impact of road infrastructure and population density on local people's income. Using the GLS fixed effect regression model, the researcher concludes that road infrastructure does not affect local people's income. In other words, improving road infrastructure quality and quantity is not a significant determinant in increasing the income of the sub-district community in Tangerang City. Meanwhile, population density has been shown to affect people's income significantly. Even the researchers were able to show that the pattern of the relationship between population density and

people's income was a non-linear relationship with the addition of a control variable. It means that the higher the population density, the income level of the community will experience a decrease in income to a certain threshold. Furthermore, the increase in population density impacts increasing people's income.

The research findings implicate road infrastructure development to stimulate local economic development, but these study results cannot prove it. Therefore, the government continues to build road infrastructure for the success of local economic development. The government can improve road maintenance to ease the community in accessing essential public services such as population, education, and health services. The increasing population density due to natural population growth and urbanization has become a vital capital for the government to encourage the success of local economic development. The study results have shown that the existence of a population with skills, productivity, and education benefits the development of Tangerang City. Therefore, the government should continue to maintain optimal population density conditions.

Meanwhile, the implications of the findings of this study for future research should re-examine the road infrastructure variable by expanding or disaggregating road characteristics into separate variables. It aims to obtain information on the contribution of roads based on specific characteristics. Another significant thing from future research is the measurement of population density by including pure land use indicators in addition to the sub-district area to obtain information on the area after deducting land use for roads, housing, markets, and other economic activities. In addition, the use of time series for research data is more extended, thus increasing the size of the data. Decision-making generalization of research results becomes more manageable and better.

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Employee Satisfaction: Service Profit Chain Approach in Tourism Destination

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Abstract. Human services are considered an essential factor in bringing profit to a tourism destination. A famous framework called Service Profit Chain stated that customer satisfaction is influenced by the value of the service created by satisfied, loyal, and productive employees. Mainly, employee satisfaction brings high-quality service that creates delighted customers and brings profit to the service. This study aims to understand how the internal service quality strategy affects the service quality delivery according to the employee working duration experience in a tourism destination. An online survey of 100 questions under ten measurements of service profit chain and SERVQUAL has been shared with 27 employees who work onsite and offsite tourism destinations in Takabonerate National Park, Indonesia. The research results reveal the gap between the employees who worked less than one year and the workers with an experience of more than ten years working in the tourism destination. Implications for the destination managers, limitations, and further research possibilities are also furtherly discussed in this paper.

Keywords: Service Profit Chain · Service Quality · Employee Satisfaction · Employee working duration · Tourism Destination

1 Introduction

Service Profit Chain specifies relationships between employees and customers. Customer satisfaction directly results in customer loyalty, which comes from the value of the services from a satisfied, loyal, and productive employee [1]. The Service Profit Chain theory's basic principle is that customer satisfaction starts with suitable staffing and treatment of one's employees. In other words, committed employees convey their satisfaction to the customer; hence, the service profit chain is set in motion.

"The SPC gained prominence as an integrative framework of service management that links internal marketing (internal service quality, employee satisfaction, and employee loyalty and performance) to external marketing (external service quality, customer satisfaction, and loyalty). Then ultimately, firm performance (i.e., revenue and profitability) illustrates how investments in internal service quality translate into external service quality, leading to delighted and dedicated customers, which is the basis of superior firm performance [2].
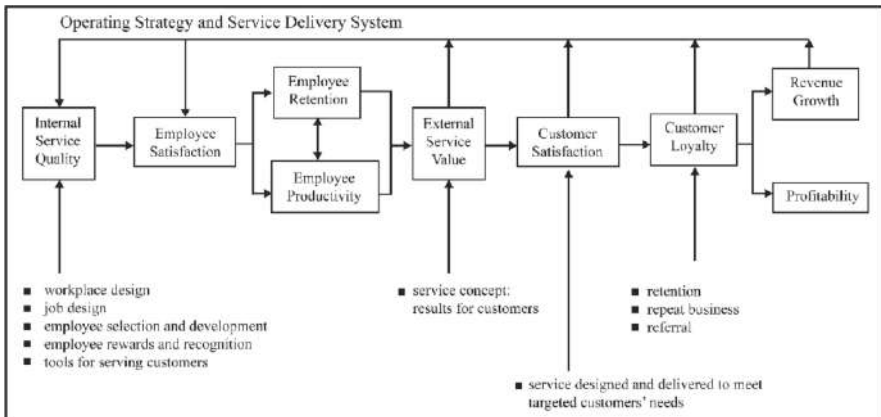
Fig. 1. Service Profit Chain [4]

The service-profit chain as a powerful phenomenon that stresses the importance of people from both employees and customers [3]. The links in the chain (which should be regarded as propositions) are as follows: Profit and growth are stimulated primarily by customer loyalty. Loyalty is a direct result of customer satisfaction. Satisfaction is specially controlled by the value of services provided to customers. Value is created by satisfied, loyal, and productive employees. Employee satisfaction, in turn, results mainly from high-quality support services and policies that enable employees to deliver results to customers [4] (Fig. 1).

Previous studies have been conducted in an exploration of the Service Profit Chain in the tourism and hospitality industry. The variables of a chain reaction that reinforce each other, starting from the internal service variable, affect employee satisfaction, which also affects the quality of service [5]. Subsequently, the quality of service affects guest satisfaction and loyalty, ultimately affecting company profitability, which fuels revenue growth. Employee satisfaction and customer satisfaction are positively correlated, and both impacted positively toward profitability from the side of organizational performance [6]. The relationship between the quality of internal services and performance growth and profitability, which resulted that the service organization that focuses on the quality of internal services for their employees tend to have better growth in sales, assets, and return on assets [7].

Service quality is also considered an important factor that influences the quality of service provided in tourism destinations. Service quality has been an imperative topic of the study linking tourism and the management department [8]. Businesses using Service Quality or often known as SERVQUAL, to measure and manage service quality assessment identified by five elements such as reliability, assurance, tangibles, empathy, and responsiveness, that deploy a questionnaire that measures both the customer expectations of service quality in terms of these five dimensions and their perceptions of the service they receive [9].

The SERVQUAL scale is designed in the form of a survey containing service attributes, grouped into the five service quality dimensions such as [10]:

- Tangibility: Appearance of physical facilities, communication of the staff in the service process, and the type of equipment in the service operation.
- Reliability: The proficiency of an organization to do an assignment or assistance as promised.
- Responsiveness: The readiness of service providers to support the customers, constructing an effort sincerely to deliver immediate service to customers.
- Assurance: The service provider's ability to give customers a sense of trust and security.
- Empathy: The service provider's ability to communicate with consumers and deliver personalized engagement to them.

High satisfaction levels could encourage employees to extend their co-workers or organizations more than the interest of the customers [11]. However, employee satisfaction might differ within the organization due to their worker's experience. In other words, different working duration might lead to different service value outputs to the customer. The gap in service value provided by the employee experience of working duration might influence the service provided to customer satisfaction and, at the same time, influence the range of possibility of profitability and the growth of the business.

Therefore, this study aims to understand how the internal service quality strategy affects the service quality delivery according to the employee working duration experience in a national park as a tourism destination. Understanding the differences in service delivery, including employee satisfaction, retention, and productivity, will lead to suggestions to destination management on operating strategy. The service delivery is strongly related to employee service quality of empathizing, reliability, tangibility, assurance, and responsiveness that they deliver to the customer. Hence, understanding those issues and grouping them with the working duration in the destination will show appropriate action that needs to take to create internal service with good quality as it is the introduction of the Service Profit Chain cycle.

Figure 2 shows the framework of this research on analysing the critical factors within the internal service quality, which involves employees' understanding. Begin with employee satisfaction that leads to employee retention that interacts with productivity and influences the outcome of service quality (SERVQUAL). In this research, the working duration will be one of the factors that might affect how employee retention and productivity influence the external service value to the customer.

2 Methodology

This research uses a quantitative methodology by distributing an online survey questionnaire to the employee who works onsite at the tourism destination and staff who work at the governmental office under the Takabonerate Island tourism section.

Takabonerate national park, located in South Sulawesi, Indonesia, was acknowledged by the UNESCO World Network Biosphere Reserve in 2015 as the third largest atoll in the world. Takabonerate consisted of several atoll islands and was awarded national protection in 1992. Thus. The Indonesian government hired civil servant employees onsite to manage and maintain the destination. Takabonerate is administered as part
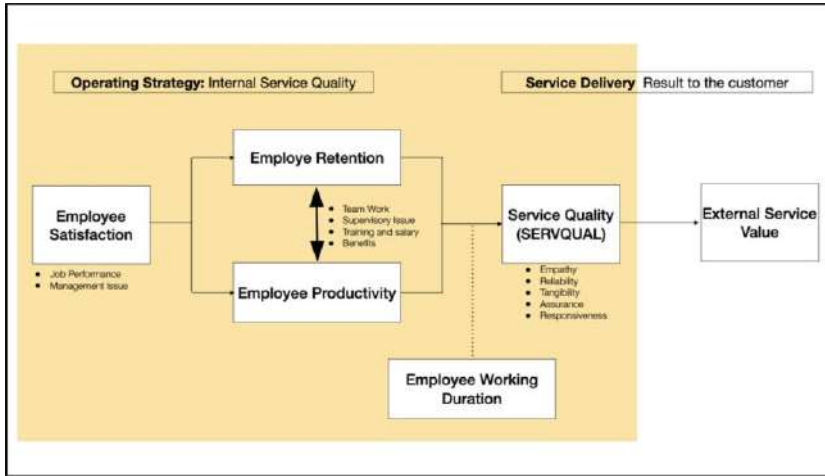
Fig. 2. Research Framework

of Selayar Regency with an area of 530,765 hectares, making it the biggest atoll in Indonesia and southeast Asia [12].

The Likert-scale online survey consisted of 100 questions and was responded to by 27 employees, 90% of the total population of 30. The questions are adopted Service Profit Chain Dimension and SERVQUAL measurement from preview research by Wang (2012), Wirajaya et al. (2015), and Rezqallah (2018) [13–15]. The original SERVQUAL questionnaire was adapted to study the peculiar characteristics of the services provided by the hospitality industry [9].

The dimension of the Service Profit Chain concludes with Job Satisfaction, Management Issues, Team Work, Supervisory Issue, Training and salary, and benefits dimension. SERVQUAL measurement includes Empathy, Reliability, Tangibility, Assurance, and responsiveness. Hence, this research questioned how the internal service quality strategy affects the service quality delivery according to the employee working duration experience. Moreover, are there any differences in those influences towards the dimensions of service profit chain and service quality?

3 Result

The result uses SPSS descriptive analysis that explores three points: the respondent demographic, exploration of the service profit chain dimensions on employees, and the SERVQUAL approach on the employees.

The questionnaire is using Liker-Scale method which 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree.

3.1 Demographic Analysis

The demographic age and occupation are varied, with the youngest respondent being 21 years old and the oldest being more than 50 years old, with the diverse occupation

Table 1. Age and Gender demographic

				Age			
			>50 years old	21 – 30 years old	31 – 40 years old	41 – 50 years old	Total
Gender	Female	Count	1	5	0	2	8
		% of Total	3.7%	18.5%	0.0%	7.4%	29.6%
	Male	Count	1	6	6	6	19
		% of Total	3.7%	22.2%	22.2%	22.2%	70.4%
Total		Count	2	11	6	8	27
		% of Total	7.4%	40.7%	22.2%	29.6%	100.0%

Table 2. Work duration and age demographic

				Age			
			>50 years old	21 – 30 years old	31 – 40 years old	41 – 50 years old	Total
Work Duration	2 – 5 years	Count	0	5	1	0	6
		% of Total	0.0%	18.5%	3.7%	0.0%	22.2%
	5 – 10 years	Count	0	1	0	0	1
		% of Total	0.0%	3.7%	0.0%	0.0%	3.7%
	Less than 1 years	Count	1	1	0	3	5
		% of Total	3.7%	3.7%	0.0%	11.1%	18.5%
	More than 10 years	Count	1	3	5	5	14
		% of Total	3.7%	11.1%	18.5%	18.5%	51.9%
	2 – 5 years	Count	0	1	0	0	1
		% of Total	0.0%	3.7%	0.0%	0.0%	3.7%
Total		Count	2	11	6	8	27
		% of Total	7.4%	40.7%	22.2%	29.6%	100.0%

from the forest police, forestry extension, and Forest ecosystem, who mainly work onsite at the national park, as well as the staffs who work on the government hall that located in the different island which is far from the onsite destination.

Table 1 shows the demographic information of the crosstabulation of age and work duration of the respondent. Most of the respondents are Male, with a total of 70.4% or 19/27, while the proportion of total female employees is 29.6% or 8/27. Most respondents come from the group of 21–30 years old, with 40.7%, and the least comes from over 50 years old, with a total of 7.4% or 2/27.

Table 2 describes the crosstabulation data between work duration and employee age. Most of the respondents are 21–30 years old, with a percentage of 40.7% or 11/27. In contrast, the least respondent aged more than 50 with a percentage of 7.4% or 2/27.

3.2 Service Profit Chain Measurement

Using the dimension of Service Profit Chain in the questionnaire, Table 3 explains the relation between employee duration of working and their performance and satisfaction shown through their level of agreement on job performance, management issues, team-work, supervisory training, and benefit during the work. The employees were grouped into 2–5 years' work duration, less than one year, and more than ten years' work duration.

Table 3. Service Profit Chain dimension by the employee's Work duration

Work Duration		Job Performance	Management Issue	Team work	Supervisory & Training	Benefits
2 – 5 years	Mean	4.2000	3.9000	4.0667	4.0167	4.0833
	N	6	6	6	6	6
	Std. Deviation	.39497	.40000	.40332	.47504	.45350
Less than 1 years	Mean	4.4400	4.0200	4.0200	3.8200	3.7200
	N	5	5	5	5	5
	Std. Deviation	.64265	.97570	.97570	.87864	.92304
More than 10 years	Mean	4.4357	4.0929	4.3571	4.2643	4.2357
	N	14	14	14	14	14
	Std. Deviation	.40308	.63302	.59706	.72812	.64998

Overall highest mean score belongs to the group of more than ten years of experience except in the job performance elements. A Group of more than ten years of experience has 4.0929 in management issues, 4.3571 in teamwork, 4.3643 in supervisory and training, and 4.2357 in training. The highest mean job performance score was held by the group of less than 1-year employees that scored 4.4400. However, experience the lowest number in supervisory & training with a total of 3.8200, and benefits at 3.7200 among the other groups.

3.3 SERVQUAL Measurement

The SERVQUAL measurement in Table 4 explores how the employees perceived the level of empathy, benefit, reliability, assurance, and responsiveness they provide to the customer.

The highest mean score comes from a group over ten years of experience, with empathy scoring 4.1500, benefit 4.2357, reliability 4.2714, assurance 4.1471, and responsiveness 4.3286. In contrast, the less one-year group experienced the lowest mean score of all dimensions except reliability which is shown through the number of empathies at 3.9600, benefit at 3.7200, assurance at 3.9200, and responsiveness at 3.9600.

4 Discussion

The survey result through the service profit chain and SERVQUAL dimension is then classified into three groups that influence the internal service as described in Fig. 2, which includes employee satisfaction, employee retention and production, and the service value brought to the customer.

4.1 Employee Satisfaction

Job Performance and management issues are put together under this section. The job performance assessing how the employee understands their work, the vision and mission of their workplace, and how satisfied and valuable their job is will give them a sense

Table 4. SERVQUAL dimension by the employee duration of work.

Work Duration			Emphative	Benefits	Reliability	Assurance	Responsiven es
2 – 5 years	N	Valid	6	6	6	6	6
		Missing	0	0	0	0	0
	Mean		4.1000	4.0833	4.1667	4.1000	4.0000
	Std. Deviation		.29665	.45350	.40825	.45607	.00000
Less than 1 years	N	Valid	5	5	5	5	5
		Missing	0	0	0	0	0
	Mean		3.9600	3.7200	4.2000	3.9200	3.9600
	Std. Deviation		.74027	.92304	.83666	1.01587	1.00399
More than 10 years	N	Valid	14	14	14	14	14
		Missing	0	0	0	0	0
	Mean		4.1500	4.2357	4.2714	4.1571	4.3286
	Std. Deviation		.52146	.64998	.63298	.68130	.61197

of pride and overall satisfaction with their assignment. The employee who worked less than one year has the highest job satisfaction within the organization, which shows the highest mean score among the other group. It shows that the less than 1-year of experience, employees are delighted and value their job.

Management issue covers the point of how their co-workers communicate, value, and trust themselves in the working environment. Moreover, this part also assesses the management role, who could give them direction, describe the work, and provide good facilities in supporting the employee job. The group of employees with more than ten years has the highest mean number, which is not too many differences from those with less than one year. It means both groups like their working environment shown through dependable management style that shows excellent communication and trust among their co-workers. Whereas the group of employees with working experience of 2–5 years' experience low job performance and management issues which shows they are might in the middle of adapting with their coworking's or experiencing some changes in their job to find more efficient or adaptable working style.

4.2 Employee Retention and Productivity

Teamwork explores how employees feel comfortable working with their co-workers and how they feel supported and appreciated within the team in a safe environment. Supervisory and Training measurements examine how the employee is involved in decision making, has a supportive manager who acknowledges and treats them well, and a manager who always supports and assists them in doing and learning their job to develop their skills. Benefit dimensions explore the employee's satisfaction with the fulfilment of their needs. It includes how the working place provides good Training according to their job, appropriate wages, holiday, insurance, and compensation equal to their workload.

The group of employees who have worked for more than ten years has the highest mean in teamwork, supervisory & Training, and the benefit compared to the other two groups. Usually, workers who work the longest can highly adapt within the team and

quickly feel comfortable as they have more power than the senior within the team, whereas it is usual for the workers who work less than one year to feel inferior compared to their senior co-workers. Moreover, the group of employees who worked less than one year also experienced the lowest mean in the supervisory, Training, and benefit. The number shows a lack of management system that makes the youngest worker feel inferior within the team, lack support, and need more attention in fulfilling their satisfaction through appropriate benefits offered by their workplace.

5   Conclusion

Employees working more than ten years have the highest mean in most service profit chain dimensions and SERVQUAL. In contrast, employees with less than one year experience the lowest number in most dimensions, especially in supervisory Training, benefit, and most of the service quality dimensions of empathy, tangibility, assurance, and responsiveness.

Tourism destination management should pay attention to improving their human service, especially for employees who work for one year, since employee satisfaction also determines the customer's level of satisfaction. Moreover, the managers should arrange proper approaches to help employees with one year's experience to higher their satisfaction level to deliver genuine customer service. Hence, the tourism destination manager should pay more attention to new employees who work for one year to engage them more in the team, increase their sense of belongings within the team through a better supervisory and Training system and provide practical benefits. Furthermore, the management should also focus more on providing appropriate Training to the newest worker in terms of service quality dimension that could directly affect customer satisfaction in the destination.

This paper provides information on the group of employees according to the length of working experience for the tourism destination management can arrange proper approaches and skill development strategies to train their new workers. In addition, this study also mentioned which dimension within hospitality is more needed for Training according to the group of employees' working duration. Specifically, the result of this research appointed the immediate needs for development in teamwork involvement, improvement in Training and supervisory, benefit towards the new workers, and better direction in practicing service value area.

However, this study has a limited number and variance of respondents who only come from domestic residents. Therefore, further study with a large number of respondents large with diverse backgrounds might produce different outcomes that could enhance this study. Furthermore, a deeper exploration of the physiological factors affecting the employees according to their work duration group would explain a more profound view of this issue. Finally, although this study explores on Service Profit Chain that usually should include the customer view to explain the whole process, this study is limited only to the exploration of employee sides that affect the internal service quality covering employee satisfaction, employee productivity, and its relationship with the employee working experience. Hence, further exploration of the entire framework that links the internal service quality and external service value of the customer to provide benefits should be furtherly explored.

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The Participation and Budget Clarity Effect on Government Agencies Accountability Performance with Culture and Work Commitment as Moderating Variables

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Abstract. The performance of public service is under constant scrutiny with the purpose of accountability. This study was conducted to examine whether participation and budget clarity affect the local government agencies' performance accountability moderated by culture and work commitment. This study uses a survey method by distributing questionnaires to level III and level IV echelon officials from the local government agencies (Perangkat Daerah – PD) in the Tangerang City Government. The collected data are further analyzed using moderated regression analysis. This research showed that participation and budget clarity significantly affected the local government agencies' performance accountability. Meanwhile, culture and work commitment do not moderate participation, and budget clarity affect local government agencies' performance accountability. Furthermore, organization commitment cannot moderate the effect of the participation variable in the local government agencies' accountability performance. It can be said that budget clarity is already sufficient to encourage officials to work as well as possible and realize accountability for the performance of local government agencies.

Keywords: Budgetary Participation · Clarity Budget · Accountability · Commitment · Organizational Culture

1   First Section

Performance is one of the main measurements for a public sector organization, specifically for governmental entities since performance defines the achievement of an activity being implemented within the organization. Locke in Goal Setting Theory (1968) underlines a significant relationship between the goals that have been established and the performance results. A clear understanding of the organization's goals that a member organization has, will have an impact on his work behavior. A measurement of managerial performance is required in evaluating the organization's achievements. Managerial performance is one of the factors that can enhance organizational performance effectiveness. As proposed by Mahoney et al. (1963), managerial performance is the individual performance of organizational members in managerial activities areas, which involves

planning, investigating, coordinating, evaluating, supervising, staffing, negotiating, and representing.

Accountability is a form of management responsibility through the media regularly in implementing organizational missions while achieving the established goals and targets (Yulianto and Muthaher, 2019). Local government activities are tied related to local government budget allocation (Anisa and Haryanto, 2022). The accountability form of governmental agencies is through preparing, compiling, and presenting performance information (Fuadah et al., 2020).

The implementation of budget allocation for each work unit will directly interact with each work unit member. The individual performance of work unit members will have an impact on the overall government performance. The budget allocation process is a significant activity that involves various parties, both within and outside the organization. To achieve effective implementation of the process, the organization's members contribute to budget planning, to the extent of participating in and contributing to budget preparation. Brownell & McInnes (1986) stated that budgetary participation is individual participation which includes behavior, work action, and activities that are carried out by government officials during the budgeting process.

There is still a research gap concerning the relationship between budgetary participation and performance since. The research results of the relationship between these two variables show inconsistency thus lead arising subject of debate. The research results conducted by Schuler & Kim (1976), Brownell (1982b), Brownell & McInnes (1986), Bangun (2009), Solina (2014) and Cahyadi (2015), showed there was a positive and significant relationship between budgetary participation and performance. whereas the research findings conducted by Cherrington & Cherrington (1973), Kenis (1979), and Milani (1975), indicated there was an insignificant relationship between budgetary participation and performance.

Referring to Kenis (1979), the budget characteristic besides participation is the budget target clarity. The relationship tests between budget target clarity and performance show results that are not consistent. The research results conducted by Kenis (1979), Syafrial (2009) & Solina (2014), generated the findings that there is a significant relationship between budget target clarity and performance. Meanwhile, research conducted by Bangun (2009), Nurhalimah (2013), and Cahyadi (2015), showed that budget target clarity did not have any significant effect on performance.

Hence there is a research gap associated with the relationship between these variables, further studies are needed regarding the participation and budget clarity effect on performance accountability in government agencies, specifically in Tangerang City government agencies. Furthermore, this study uses organizational culture and organizational commitment as moderating variables.

According to Hofstede et al., (1990), apparatus performance can be affected by organizational culture as one of the situational factors. organizational culture can be defined as belief values held by members of an organization which is expressed in the form of behavior norms of individual or organizational groups where that individual works.

The existence of cultural differences owned by individuals in government organizations became the main attention in this study since there is a possibility of differences that

is felt between the leaders or individuals who work in The Tangerang City Government in relation to the participatory budgeting process, budget targets clarity, and performance accountability of government agencies. The culture within government organizations can create good governance both at the central and local government levels.

Allen & Meyer (1991) defines organizational commitment as a psychological condition that reflects the relationship between the members of an organization with the organization itself and has an impact on individual decisions on whether to continue membership or not in the organization. Subordinates who have a high level of organizational commitment will have a positive viewpoint and willingly do their best for the organization's benefit (Porter et al., 1974). Strong organizational commitment will affect government apparatus to work hard in achieving the specified goals, in particular this research studies the achievement of government agencies' performance accountability.

Building upon this phenomenon, the research objectives are aimed to verify and analyze the participation and budget clarity effect on government agencies' performance accountability and examine the influence of culture and organizational commitment as moderating variables whether strengthen or weaken the effect of budgetary participation and clarity of budget targets on performance accountability of government agencies.

1.1   Goal Setting Theory

The goal setting theory that was initially presented by Locke (1968) focused on the relationship importance between goal setting and performance achievement. The basic concept in this theory is that an individual's comprehension of the expected goals of the organization, - will influence his working behavior.

The goal setting theory suggests that an individual is dedicated to achieving a certain goal (Robbins, 2008). An individual's commitment to attaining certain goals will influence his actions and furthermore will be affecting his performance results. Specified goals (targets) achievement can be considered as individual-level goals/ performance that has to be achieved. Overall, the related intentions with the process of setting goals, are a strong motivation for an individual in achieving his performance. Individuals must be equipped with a set of skills, have goals, and receive feedback for performance assessment. Locke and Latham (1979) suggest that goals (objectives) being achieved have an impact on employees' behavior and performance within the organization.

1.2   Performance Accountability of Government Agencies

Accountability can be interpreted as something that is necessary for agents or representatives in presenting, reporting and disclosing, and being accountable for all activities that are mandated by the principal or authorizer, while the principal has the authority and the right to accept accountability (Putra, 2013).

According to Mahoney et al. (1963), performance has resulted in the completion of tasks that can be attained by an individual or a group of people within an organization corresponding to their every authority and responsibility while achieving organizational goals. Managerial performance is one of the increasing factors for organizational performance effectiveness. Mahoney et al. (1963) further stated that managerial performance is the individual members' performance within the organization in managerial activities

which consist of planning, investigating, coordinating, evaluating, supervising, assessing staff, negotiating, and representing.

1.3 Budget Participant

Brownell (1928b) stated that participation is a process of involving individuals directly and has an effect on forming budget goals whose achievements will be evaluated and possibly rewarded given their budget goals achievements.

Milani (1975) states a more detailed definition of participation in budgeting that is how far the budget is affected by managers' involvement, the premised used by the superiors at the budget revision process, the number of frequencies in delivering initiatives, providing ideas dan points about the budget to superiors prior being asked, perceived influence level on the managers that they can have an impact on the final budget, the interest of manager in contributing to the budget, number of discussions held by superiors during drafting the budget.

Milani (1975) defines that in budget participation several indicators must be taken into account, which are involvement, influence over the budget, and commitment. Milani concludes that the main factors that differentiate budgetary participation and non participation are the subordinates' involvement and influence level in the process of budget decision-making. Therefore, the budget participation essence is laid on collaboration amongst all levels of the organization in the budgeting process.

1.4 Clarity of Budget Targets

As proposed by Kenis (1979) target budget clarity is the extent to of objectives of the budget are defined clearly and specifically for the budget can be comprehended by the individual who is responsible for budget target achievements.

Locke (1968) states that budget target clarity is intended to manage employee behavior. The fuzziness of budget targets will lead budget implementers to become perplexed, and uneasy, arising work dissatisfaction. The consequence will rise as the budget implementers do not have any motivation in achieving targeted performance. Kenis (1979) also proposed that the budget implementers present positive dan relatively strong realization for increasing budget target clarity.

1.5 Organizational Culture

Hofstede (1990) stated that organizational culture is values of beliefs that are owned by organization members and expressed in the form of behavioral norms of individuals or organizational groups in which the individual works.

Research conducted by Hofstede, Geert, Michael Harris Bond, and Chung-Leung Luk (1993) generates dimensional variables of organizational culture that are used for basic measurement that is derived from 6 (six) organizational culture dimensions, consisting of professionalism, management distance, trust in coworkers, orderliness, competition, and integration.

1.6 Work Commitment

Allen and Meyer (1991) define commitment to an organization as a psychological construct that is the relationship characteristic between organizational members and their organization and has an impact on individual decisions on whether to continue their organization membership or not. By this definition, apparatus that commits to its organization will have more ability to survive as part of the organization than apparatus that does not have any commitment. Allen and Meyer (1990) furthermore suggest that organizational commitment consists of three organizational components, that is affective commitment, continuance commitment, and normative commitment.

2 Method

The population in this study was 34 PD consisting of 15 work units and 19 agencies within the Tangerang City Government. Purposive sampling is used as a sampling method with the sample criteria of PD were 15 work units and 19 agencies within the Tangerang City Government as the representation of cost center, revenue center, public service center, and administration center. The main respondent of this study were structural officials at PD, consisting of the head of PD as the budget user and officials at level III and Level IV echelons (one level and two levels under the PD's Head) as the representative of the budget user within each SKPD in the Tangerang City Government.

Data was collected through a survey by distributing questionnaires. The questionnaire contained a set of questions that were given to the respondents attached with a request letter for the questionnaire to be filled in. This questionnaire consists of a structured questions list addressed to respondents with the aim to obtain written-based information related to budget participation, budget target clarity, organizational commitment, and organizational culture on the government officials' performance.

Moderated regression analysis is used as a technique to analyze collected data and information. This regression analysis is used to determine whether budgetary participation and budget target clarity as independent variables can affect government agency performance accountability as dependent variables. Furthermore whether work commitment and culture act as moderating variables to the influence level of budgetary participation and budget clarity of government agencies (Fig. 1).

3 Results and Discussion

Sample Characteristics
In total 86 respondents from 34 PDs submitted feedback to the questionnaire distributed and the data from all 86 respondents or the sample as a whole was stated to be feasible to be processed.

The respondents can be described into 4 characteristics, the first is based on gender, from 84 respondents there are 59.35% is male respondents and exceeds female respondent (40,7%). The gender differences are significant enough that male officers dominate budget management in Tangerang City Government.
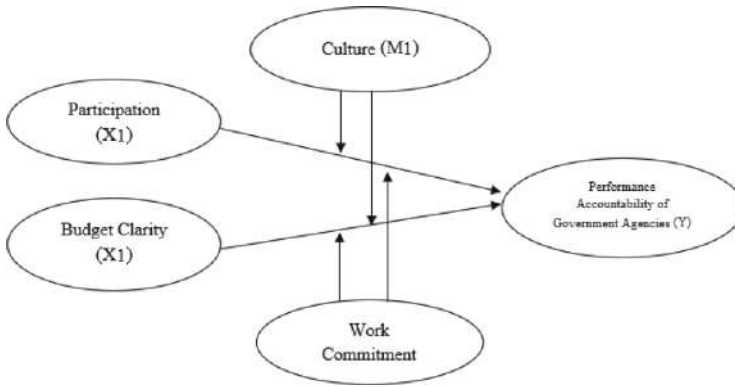
Fig. 1. Research Mode

The second characteristic is based on age, consisting of 4 groups of age ranges. The first group is aged between 41–51 years old with 32 respondents (37.21%) and this group has the most numbers. The second group is ranged between 31–40 years old with 27 respondents (31.40%), the third group is above 50 years old consisting of 14 respondents (16.28%), and the last group is ranged between 21–30 years old consisting of 13 respondents (15.12%). This characteristic exhibits that the apparatus age who is involved in managing the budget is dominated by the first group age which is 41–51 years old.

The third characteristic is based on education level, from the information presented by respondents there is three level of education, the first is a bachelor's degree consisting of 51 respondents (59.30%), a master's degree with 31 respondents (36.05%), dan the last is a diploma's degree with 4 respondents (4.65%). The spread of education level of apparatus presented that the bachelor's degree is dominantly involved in the budget management process.

Finally, the last characteristic is based on the length of service, from the data collected this characteristic can be categorized into 5 groups, the first group with 11–20 years of service consisting of 40 respondents (46.51%), the second group with 1–10 years of service consisting of 29 respondents (33.72%), the third group with 21–30 years of service with 15 respondents (17.44%), and the last group with the least members is respondents who have above 30 years of service consisting of 2 respondents (2.33%).

The test of validity on the question items of the questionnaires shows that the r-count is greater than the r-table, - and with df = 84 (86–2), meaning that the r-table is 0.2146, which can be drawn as a conclusion that all the questions items for measuring variables' research can be stated as valid (Table 1).

Based on data reliability testing results indicates that Cronbach's alpha value for each variable studied is above 0.70, these results indicate that every variable is reliable for conducting the study (Table 2).

The classical assumption test was performed before moderating regression analysis was conducted. The classical assumption test consists of a normality test, heteroscedasticity test, and multicollinearity test, and the results are shown in Table 3.

Table 1. Data Validity Test Result

No	Variable	Instrument Items	r-count	Information
1.	Local Government Agencies' Performance Accountability (Y)	Y.1	0.433	Valid
		Y.2	0.527	Valid
		Y.3	0.396	Valid
		Y.4	0.633	Valid
		Y.5	0.688	Valid
		Y.6	0.563	Valid
		Y.7	0.579	Valid
		Y.8	0.582	Valid
		Y.9	0.611	Valid
2.	Participation (X1)	X1.1	0.780	Valid
		X1.2	0.817	Valid
		X1.3	0.843	Valid
		X1.4	0.848	Valid
		X1.5	0.707	Valid
		X1.6	0.667	Valid
3.	Budget Clarity (X2)	X2.1	0.671	Valid
		X2.2	0.797	Valid
		X2.3	0.715	Valid
		X2.4	0.800	Valid
		X2.5	0.763	Valid
		X2.6	0.827	Valid
		X2.7	0.808	Valid
4	Culture (M1)	M1.1	0.677	Valid
		M1.2	0.697	Valid
		M1.3	0.713	Valid
		M1.4	0.611	Valid
		M1.5	0.574	Valid
		M1.6	0.583	Valid
		M1.7	0.675	Valid
		M1.8	0.660	Valid
		M1.9	0.554	Valid
		M1.10	0.558	Valid
		M1.11	0.590	Valid
		M1.12	0.404	Valid
5	Work Commitment (M2)	M2.1	0.821	Valid
		M2.2	0.827	Valid
		M2.3	0.884	Valid
		M2.4	0.862	Valid
		M2.5	0.714	Valid
		M2.6	0.738	Valid
		M2.7	0.878	Valid
		M2.8	0.880	Valid
		M2.9	0.839	Valid
		M2.10	0.847	Valid
		M2.11	0.775	Valid
		M2.12	0.802	Valid
		M2.13	0.848	Valid
		M2.14	0.875	Valid
		M2.15	0.868	Valid
		M2.16	0.895	Valid

Source: processed data, 2022

Table 2. Reliability of Data Test

Variable	Cronbach's Alpha	Reliability Limit	Information
Local Government Agencies' Performance Accountability (Y)	0.721	0.70	Reliable
Participation (X1)	0.861	0.70	Reliable
Budget Clarity (X2)	0.882	0.70	Reliable
Culture (M2)	0.799	0.70	Reliable
Work Commitment (M2)	0.970	0.70	Reliable

Source: processed data, 2022

Table 3. Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandard-ized Residual
N		86
Normal Parameters [a,b]	mean	.0000000
	Std. Deviation	.47101326
Most Extreme Differences	Absolute	.066
	Positive	.029
	negative	-.066
Test Statistics		.066
asymp. Sig. (2-tailed)		.200 [c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Source: processed data, 2022

The normality test resulted in the Kolmogorov-Smirnov value with Asymp. Sig. (2-tailed) is above $\alpha = 0.05$ thus the conclusion about the data is normally distributed. Figure 2 showed the heteroscedasticity test result.

The heteroscedasticity test's result as in Fig. 2 displays that the points are being randomly scattered, - do not shape in any specific pattern, and are being dispersed over the upper and under the area of zero points on the Y axis, that scattered pattern showed
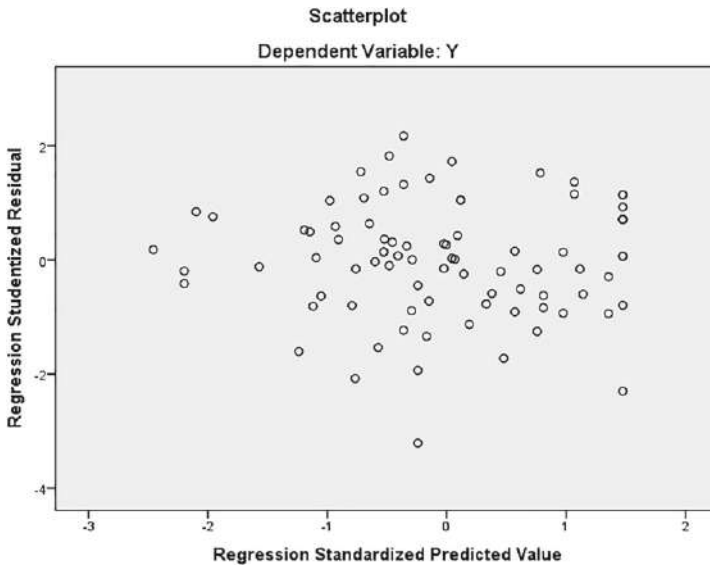
Fig. 2. Heteroscedasticity Test

Table 4. Regression Test Results

Independent Variable	Coefficient	t	Sig.	Information
Constant	1,685			
Participation (X1)	0.296	3.069	0.003	Significant
Budget Clarity (X2)	0.249	2.053	0.043	Significant

$\alpha = 5\% = 0,05$
R square $= 0,246$
F $= 13,521$ sig. 0,000.

Source: processed data, 2022.

that heteroscedasticity does not take place. Finally, the multicollinearity test's result shows that the VIF is no more than 10 and the tolerance value is no less than 0.1, which indicates multicollinearity does not occur (Tables 4, 5 and 6).

The hypothesis is tested with the three-stage test of the moderate regression analysis, and the results are as follows.

Table 5. Regression Test Results with Cultural Moderation Interaction

Independent Variable	Coefficient	t	Sig.	Information
Constant	5,870			
Participation (X1)	-0.888	-0.682	0.497	Not Significant
Budget Clarity (X2)	-0.301	-0.193	0.848	Not Significant
Culture (M1)	-0.721	-0.747	0.457	Not Significant
X1.M1	0.234	0.808	0.421	Not Significant
X2.M1	0.099	0.284	0.777	Not Significant

α = 5% = 0,05
R square = 0,395
F = 10,442 sig. 0,000.

Source: processed data, 2022.

Table 6. Regression Test Results with Moderation Interaction of Work Commitment

Independent Variable	Coefficient	t	Sig.	Information
Constant	2,623			
Participation (X1)	-0.151	-0.254	0.800	Not Significant
Budget Clarity (X2)	0.267	0.329	0.743	Not Significant
Work Commitment (M2)	-0.036	-0.050	0.961	Not Significant
X1.M2	-,091	0.556	0.580	Not Significant
X2.M2	-0.031	-0.131	0.896	Not Significant

α = 5% = 0,05
R square = 0,290
F = 6,544 sig. 0,000.

Source: processed data, 2022.

3.1   Ana the Participation's Effect on the Local Government Agencies Accountability Performance

The results of the direct influence test obtained a participation coefficient of 0.296 with a significance of 0.003 (<0.05), so it can be concluded that participation affects the accountability of government agency performance. The higher the participation of the apparatus during preparing the budget, the greater the accountability of the performance of the apparatus of government agencies. Brownell & McInnes (1986) stated that budgetary participation is individual participation in the form of behavior, work, and activities by government officials during the budgeting process.

3.2   The Budget Clarity's Effect on the Local Government Agencies Accountability Performance

The result of performing a direct influence test on budget clarity's effect obtained a value coefficient of 0.249 with 0.043 significance (0.05), and it can be concluded that budget clarity affects the local government agencies' accountability performance. It is can be stated that budget clarity can encourage officials to become responsible for each task given to attain target/targets on the budget that had been determined. Target achievement and budget performance in budget execution can be influenced by the budget implementation process (Anisa and Haryanto, 2022).

3.3   The Participation's Effect on the Local Government Agencies' Accountability Performance with Culture as a Moderating Variable

The test on the interaction variable between participation and culture resulted in a 0.234 coefficient value with a significance of 0.421 (sig 0.05) which can be drawn as a conclusion that cultural variables could not act as a variable on the participation variable's effect on the local government agencies' accountability performance. Thus, a strong organizational culture does not have a significant effect on individual behavior in budget participation.

3.4   The Budget Clarity's Effect on the Local Government Agencies' Accountability Performance with Culture as a Moderating Variable

The interaction variable between budget clarity and organizational culture generates a 0.099 coefficient value with a 0.777 (sig 0.05) significance, thus it can be stated that the organizational cultural variable could not act as a moderator variable on the budget clarity's effect on the local government agencies' accountability performance.

3.5   The Participation's Effect on the Local Government Agencies' Accountability Performance with Commitment as a Moderating Variable

The interaction variable between participation and work commitment produces a 0.091 coefficient value with a 0.580 (sig 0.05) significance, thus the conclusion that can be drawn is that the organizational commitment variable cannot moderate the effect of the participation variable in the local government agencies' accountability performance.

3.6 The Budget Clarity's Effect on the Local Government Agencies' Accountability Performance with Work Commitment as a Moderating Variable

The interaction variable between budget clarity and Work commitment produces a -0.030 coefficient value with 0.896 (sig 0.05) significance, which can conclude that the work commitment variable cannot moderate the budget clarity variable on the local government agencies' accountability performance. Work commitments have not been able to encourage officers who perceived that their budget targets are clearly defined to be more responsible. It can be said that budget clarity is already sufficient to encourage officials to work as well as possible and realize accountability for the performance of local government agencies.

4 Conclusion

Build upon the findings in this study, participation and budget clarity can significantly affect the local government agencies' accountability performance. Meanwhile, work culture and commitment have not shown any moderating influence on the effect of participation and budget clarity on the local government agencies' accountability performance. Thus, for further research, other factors can be considered in assessing in finding variables that can affect the government agencies' accountability performance.

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Improvement of Organizational Citizenship Behavior and Employee Performance Based on Transformational Leadership and Organizational Culture

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Abstract. Organizational citizenship behaviour and employee performance are two important things that must be a concern in every organization. Organizational citizenship behaviour is the behaviour of employees in completing work that usually exceeds the SOP. With OCB owned by employees, the performance of an organization can increase. This paper aims to determine the impact of transformational leadership and organizational culture on organizational citizenship behaviour and employee performance. The population in this study were all employees at the General Section of the Regional Secretariat of Jember Regency with a total of 98. The sampling method used the saturated sample method and obtained a total sample of 98 employees. Descriptive analysis is used to describe respondents and research variables. Validity test and reliability test are used as testers for measuring instruments in research. To determine the impact of the independent variable on the dependent variable using Structural Equation Model (SEM) analysis with WarpPLS version 6.0. The results of the analysis show that: transformational leadership has a positive impact on organizational citizenship behaviour; organizational culture variables have an impact on organizational citizenship behaviour; transformational leadership has an impact on employee performance; organizational culture has an impact on employee performance; organizational citizenship behaviour has a positive impact on employee performance at the General Section of the Regional Secretariat of Jember Regency.

Keywords: Transformational Leader · Organizational Citizenship Behavior · Employee Performance

1 Introduction

Human resources are important assets and act as the main driving factor in the implementation of all agency activities or activities, so they must be managed properly through Human Resource Management (HRM) [1]. Organizational goals can be achieved by employee behavior in the workplace or it can be said by performance as the application

of skills, abilities, and knowledge as a form of contribution to the organization. Organizational goals can be achieved if all employees have a great responsibility for their work. Work that is done well will improve the performance of employees in the company or organization. According to [2] performance is a condition that must be known and confirmed to certain parties to find out the level of achievement of the results of an agency or organization. Another expert opinion, namely [3] said performance is the willingness of a person or group of people to carry out activities or perfect it in accordance with their responsibilities with the results as expected. Performance can also be defined as the work of an employee during a certain period usually within one year about all activities that exist in an organization or agency. Many factors can make an employee's performance increase. Factors include leadership, organizational culture, and organizational citizenship behavior.

Leadership is the ability possessed by a leader to influence others (employees) [4]. According to [5] transformational leadership is able to unite all his subordinates and be able to change the beliefs, attitudes, and personal goals of each subordinate in order to achieve the goals. [6] argues that leadership or leadership is a process of influencing the behavior of others in order to behave as desired.

This leadership is very closely related to the performance of an employee. Leaders who can set examples and good examples, employees will imitate all actions taken by their leaders. A good leader's actions will be imitated by, and vice versa the actions of a bad leader will be imitated as well. Thus, for employee performance in accordance with the company's plans and targets, a leader must be able to provide a good example. Research on leadership and performance has been raised in a study with different objects and different results. Some of the studies include: [7–17] states that leadership has an impact on employee performance. Other research that also discusses the issue of leadership relations with performance, among others, was carried out by: [18–34] the result is that good leadership that gives an example can improve employee performance in a company. There are still some studies that participate in discussing leadership issues with performance are: [7, 8, 12, 35–56] states that leadership affects employee performance. Whereas research stating that leadership has no effect on employee performance is carried out by: [57–61].

Organizational culture is norms that are accepted together and adhered to by the majority of the organization [62]. According to [63], organizational culture is a basic thinking pattern taught to new personnel as a way to feel, think and act correctly from days. According to [64], organizational culture refers to the shared meaning system adopted by members who distinguish the organization from other organizations. This organization will respect the shared meaning system that has been agreed upon by all individuals who are members of the organization. Organizational culture is derived from the behavior that has been carried out and carried out by every company that can improve the performance of its employees. Organizational culture must be determined and practiced to improve the performance of employees in the company or organization. Therefore, the relationship between the culture of organization and employee performance usually goes hand in hand. The results of research on the influence of organizational culture on performance are still inconsistent or the results are still different between one researcher

and another. Research conducted by: [11, 21–24, 40, 53, 60, 65–88] states that organizational culture has an impact on employee performance. The results of research stating that organizational culture has no effect on performance is carried out by: [12, 34, 89].

OCB or Organizational Citizenship Behavior usually refers to the behavior of an individual who has a positive impact on his organization where these employees are sheltering. According to [90] the free and spontaneous behavior of individuals produced from the character of a person or the character of work or organization, also comes from relationships with coworkers, subordinates, and superiors. OCB can also increase employee performance. With employees have a good OCB, the performance will be completed in a timely manner. Research on OCB and performance with positive results, among others, was carried out by: [7, 91–110]. While the study stated that OCB had no effect on employee performance was carried out by: [11] and [111].

Very large employee responsibility for his work and sometimes exceeds the specified SOP it can be said that the employee has an OCB (Organizational Citizenship Behavior). OCB or Organizational Citizenship Behavior usually refers to the behavior of an individual who has a positive impact on his organization where these employees are sheltering. According to [112] the free and spontaneous behavior of individuals produced from the character of a person or the character of work or organization, also comes from relationships with coworkers, subordinates, and superiors. Many factors can increase OCB from an employee, including leadership, organizational culture.

Leadership is the ability possessed by a leader to influence others or employees [113]. According to [5] transformational leadership is able to unite all his subordinates and be able to change the beliefs, attitudes, and personal goals of each subordinate in order to achieve the goals. Good leadership is a leadership that can give examples to their subordinates, so that subordinates will work according to SOP and can even exceed SOP. Thus, if the leaders can give a good example, their subordinates will also behave well too. Research on the relationship between leadership and OCB has been carried out a lot of which results still have some controversy. Research on the relationship between leadership and OCB with positive results was carried out by: [114–124].

According to [125] the meaning of organizational culture is a system of shared values, beliefs, and habits that exist in an organization or institution that interact with its formal structure to create norms for the daily behavior of all members. Meanwhile, according to [90], organizational culture can be said as a system of shared meaning held by each member that distinguishes an organization from other organizations. Thus, each organization has a different culture in accordance with mutually agreed terms. Organizational culture is formed in order to support the achievement of organizational goals that can be achieved from the performance of its employees. A good culture that has been mutually agreed upon will encourage employees to work even harder and even exceed the SOPs that have been made. Thus, there is a link between organizational culture and OCB owned by employees. Research that connects organizational culture with employee OCB, among others, is carried out by: [126–140] whose results state that organizational culture can improve employee OCB. Meanwhile research [141] states that organizational culture has no effect on employee OCB.

Based on the theory about the concepts that are used as the basis in this research, namely leadership, organizational culture and OCB as well as employee performance as
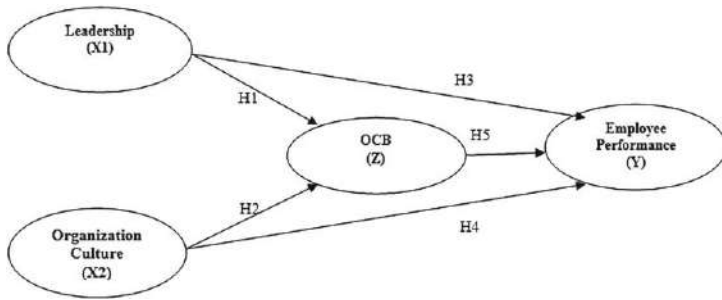
Fig. 1. Conceptual Framework.

well as the results of previous studies, the hypotheses in this study and the conceptual framework of the study are presented in Fig. 1.

Hypothesis one (H1): If leadership is good, OCB will increase.
Hypothesis two (H2): Organizational culture influences OCB.
Hypothesis three (H3): Leadership has an impact on employee performance.
Hypothesis four (H4): Organizational culture influences employee performance.
Hypothesis five (H5): OCB can improve employee performance.

The General Section of the Jember Regency Secretariat has the function of preparing leadership and general administrative affairs; carry out the financial administration affairs of the regent and deputy regent, regional secretary, assistant and expert staff; carry out official travel for the regent and deputy regent, regional secretariat, assistants and expert staff; carry out the household affairs of the regent and deputy regent as well as the regional secretary; manage part of the regional wealth; preparation of accountability reports on the implementation of tasks. Currently, the community demands excellent service that is carried out by all agencies in the district government. For government organizations such as the General Section of the Jember Regency Secretariat, human resources are an asset that can be optimized to realize good and clean governance. The problems that occur in the General Section of the Jember Regency Secretariat are described as set out in Table 1.

Based on the data presented in Table 1., regarding the identification of problems based on the duties and functions of the General Section of the Regional Secretariat of Jember Regency, it can be seen that it has not yet achieved the expected program realization targets in every aspect of the study contained in the General Section of the Jember Regency Regional Secretariat. Based on the problems found in the research object, namely the OPD performance target has not yet been achieved, and the results of research that there are still inconsistencies between one research and another, the question in this study is how to improve employee performance based on OCB, leadership and organizational culture in the General Section. Regional Secretariat of Jember Regency. Based on theoretical studies and research that has been done and the problems faced by the General Section of the Regional Secretariat of Jember Regency, this paper aims to

Table 1. Identification of Common Part Problems Regional Secretariat of Jember Regency.

No	Aspects of Study	OPD Service Problems	100% Realization Target
1	Preparation of administrative affairs for leadership and general administration	Service that is not optimal	90%
		Weak accountability of government performance	85%
2	Implementation of financial administration affairs of the Regent and Deputy Regent, Regional Secretary, Assistant and Expert Staff	There are still external parties who do not support the implementation of the apparatus' duties	80%
3	Implementation of official travel affairs of the Regent and Deputy Regent, Regional Secretary, Assistant and expert staff	Not yet created a good work culture and support the implementation of tasks optimally	90%
4	Implementation of household affairs of the Regent and Deputy Regent, Regional Secretary, Assistant and Expert Staff	Service that is not optimal	80%
5	Management of some regional wealth	Lack of promotion and improvement of service facilities	80%
6	Preparation of accountability reports for the implementation of tasks	Weak accountability of government performance	90%

Source: General Section of the District Secretariat. Jember, 2022

determine the impact of transformational leadership, organizational culture on employee performance OCB at the General Section of the Regional Secretariat of Jember Regency.

2   Research and Method

The design of this research cites the opinion [142] which states that understanding is obtained from the evidentiary process developed from knowledge based on the results of solving problems and identifying systematic data with certain analytical techniques. This study uses a descriptive and quantitative approach. The variables of this study were categorized into three types of variables, including exogenous variables, namely transformational leadership (X1), organizational culture (X2), then the intervening variable, namely OCB (Z) and endogenous variables, namely employee performance (Y). The sample in this study used the entire population, namely all employees of the General Section of the Jember Regency Regional Secretariat as many as 98 respondents. Validity test and reliability test to test the research measuring instrument. Hypothesis testing was carried out by SEM analysis with WarpPLS version 6.0.

3 Results

3.1 Results of the Analysis of Respondents Characteristic

Based on the results of descriptive statistical analysis, it is known that of the 98 employees as respondents who were sampled, 64.3% or as many as 63 consisted of men and 35.7% or as many as 35 women, which means that the number of male respondents is more than respondents. woman. Based on descriptive statistical calculations based on the education of the employees of the General Section of the Regional Secretariat of Jember Regency, respondents have a master's education qualification of 8.2% or as many as 8 people, respondents have an undergraduate education qualification of 91.8% or as many as 90 people. The results of the calculation on the basis of group obtained the results that the number of respondents who had the rank and class of coach/IVa was 1 person or 1.0%, the number of respondents who had the rank and group of Tk.I/IIId stylists were 20 people or 20.4%, the number of respondents who have the rank and class of stylist / III c are 28 people or 28.6%, the number of respondents who have the rank and class of TK I / III b is as many as 24 people or 24.5% and the number of respondents. the number of respondents who have the rank and group of Young Arrangers / III a are as many as 25 people or 25.5%.

3.2 Results from Outer Model Evaluation

Validity Test and Reliability Test

Based on the results of calculations with WarpPLS version 6.0 which is presented in Table 2, it shows that each value in the cross-loading factor has reached a value above 0.7 with a p value below 0.05. Thus, the convergent validity test criteria have been met (Table 3).

The reliability test uses the value of composite reliability coefficients and Cronbach's alpha coefficients with the criterion value being above 0.7. The results of the reliability test presented in Table 4 show that the questionnaire instrument in this study has met the requirements of the required reliability test.

3.3 Inner Model Evaluation

Research hypothesis testing is done by looking at the path coefficients on each path which is part of the model with path analysis. This hypothesis test examines each path, both direct and indirect effects. The results of the direct influence hypothesis test are presented in Table 5.

Table 2. Validity Test Calculation Results.

	X1	X2	Z	Y	Type (a	SE	P-value
X1.1	0.8080	0.1680	0.1480	-0.1300	Reflect	0.0810	<0.001
X1.2	0.8500	0.1070	0.0040	0.0650	Reflect	0.0800	<0.001
X1.3	0.8750	-0.1260	-0.0180	-0.0840	Reflect	0.0790	<0.001
X1.4	0.8310	-0.1400	-0.1290	0.1490	Reflect	0.0800	<0.001
X2.1	0.2110	0.8150	-0.0540	-0.2290	Reflect	0.0810	<0.001
X2.2	0.1910	0.8480	0.0870	-0.1600	Reflect	0.0800	<0.001
X2.3	0.0780	0.8470	0.0430	0.0280	Reflect	0.080	<0.001
X2.4	-0.1850	0.7660	-0.1780	0.3240	Reflect	0.0890	<0.001
X2.5	-0.4140	0.7570	0.0240	0.1950	Reflect	0.0820	<0.001
Z1	0.1050	-0.2090	0.7990	-0.1460	Reflect	0.0810	<0.001
Z2	0.1810	-0.0630	0.8190	-0.0720	Reflect	0.0810	<0.001
Z3	0.3650	-0.1250	0.7210	-0.0010	Reflect	0.0850	<0.001
Z4	-0.2760	0.2270	0.7770	-0.0560	Reflect	0.0820	<0.001
Z5	-0.3250	0.1590	0.7520	0.2920	Reflect	0.0820	<0.001
Y1	0.2340	-0.1250	0.1140	0.8450	Reflect	0.0800	<0.001
Y2	0.2440	-0.2490	0.0750	0.7930	Reflect	0.0810	<0.001
Y3	0.2100	0.1020	-0.1450	0.7540	Reflect	0.0820	<0.001
Y4	-0.1250	-0.0430	-0.0770	0.7480	Reflect	0.0820	<0.001
Y5	-0.2320	0.2990	-0.1710	0.7050	Reflect	0.0830	<0.001
Y6	-0.4510	0.0730	0.2030	0.7510	Reflect	0.0840	<0.001

Table 3. Results of Research Reliability Test.

Variable	Composite Reliability	Cronbach's Alpha
Leadership	0,9060	0,8620
Organization Culture	0,8680	0,8070
OCB	0,8690	0,8100
Employee Performance	0,8860	0,8440

Table 4. Value of Direct Effect Path Coefficient.

No	Hypothesis	Path Coefficients	P values	Information
1	Leadership → OCB	0,1610	0,0310	Significant
2	Organization Culture → OCB	0,2090	0,0330	Significant
3	Leadership → Employee Performance	0,1720	0,0360	Significant
4	Organization Culture → Employee Performance	0,2330	0,0080	Significant
5	OCB → Employee Performance	0,338	0,0010	Significant

4 Discussion

4.1 The Influence of Leadership on OCB

The results of statistical calculations show that the coefficient value for the transformational leadership variable is 0.161 with a p value of 0.031. Thus, the first hypothesis which says that leadership has an effect on OCB is accepted (H1 is accepted) and H0 is rejected. Thus, it can be concluded that transformational leadership has a significant effect on OCB for employees of the General Section of the Jember Regency Regional Secretariat. This could be due to indicators of transformational leadership that have an impact on OCB. The dimensions of leadership are: ideal influence, inspirational motivation, intellectual stimulation and individual consideration. The results of this study are in accordance with the theories that support, while in this study there are significant similarities with previous research conducted by: [114–124] which states that leadership has an effect on OCB.

4.2 The Influence of Leadership on OCB

The results of statistical calculations show that the coefficient value for the organizational culture variable is 0.209 with a p-value of 0.033. Thus, the second hypothesis which says that organizational culture has an effect on OCB is accepted (H2 is accepted) and H0 is rejected. Thus, it can be concluded that organizational culture has a significant effect on OCB for employees of the General Section of the Jember Regency Regional Secretariat. This could be due to indicators of organizational culture that have an impact on OCB. The dimensions of organizational culture are: innovation and courage to take risks, attention to details, work results orientation, organization member orientation and team orientation. The results of this research are in accordance with the supporting theories, while in this study there are significant similarities in results with previous research conducted by: [126–140]. While this research is not supported by research [141] states that organizational culture has no effect on employee OCB.

4.3 The Effect of Leadership on Employee Performance

The results of statistical calculations show that the coefficient value for the transformational leadership variable is 0.172 with a p-value of 0.036. Thus, the third hypothesis (H3) which says that leadership affects employee performance is accepted (H3 is accepted) and H0 is rejected. Thus, it can be concluded that transformational leadership has a significant effect on employee performance at the General Section of the Jember Regency Regional Secretariat. This could be due to indicators of transformational leadership that have an impact on employee performance. The dimensions of leadership are: task demands, effort or energy, performance, working conditions, use of working time, targets to be achieved and work environment. The results of this study are in accordance with the supporting theories, while in this study there are significant similarities with previous research conducted by: [7, 8, 12, 35–42], which states that leadership has a significant effect on employee performance.

4.4   The Effect of OCB on Employee Performance

The results of statistical calculations show that the coefficient value for the OCB variable is 0.338 with a p value of 0.001. Thus the fifth hypothesis (H5) which says that OCB has an effect on performance is accepted (H5 is accepted) and H0 is rejected. Thus, it can be concluded that OCB has a significant effect on the performance of the employees of the General Section of the Jember Regency Regional Secretariat. This could be due to OCB indicators that have an impact on performance. The results of this study are in accordance with the supporting theories, while in this study there are significant similarities with previous research conducted by: [40, 65–77] which states that OCB has an impact on employee performance.

5   Conclusions and Recommendations

Based on the theory and the results of previous research as well as the results of statistical calculations, the conclusions in this study can be described as follows: the first conclusion is that transformational leadership has a positive and significant effect on OCB in the General Section of the Jember Regency Regional Secretariat. The second conclusion is that organizational culture has a positive and significant effect on OCB in the General Section of the Jember Regency Regional Secretariat. The third conclusion is that transformational leadership has a positive and significant effect on the performance of employees of the General Section of the Jember Regency Regional Secretariat. The fourth conclusion is that organizational culture has a positive and significant effect on the performance of the employees of the General Section of the Jember Regency Regional Secretariat. The fifth conclusion is that OCB has a positive and significant effect on the performance of the employees of the General Section of the Regional Secretariat of Jember Regency.

The suggestions that can be given based on the results of the study are as follows: the first suggestion is that the variable that affects the lowest performance is transformational leadership. The leadership of the General Section of the Regional Secretariat of Jember Regency, needs to improve the ability to communicate high expectations, and inspire subordinates to achieve organizational goals because it is the lowest perceived indicator by employees of the General Section of the Jember Regency Regional Secretariat. The second suggestion is that for future research it is recommended to consider other factors that also influence Organizational Citizenship Behavior (OCB) and employee performance such as work culture, and leadership in general. As well as employee motivation. The third suggestion is that further research can also expand the research orientation to a larger scope of organization or a wider population.

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Analysis of the Effect of Influencer and Social Media Engagement on Sales Level with Brand Image as Intervening Variable(Study on the Coffee Industry in Banyuwangi)

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Abstract. In the time of the new coronavirus infection pandemic, businesses try new symbols, such as drinking a bottle of coffee from stock at home, to apply influencers as a promotional tool. They also need to build social media engagement for each cafe to improve communication with customers. In order to improve the communication interactions with consumers, businesses utilize Instagram. This study aims to study the extent of effects influencer and social media engagement have on sales level. This study is quantitative, using survey to 108 respondents in the coffe industry in Banyuwangi. The results showed that Influencer, brand image, social media engagement, and sales level had a significant positive effect on each other.

Keywords: influencer · brand image · social media engagement · sales rate

1 Introduction

Going to cafes became a habit, and in everyday life, everyone became a culture. In particular, income and human relations are always on the rise. The growth prospects of cafes and coffee shops are estimated to increase by 10–15% [1]. This has further facilitated the establishment of coffee shops and cafes in Indonesia, as evidenced by the increase from 1,083 outlets in 2016 to more than 3,000 outlets in 2019, a threefold increase. Because there is [1]. In the midst of increasingly fierce competition, many cafes are competing to create corporate marketing strategies and innovations that are expected to attract as many visitors as possible. This is where it is important for every business to be able to create a marketing innovation strategy that most companies try to develop marketing strategies to win the competition to increase the number of visitors and get as many visitors as possible. To help businesses reach their target market as effectively as possible, each strategy must be complemented by the marketing tools businesses think are best for their company.

Today's latest promotions don't just mean selling high-quality products, selling products at low prices, or placing products that are easy for consumers to use. Because the competition is getting tougher. This is similar both in the food and drinks served, the

atmosphere served or the characteristics of the cafe that can encourage competition, and can be seen from the many cafes that offer various other advantages. One of the advantages of cafes that can affect competition is how they utilize technology. As technology develops, competition is getting tougher. According to Levitt in Kotler (1997), new competition is more important for companies to package, serve, advertise [2].

Business competition in the business world encourages companies to become winners in business competition if they can attract as many customers as possible. Of course, if a company can attract as many customers as possible, it can generate large profits [3].

In this increasingly competitive world, one way to get customers is to meet their needs from time to time. Various theories of consumer behavior and marketing state that human needs are influenced by motives and external cultural, social, and economic factors. This competitive phenomenon is increasingly changing the Indonesian economic system towards a market mechanism, enabling marketers to continue to grow and gain market share. One of the assets to achieve this condition is the brand.

Today, consumer preferences are becoming increasingly important for the market to offer goods and services in terms of quality, brand, packaging and price, as well as the services provided. This allows businesses to tailor their products to consumer tastes, enabling businesses to increase sales, increase customer loyalty and, in some cases, create new customers., the coffee lifestyle (slack while drinking coffee) is on the rise [4]. There are many cafes and farms that are starting to think about consumer tastes. This encourages the Banyuwangi coffee industry.

According to data from the Central Statistics Agency (BPS), Banyuwangi has consistently ranked in the top five coffee-producing regions in 38 East Java prefectures and urban centers over the past few years. For example, in 2010, coffee production in Banyuwangi was 2,917 tons of the total coffee production in East Java of 56,200 tons. On the other hand, in 2017, Banyuwangi was chosen as the best coffee producing area in East Java. At that time Banyuwangi coffee production was 13,839 tons. In the same year, the total coffee production in East Java was 65,414 tons. On the other hand, according to the latest data released by the Banyuwangi Agriculture and Food Service (Disperta-Pangan), Banyuwangi coffee production in 2019 again increased to 16,340 tons. Most of the production is due to the efforts of people. Coffee yields reached 10, 422 tons. While remaining,

Coffee production continues to grow, one of which is influenced by the number of cafes selling specialty coffee products, and farmers being actively involved in coffee production. From this it can be seen that Banyuwangi coffee connoisseurs tend to increase, and the taste is divided. Preferences are formed by the consumer's mindset based on several reasons for previous experiences. Consumers are satisfied with their purchases and deserve to consume the products purchased. Consumers continue to use or use the product when the consumer's expectations for the product are realized or when the consumer feels comfortable staying in that place for a long period of time. The services provided create satisfaction and affect customer loyalty.

One of the positive images is formed from good communication with consumers. One way of communicating to reach consumers directly is through social media. Social media is a place where people can interact online without any limitation of place or time. Social media has a huge impact on social change in society, especially among

millennials. Internet users aged 15 to 19 years in Indonesia reached 91%, followed by 88.5% between 20 and 24, 82.7% between 25 and 29, 76.5% between 30 and 34, and 68.5 between 35 and 39.,% [23].

Influence is the ability to influence and change one's opinions and actions [5]. In the current era of the industrial revolution, the rapid development of technology has made it easier for individuals to influence many people on various media and platforms and social networks. Sites, also known as social networking sites (SNSs) or social networks, have been defined as web-based services that allow any user to build social relationships through cyberspace [6].

In the era of the Industrial Revolution, everyone can be noticed by many people because anyone can influence many people and become a trend setter. This is often referred to as the concept of micro-celebrity, a new online performance style that is gaining popularity through web technologies such as videos, blogs, and social networking sites [7]. People's consumption patterns. A lifestyle that pays more attention to prestige makes people focus on the styles that are currently popular because of the social media influencer. The general consumption of products promoted by social media influencers has a significant impact on the growth of the digital economy. This is supported by trust in social media which reached 51% in 2018 [8].

Purchase decisions are steps that consumers take after considering buying goods and services. However, there are several factors that help consumers make purchasing decisions. One of them is situational factor. Therefore, timing preferences and purchase intentions do not always lead to actual purchases. The 2020–2019 Covid pandemic caused the coffee industry to decline. The Ministry of Industry said the current decline in coffee sales was between 50–90% due to pressure from the current COVID-19 pandemic (BPS, 2021). This is due to restrictions on the movement of people, such as cafes, restaurants and coffee shops being forced to close due to lack of visitors, or the effects of lockdowns in the exporting country.

Based on the previous survey, there is a strong correlation between branding carried out by social media for the influencer and promotions carried out by the influencer on consumers' buying motivation by 89.7%. [9]. Because of this high level of influence, many companies use influencers to increase engagement with the products they sell. Based on the credibility, communication skills, and high global interest in influencers observed from a large number of followers on social media, the attraction caused by influencers can increase the level of product awareness and marketing to the wider community.

In times of the novel coronavirus infection pandemic, businesses should try new symbols, such as drinking a bottle of coffee from stock at home, to apply influencers as a promotional tool. Businesses should also build social media engagement for each cafe to improve communication with customers. If businesses improve their communication interactions with consumers, one of them is Instagram. According to Kotler (2002), the impression of a good product can affect consumer perceptions, and the fact that the impression appears affects consumers' purchase intentions on the image displayed by the product itself [2]. This is widely known.

2   Method

This investigative method uses quantitative methods. In this quantitative research, the researcher formulates a new problem by identifying it through a hypothesis. This is a provisional answer to the research question formulation. The quantitative research method by Given (2008) is a substantive research approach to collect, analyze, and present data in numerical form, not in narrative form.

This research was conducted in the coffee industry of Banyuwangi Province. This survey, which was conducted from January 2021 to July 2021, provides an overview of the impact of influencers and social media engagement on sales levels through brand image, which was updated from 2020.

Population is the extension or range of properties of each item under investigation. For example, the number of certain qualities of some people with similar qualities to that person. A public is a collection of all components (individuals, opportunities, items) that can be used to achieve various goals. In this survey, this survey was conducted within the scope of the Vanuwani coffee industry, so that the public are all buyers of the Banyuwangi coffee industry.

The sample is part of the population obtained or determined according to certain characteristics and techniques. To obtain the characteristics of a population, the sample must truly represent the population. Therefore, a representative study should be carried out using the procedure used to select a subset of the sample. Businesses can get samples like population characteristics. Given the large population and limited research time and costs, sampling should be limited. The sampling technique used is simple sampling.

According to Hair, Anderson, Tatham, & Black, (2010), it is suggested that if the sample size is too large, it is difficult to get a suitable model and the appropriate sample size can be used between 100–200 respondents. Structural equation model (SEM) was used to estimate the analysis. Based on 2,160 coffee industry consumers as of February 2021, the sample size was taken using the opinion of Sugiyono (2013) that the determination of the ideal sample ranges from 5% to 10% of the total sample. So, this survey uses $5\% * 2160 = 108$ respondents.

We use Sugiyono's opinion because the number of respondents is a discrete variable, so rounding is done. This of course depends on the size of the SEM sample by using an estimation model using the minimum maximum likelihood (ML) method which requires 100 samples (Ghazali, 2011).

3   Result

3.1   Calculate Direct Effect Path Coeffcient

This section uses a review method to present all the model segmentation methods. All of the methods tried demonstrated a direct and seamless impact of the force to be reckoned with (X1) and commitment to web-based entertainment (X2) on brand image (Z) and transaction rate (Y). Espresso industry in Banyuwangi Prefecture. Knowing whether all methods is a big answer whether the proposed guess is accepted or rejected. All the methods I tried to solve the guesswork in this review. How the coefficient values are displayed in the attached table:

Table 1. Table Value of Direct Effect Path Coefficient

no.	theory	path coefficient	- score	notes:
One.	X1 → Z	0.173	0.032	sign
2.	X2 → Z	0.442	0.001	sign
3.	X1 → yo. This	0.411	0.001	sign
4.	X2 → yo. This	0.218	0.009	sign
5.	Z → yo. This	0.356	0.001	sign

a. Effect of influencer (X1) on brand image (Z)

   Based on Table 1, it can be seen that when testing the influencer variable (X1) brand image, the path coefficient value is 0.173 and the value - is 0.032. Because the value is smaller than (0.032 < 0.05) then H0 is rejected and has a big effect on influencer (X1) on brand image (Z).

b. The effect of social media engagement (X2) on brand image (Z)

   Based on Table 1, in testing the social media engagement variable (X2) on brand image (Z), it can be seen that the path coefficient value is 0.442 and the value is -0.001. Because the value is smaller than (0.001 < 0.05), H0 is rejected and has a significant effect on social media engagement (X2) on brand image (Z).

c. Effect of influencer (X1) on sales (Y)

   Compared to Table 1, if businesses examine the influencer variable (X1) on the level of sales (Y), businesses can see that the path coefficient value is 0.411 and the value is -0.009. H0 is rejected because its value is smaller than (0.001 < 0.05). So, influencer (X1) has a big influence on the level of sales (Y).

d. Effect of Social Media Engagement (X2) on Sales Level (Y)

   In Table 1, if businesses test the social media engagement variable (X2) on the level of sales (Y), businesses can see that the path coefficient value is 0.218 and the value is -0.001. H0 is rejected because its value is smaller than (0.009 < 0.05). So social media engagement (X2) has a significant effect on the level of sales (Y).

e. Effect of Brand Image (Z) on Sales (Y)

   Based on Table 1, if businesses test the brand image variable (Z) on sales (Y), businesses can see that the path coefficient value is 0.356 and the value is -0.001. H0 is rejected because the -value is smaller than (0.001 < 0.05). So, their brand image (Z) has a big impact on their sales rate (Y).

3.2   Indirect Influence Path Effect

The circuit crash test ended with a rough look at the results of the route attempted. Perhaps the impact on the detour would be very large and insignificant if all the paths traversed were important. By the way, the backhand effect shouldn't be significant. Coefficients of roundabout collision are given in Table 2.

Based on the results of the calculation of the pass coefficient is as follows.

Table 2. Table Indirect influence path coefficient

variable Free	variable jump	*directly*	*indirect*	Amount.	Information
X1	yo. This	0.411	0.062	0.473	important
X2	yo. This	0.218	0.158	0.375	important

a. The amount of influencer influence (X1) on sales (Y) is 0.473, direct influence is 0.411 and indirect influence is 0.062.
b. The total effect of social media engagement (X2) on sales (Y) is 0.375, the direct effect is 0.218, and the indirect effect is 0.158.

The effect of the power generation anomaly (X1) on the trading level variable (Y) through the intervention brand image variable (Z) 0.062 is more important than the direct effect on the power trading level considered in the variable (X1). Worth it. The variable (Y) is 0.411. In contrast, the broad impact of the web-based entertainment commitment variable (X2) fair trade (Y) through the median brand image variable (Z) of 0.158 is simpler than the direct impact of the virtual entertainment variable. Commitment (X2) to the dildo variable (Y) is 0.218. Thus, power generation (X1) and commitment to web-based entertainment (X2) affect the level of trade (Y) through brand image (Z) with a modest rather than direct impact. Tend to be expressed.

In the estimation above, the most rational independent factor influencing the brand image variable (Z) is the promise of web-based entertainment (X2), which is 0.218.

3.3   Model Stuctural

The guesswork test depends on the sequelae of the investigation of the PLS SEM model, including all factors that support theory testing. The PLS model that uses brand image variable options as a parameter understands that variable options offer additional promise to clarify trading levels.

3.4   Effect on Brand Image

Given the strength of the sequelae test variable on brand image, the coefficient has a value of 0.173 and a value of 0.001. - Because the rating is simpler (0.001 < 0.05), then H0 is rejected and there is a big influence on the power of judgment on the brand image of the Banyuwangi espresso business. Rules checked or H1 allowed. This may be due to the perspective related to the powerhouse that influences the brand image. Strengths considered in the angle include item upgrades, item transformations, item styles, and item planning.

In this study, Seo and Park (2018) explained that marketing through social media using active and aggressive influencers can contribute to the creation of brand image value, and social media marketing activities using influencer-specific influencers. It is important for consumer brand awareness, brand image and brand loyalty. In addition,
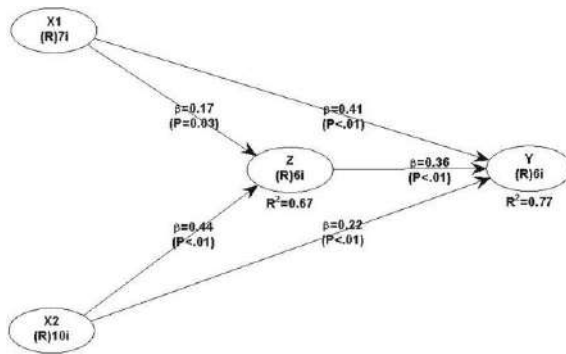
Fig. 1. Model structural

a study by Kristen and Dharmayanti (2017) found that social media marketing with influencers affects brand image. Several other studies have shown that social media marketing affects brand image (Bilgin, 2018; Perera and Perera, 2016; Wijaya and Putri, 2013).

3.5 Impact of Social Media Engangement on Sales Levels

Based on the results of the quadratic test of the web fair and trade-based entertainment commitment variable, the coefficient value is 0.218 and is 0.009. - H0 is rejected because pride is simpler than (0.009 < 0.05), and commitment to virtual entertainment has a significant effect on transaction rates. Therefore, the fourth conjecture that online entertainment commitment affects the level of espresso business transactions in the Barnuwangi regime is verified or accepted H4. This may be due to views related to the response of online entertainment, which has several trading options for the espresso business in the Barnuwangi regime. For this situation, if the Banyuwangi Government's espresso business has a large virtual entertainment commitment,

Virtual entertainment engagement has been shown to have a significant impact on brand image. Promotion of virtual entertainment can include explicit strategies, such as making drawing fun. It can also incorporate the momentum of a broader brand push, such as talking to individuals. There are four components that pave the way for the advancement of online entertainment advertising. Creating concrete content, sharing content, building interfaces and local realms. This, according to Gunelius (2011), facilitates direct transactions by sharing substance and the last option can expand brand mind fullness, brand image, and brand immobility.

3.6 Impact of Brand Image on Sales

Based on testing the Brand Image variable at the level of sales, the coefficient value is 0.356 and the value - is 0.001. Because the -value is smaller than (0.001 < 0.05), H0 is rejected and brand image greatly affects the level of sales. Therefore, we confirm or accept H5 if the fifth hypothesis that brand image affects the sales level of the Vanuwangi

coffee industry is true. This can happen in terms of brand image related to the sale of the coffee industry in Banyuwangi Province.

Brand image has a huge impact on consumer purchasing decisions. The popularity of a company and its ability to respond to consumer needs determine the world's impression of the company's image. Companies with a good product brand image tend to be preferred and more acceptable than companies with a bad brand image or a neutral brand image. A company's brand image often helps consumers make purchasing decisions when they have no experience or product knowledge.

3.7 The Influence of Brand Image on Influencer Sales Rate

Given the sixth conjecture, the forces that must be considered affect the level of transactions through brand image. The results obtained show the indirect effect of the force (X1) on various degrees of trade (Y). This value needs to be considered more than the direct effect of the power plant variable (X1) on the dildo variable (Y) of 0.411.

The number of influencers (X1) on the level of sales (Y) is 0.473, the direct influence is 0.411, and the indirect effect is 0.062. This finding follows the findings of [22]. According to [22], influencers are parties who can identify the main communications that tend to give opinions about a product or product. Sales increase because businesses provide a service and have the power to influence other people's buying decisions. This can happen because marketing influencers have the right image to consistently build communication with their followers and improve the brand image of the products they offer. The marketing influencer variable increases and so does the purchasing decision variable, creating a one-way relationship.

3.8 Effect of Social Media Engangement Sales Rate by Brand Image

According to the seventh hypothesis, social media involvement affects the level of sales through brand image. Testing and data analysis showed that the indirect effect of the social media involvement variable (X2) on the level of sales (Y) through the brand image intervention variable (Z) was 0.158, greater than the direct effect. Set (X2) the social media involvement variable to the level of the sales variable (Y) of 0.218.

The total effect of social media engagement (X2) on sales (Y) is 0.375, the direct effect is 0.218, and the indirect effect is 0.158. It can be concluded that social media engagement in the Banuwangi coffee industry affects brand image and sales levels. Thus, social media involvement can indirectly affect the level of sales through brand image. When the Vanuwangi coffee industry succeeds in social media engagement, it enhances its brand image and increases sales.

4   Conclusion and Recommendations

4.1   Conclusion

Based on the results of the investigation conducted, the following conclusions can be drawn:

1. Influencer variable has a significant effect on the brand image of the Banyuwangi coffee industry.
2. The social media engagement variable has a big influence on the brand image of the Banyuwangi coffee industry.
3. Influenza variable has a significant influence on the level of sales in the Banuwangi coffee industry.
4. The social media engagement variable has a significant effect on sales of the Banyuwangi coffee industry.
5. The brand image variable has a significant effect on sales of the Vanuwangi coffee industry.
6. Influenza variable has a significant effect on the level of sales of the Banyuwangi coffee industry through brand image mediation.
7. The social media engagement variable has a significant effect on the level of sales of the Banyuwangi coffee industry through brand image mediation.

4.2   Recommendation

Based on the results of research and discussion in this study, some suggestions can be made as follows.

1. For influencers, we hope that the Banyuwangi coffee industry will choose influencers that match the brand image that the coffee industry wants to express. This should be expected to attract new customers as well as retain existing ones.
2. To feel a connection with the Vanuwangi coffee industry and drive customer feedback and feedback, businesses need to manage social media engagement, strategize and plan accordingly.
3. For further research, it is hoped that this research can be developed further, such as adding other variables outside of this research, so that this research becomes more useful.

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The Effect of Transactional Leadership and Transformational Leadership on Innovative Behavior

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Abstract. Innovative behavior of employees is determined based on the leadership used by the leadership. This study aims to explain the transactional and transformational leadership abilities towards innovative behavior. The research sample was 134 employees at the Correctional Institutions throughout the Regional Coordinator of Jember. The study used a questionnaire and analyzed using path analysis. The results showed that transactional leadership had a positive and significant effect on innovative behavior, meaning that the better the transactional leadership of the work unit leaders perceived by the Correctional Institutions throughout the Regional Office of Jember, the more innovative behavior of employees at work. And similarly, transformational leadership has a positive and significant effect on innovation behavior, meaning that the better the transformational leadership of the work unit leaders perceived by the Correctional Institutions throughout the Regional Office of Jember, the more innovative behavior of employees at work. Among other things, this study suggests organization to better recognize employees individually and help them develop their potential as an effort to increase their innovativeness.

Keywords: innovative behavior · transactional leadership · transformational leadership

1 Introduction

Professional and quality public services for the State Civil Apparatus (ASN) are the main tasks of an ASN. This is reflected in the Law of the Republic of Indonesia number 5 of 2014 concerning the State Civil Apparatus, especially article 11. Professional and quality public services are very important in realizing good governance [15]. Public services are not only focused on ASN in providing services but are also determined by the accuracy and speed and simplicity of a service so that the service is said to be of good quality. This condition is always pursued by the government through the ASN with the Integrity Zone Development program Towards a Corruption-Free Area and a Clean and Serving Bureaucratic Area known as WBBM) emphasizing on changing the mindset of ASN and structuring management which is expected to be able to realize much higher quality public services.

The best service cannot be separated from the influence of fast and dynamic global flows as well as updating the flow of technology which has a huge impact on the flow of information commonly known as the industrial era 4.0. This era of industry 4.0 turned out to have an impact on community demands for service quality in all aspects of life, including ASN services. People expect practical, fast, precise and safe services. Major changes in information technology bring enormous changes in social life. Changes are becoming more evident with the emergence of the Covid-19 pandemic that has hit the world in general and Indonesia in particular. Changes due to the development of information technology require people who provide services to be able to provide the best service to people in need. This is intended so that the wheels of life are not stagnant which will have an impact on overall poverty which should not happen to the Republic of Indonesia. Therefore, various ways are needed to adjust the service to the existing situation and conditions through service innovations to the community. This is in an effort as a solution to problems that arise in an effort to fulfill good quality public services [9]. The study of changes in public services for the better by the government is very important information and is needed by the community. This can be used as a monitoring and evaluation medium related to services that have been running and is a material for consideration for making policies related to public services in the future.

Correctional Institutions are one of the government's representations in providing correctional-based public services related to the development and security of Correctional Inmates (WBP). This is because correctional institutions are institutions that implement the Law of the Republic of Indonesia Number 12 of 1995, especially Article 8 paragraph (1) which states that correctional officers are law enforcers whose duty is to provide services in the form of coaching. This is because correctional institutions are institutions that implement the Law of the Republic of Indonesia Number 12 of 1995, especially Article 8 paragraph (1) which states that correctional officers are law enforcers who are tasked with providing services in the form of coaching, securing and mentoring for prisoners in prison (WBP). In addition to the main task of providing primary services in accordance with their duties and functions, correctional institutions are also required to provide other additional services related to the fulfillment of rights for prisoners. This additional service provides an interaction space for the general public apart from inmates and correctional officers to be involved in it, for example visits by families and legal advisors. Therefore, the services provided must be flexible and dynamic so that they are expected to be able to adapt to changes and developments in the community. This is because changes and developments that occur in the community will have an impact on the pattern and way of administering existing services. Therefore, correctional institutions are required to continue to innovate in providing services to the community but not violating existing laws and regulations. Correctional institutions as a form of government presence for the community can achieve its main goal of providing the best and quality services to the community as service users. Data on the achievement of service innovation behavior targets for 2018 to 2021 are presented in Table 1.

Table 1 shows that the number of innovation outputs from year to year at the Jember Korwil Prison has decreased significantly. This condition is very inversely proportional to the existing problems, especially if it is associated with changes in fluctuating global economic conditions that make aspects of life also change. The decrease in the output

Table 1. Achievement of Innovation Target. Source: Jember Regional Korwil Prison 2022.

Achievement of Innovation Target								
No. Prison	2018		2019		2020		2021	
	Target	Reali zation	Target	Realiza tion	Target	Reali zation	Target	Reali zation
1 Jember	100%	84%	100%	63%	100%	25%	100%	25%
2 Bondowoso	100%	68%	100%	85%	100%	25%	100%	29%
3 Banyuwangi	100%	86%	100%	63%	100%	30%	100%	25%
Total	100%	79%	100%	70%	100%	27%	100%	26%

of innovation products at the Jember Korwil Prison indicates that there is a decrease in the innovative behavior of members of the organization. This is also one of the reasons why in the period 2018 to 2021 the Jember Korwil Prison has not yet received the title of Corruption Free Area (WBK) from the Ministry of State Apparatus Empowerment and Bureaucratic Reform. The reason could be that the number of superior innovation programs produced by organizational units is one of the important factors in the assessment for work units to get the WBK predicate.

The global economic crisis experienced since 2020 has an impact on every human being, organization, agency, company all over the world to make changes, including government agencies. One of the changes in the government facing a world economic recession is by issuing a Circular Letter of the Minister of State Apparatus Empowerment and Bureaucratic Reform number 19/2020 concerning Adjustment of the Work System of the State Civil Apparatus in government agencies. Innovation in ways and systems of working that previously had to be in the office and then working from home is known as work from home. This condition also forces adjustments to the fulfillment of public services by the government. Therefore, the need for innovation in the implementation of public services is the main key to achieving good quality public services.

The obligation to create innovation in an organization is not only the obligation and responsibility of a leader but also the obligation and responsibility of every member of the organization. Because the creation of an innovation in an organization is the result of the innovative behavior of its individual members, because the innovative behavior of employees is the micro-foundation for organizational innovation [12]. Innovation work behavior is the behavior of employees in generating or adopting new ideas and implementing them for the benefit of the company [12].

The results of previous research on innovation work behavior including resulted that the innovative work behavior of organizational members is very important for organizational effectiveness and survival, which in turn leads to sustainable organizational development to increase organizational value [4]. In its implementation, organizational members cannot directly behave innovatively in doing their work. This is because there are several factors that are thought to influence the innovative work behavior of employees. Therefore, it is important for organizations to identify factors that can improve

employee innovative work behavior [1]. One of them is the leadership factor that is predicted to have the most influence and can increase employee innovative behavior because a leader has the ability to lead and encourage employees' innovative abilities to achieve organizational goals [17]. Leaders also play a major role in ensuring the organization remains on track in achieving organizational goals. This is because to be able to realize a good government is greatly influenced by the leader and his leadership style [21]. Each leader with his leadership style will give a different aura to each institution he leads. Leaders who have far-reaching insight (visionary) will have an important role in shaping innovative behavior in an institution. Leaders like this will provide their own space for employees to provide brilliant ideas and initiate for the progress and development of their institutions [11]. Leaders with a visionary style will provide a trigger for those who are led to behave innovatively so that the institution is able to create the innovations needed to achieve the goals and objectives of the institution.

Several studies on innovative behavior reveal that transactional leadership style has a positive and significant influence on employee innovative behavior. These were carried out by [22, 16, 20, 14, 10]. On the other hand, there are still research results that are inconsistent with the theory, namely research conducted by: Agustin (2019) found the results of research that transactional leadership style has a negative effect on employee innovation behavior. Likewise with research on transformational leadership styles, there are still inconsistent research results including research conducted by: [3, 16, 10, 8] who found the results of the study that the transformational leadership style had a positive and significant effect on the innovative behavior of employees. On the other hand, there are differences in the findings of research by [18, 13] which states that the transformational leadership style has a negative effect on innovation behavior. This study uses the hypothesis that there is a positive and significant effect of transactional leadership style on innovation behavior in the Jember Regional Coordinator's Correctional Institution (H1). There is a positive and significant effect of transformational leadership on innovative behavior in the Jember Regional Coordinator's Correctional Institution (H2).

2   Literature Review

The theoretical study is used as a perspective on the overall problem that is the object of this research. Based on the concept of innovation theory with Diffusion of Innovation as Grand Theory, and developed using transactional leadership theory approaches and transformational leadership using Constructive/Developmental Personality Theory, as Applied Theory. This theory is then tested or applied to the variables in this study.

2.1   Innovation Diffusion Theory

Diffusion is defined as the process by which an innovation is communicated through certain channels over time among members of a social system. More than 5 decades ago around 1943 the term diffusion of innovation was introduced by Ryan and Gross. The innovation diffusion process has four main elements, namely: 1) Innovation, namely in the form of ideas or actions that are considered new by someone; 2) Communication channel, is a tool to convey innovation from source to recipient; 3) Time period, is the

innovation decision process, from someone knowing until deciding to accept or reject the innovation; and 4) the social system, is a collection of functionally distinct units bound together to solve a common goal. Based on the four main elements of the innovation diffusion process, it can be concluded that, in the innovation process, it begins with a new idea or idea being created, then there is a communication channel to convey the new idea or idea from the creator of the idea to the recipient, then there is a time period for the recipient can make a decision about the idea or ideas, and the last is the problem solving process. This grand theory of diffusion of innovation underlies the emergence of innovative work behavior variables.

Innovative behavior or innovative work behavior and often referred to as IWB includes not only the generation of ideas, but also the behaviors needed to implement ideas to achieve a level of improvement that will improve personal or business performance. Some of these novelties may include the development of new products, technologies, changes in administrative procedures aimed at increasing the effectiveness and success of the organization. Someone who has a tendency to innovative behavior will try to develop aspects of his work and seek support from members of the organization to make it happen. Innovation also refers to the ability of individuals to create, introduce and realize new ideas, processes, products, and procedures that are useful for work, groups, or organizations. Innovative work behavior is a multi-process that includes components of creativity and implementation.

2.2   Personality Constructive Development Theory

The concepts of transformational and transactional leadership were first introduced by James Mac Gregor Burn in 1978 in his book on leadership which identified two types of political leadership, namely transformational and transactional. Furthermore, this concept was finally applied by Bass (1985) to organizational management. Burn (1978) and Bass (1985) identified that leaders are actions and the impact of these actions on others. This transformational and transactional leadership theory was clarified and developed using the Constructive Personality Development Theory described by Robert Kegan in 1982. This theory describes in detail the personality variables that give rise to individual experiences (growth of understanding both interpersonally and intrapersonally).

Transactional leadership occurs when a person takes the initiative to make contact with others with the aim of exchanging something of value. Meanwhile, transformational leadership is more based on employee compliance, which involves shifting employees' beliefs, needs, and values. In addition, Bass (1985) argues that transactional leaders consider a lot of how to increase and maintain the quantity and quality of employee performance by replacing employee performance with rewards. In contrast, transformational leaders seek to promote greater employee awareness of the organization. This increase in employee awareness requires leaders who have strong vision, confidence, and the power to influence employees. This grand theory of Constructive Personality Development underlies the emergence of two leadership style variables, namely transformational leadership and transactional leadership.

2.3 Transactional Leadership

Transactional leadership style is a leadership style in which the leader requires employees to complete employee commitments effectively and efficiently. Leaders monitor employee activities and minimize deviations from the expected performance standards. There are 3 indicators of transactional leadership (Jensen et al., 2016; Van Knippenberg & Sitkin, 2013), namely: 1) Contingent Reward; 2) Active Management by Exception; 3) Passive Management by Exception.

2.4 Transformational Leadership

Transformational leadership style is also called charismatic leadership style, it is based on the vision of a leader who can change individuals or employees [10]. Transformational leaders strengthen the performance capacity of employees by motivating employees to create new ideas, so they are called motivating, influential, and inspirational leaders. Leaders help employees to improve their individual performance, abilities and qualities by using inspirational motivation. Transformational leaders facilitate new understanding by increasing or changing awareness of the problem. There are four indicators of transformational leadership (Jensen et al., 2016; Van Knippenberg & Sitkin, 2013), namely: (1) Idealized Influence, (2) Inspirational Motivation, (3) Intellectual Stimulation, (4) Individual Consideration.

3   Research Method

This research is based on a quantitative approach. Quantitative research is research that analyzes data in numerical form with a focus on hypothesis testing. The population in this study were all employees who worked at the Jember Korwil Prison with a total of 282 employees. While the sampling technique used a purposive sampling technique, namely the technique of determining the sample using certain criteria considered according to the needs of the researcher [19]. Thus the number of samples (n) in the study were 134 people. Analysis of the data used in this study using the Structural Equetion Model - Partial Least Square (SEM-PLS) with the Warp PLS 7.0 program. SEM-PLS is used for exploratory research. Because this study uses the SEM technique, the evaluation is carried out on two models, namely the lateral model and the medial model. The external model determines the relationship between potential constituents and their metrics. This evaluation is also referred to as an evaluation of potential components/variables. To evaluate the external model, we need to do three things: test convergence validity, discriminant validity, and composite reliability.

4   Result and Discussion

4.1 Research Result

This research was conducted on employees of the Jember Regional Coordinator Correctional Institution consisting of Bondowoso Regency, Situbondo Regency and Jember

Table 2. Hypothesis Testing Results

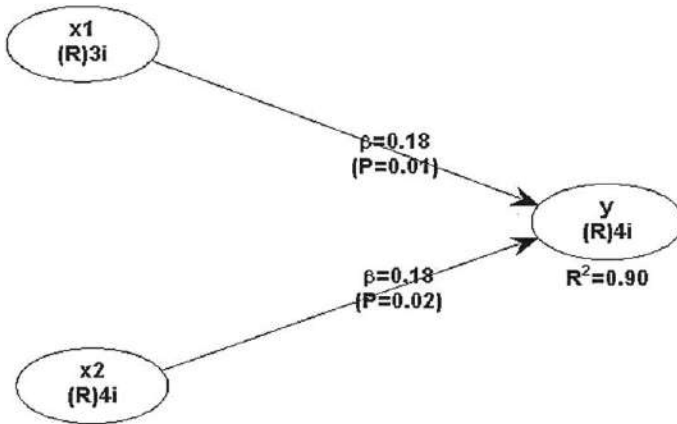| Variable	Coefficient	P-Value	Information
The Effect of Transactional Leadership on Innovative Behavio	0.18	P = 0.01	Accepted
H2: The Effect of Transactional Leadership on Innovative Behavior	0.18	P = 0.02	Accepted

Fig. 1. Structural Equation Modeling Testing Model

Regency. The variables used in this study are innovative behavior, transactional leadership and transformational leadership. The results of hypothesis testing are presented in Table 2.

Conducting internal or structural inner model testing to see the relationship between the components of the study model, significance value, and R-squared. The structural model was evaluated by R-squared for the significance of the dependent structure coefficients and structural path parameters of the t-test (Fig. 1).

4.2 Discussion the Effect of Transactional Leadership on Innovation Behavior

Transactional leadership is defined as leadership whose leader requires employees to complete employee commitments effectively and efficiently. Leaders monitor employee activities and minimize deviations from the expected performance standards (Raziq et al., 2018). In this study, the effect of transactional leadership on innovative behavior resulted in a positive and significant effect. This means that the better the transactional leadership of the work unit leader perceived by the Jember Korwil Correctional Institution, the more innovative behavior of employees at work. This means that the hypothesis which states that there is a positive and significant effect of transactional leadership on innovation behavior in the Jember Regional Coordinator's Correctional Institution is accepted (H1

is accepted). This is in line with the research results of [22, 20, 10, 14, 10] which states that transactional leadership has a positive and significant effect.

4.3 The Effect of Transformational Leadership on Innovation Behavior

Transformational leadership style is also called charismatic leadership style, it is based on the vision of a leader who can change individuals or employees [10]. Transformational leaders strengthen the performance capacity of employees by motivating employees to create new ideas, so they are called motivating, influential, and inspirational leaders. Leaders help employees to improve their individual performance, abilities and qualities by using inspirational motivation. Transformational leaders facilitate new understanding by increasing or changing awareness of the problem. In this study, the effect of transformational leadership style on innovation behavior is positive and significant, meaning that the better the transformational leadership of the work unit leader perceived by the Jember Regional Correctional Institution's employees, the more innovative behavior of employees at work so in this study the hypothesis that states that there is a positive and significant effect of transformational leadership style on innovation behavior in the Jember Regional Coordinator's correctional institution employees (H2 is accepted). This is also in line with the research results of [18, 13] who are able to prove in their research that the transformational leadership style has a positive and significant effect.

5   Conclusions and Suggestions

5.1   Conclusion

From the results of the analysis and discussion of the effect of transactional leadership and transformational leadership on innovative behavior partially, it can be concluded that: 1) There is a positive and significant effect of transactional leadership on innovation behavior at the Jember Regional Korwil Penitentiary (H1 is accepted) meaning that the better the transactional leadership from the head of the work unit felt by the correctional officer in the Jember Regional Coordinator, it will further increase the innovative behavior of employees at work. 2) There is a positive and significant influence of transformational leadership on innovation behavior at the Jember Regional Korwil Penitentiary (H2 is accepted) meaning that the better the transformational leadership of the work unit leaders perceived by correctional officers throughout the Jember Regional Korwil, the more innovative behavior of employees at work.

5.2   Suggestion

Based on the analysis that has been carried out by the researcher, the researcher provides the following suggestions: 1) Based on the lowest value from the calculation of the transactional leadership indicator index value, the leaders of correctional institutions throughout the Jember Regional Office are expected to be more active in controlling and monitoring the performance of employees, If an error is found in carrying out the work to immediately take corrective action. This is quite effective in helping to increase the

morale and motivation of employees so that they can work more innovatively which will help improve the innovation performance of the Jember Korwil Penitentiary. 2) Based on the lowest value from the calculation of the transformational leadership indicator index value, the leaders of the penitentiary as Jember Regional Coordinator are expected to better recognize their employees individually and be ready to help develop the potential of the employees. This is quite effective in helping to increase employee awareness and concern so that they can work more innovatively which will help improve the innovation performance of the Jember Korwil Penitentiary.

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The Effect of Training and Education Through Utilization of Prima Learning Management System in Improving the Performance of State Civil Apparatus of Tangerang City Government

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Abstract. The policies taken by the Indonesian government to stem the transmission of COVID-19 (especially policies to limit human mobility) are increasingly making organizations adapt so that their activities can continue. Organizational activities are prioritized on a non-face-to-face basis, including those carried out by the Tangerang City Government. The application of internet technology in the field of education and training will be urgently needed in order to improve the quality and equity of educational services. Through e-learning, distance education which depends on distance and time for the implementation of education and training will be overcome, so that it is necessary to use a media learning management system. Organizational activities are prioritized on a non-face-to-face basis, including those carried out by the State Civil Apparatus (ASN) of the Tangerang City Government, especially in selecting the Education and Training Program (Training) to be the most rational choice to do. This writing is a desk research-based study through a qualitative approach. From the results of the analysis, it is known that there are many LMS in circulation that can be developed by developers, ranging from open-source to paid or paid. However, each of these LMS certainly has advantages and disadvantages that have an impact that is less effective for users. Therefore, the purpose of this paper is to find out what needs to be developed and to improve the competence and performance of ASN Tangerang City Government.

Keywords: Training · E-Learning · LMS prima competence · ASN Performance

1 Introduction

Information and communication technology in Indonesia is experiencing very rapid development. This is evidenced from the survey report of the Indonesian Internet Service Providers Association (APJII), there are 210.03 million internet users in the country in the 2021–2022 period. That number increased by 6.78% compared to the previous period which amounted to 196.7 million people. This also makes the internet penetration rate in Indonesia to 77.02% [20]. In 2020, all parts of the world are facing the spread of

the Corona Virus (Sars-Cov 2) which originated in Wuhan, China and is still ongoing today. In response to this, the World Health Organization (WHO) urges that activities that have the potential to cause crowds be temporarily stopped so that the spread of COVID-19 can be prevented [21]. This makes various countries have to implement a lockdown system (regional quarantine) to suppress the spread of the corona virus even more widely. However, the Government of Indonesia has implemented a Large-Scale Social Restrictions (PSBB) system to anticipate and suppress the spread of the virus. Since the implementation of the PSBB, the implementation of Education and Training (Diklat) which was initially implemented face-to-face has shifted to a remote (online) training system, where training participants attend learning materials in a different room from the instructor [22]. Teachers take advantage of online training to facilitate training during a pandemic (Hidayah et al., 2020). Flexibility is one of the characteristics of remote training that allows training to be carried out in any condition and anywhere [23]. Distance learning (online) places more emphasis on independent learning [1]. Delivery of material using distance learning is less understandable by all training participants, because they experience difficulties in controlling the learning atmosphere with limitations in virtual space [2]. Online education and training can still be said to be ineffective, although Widyaiswara continues to strive to improve the quality of their education so that it can facilitate and deliver material to training participants [11]. Even so, this weakness is not a reason not to do it. Stakeholder creativity is needed to minimize the weaknesses of online learning.

The role of the teacher in choosing an online education and training learning model is very important in achieving goals. E-learning-based education and training learning is considered suitable to be applied in online learning in conditions like this. Because in the e-learning training model it is able to combine synchronous and asynchronous processes so that it makes it easier to achieve training objectives. According to [24] through the method of combining e-learning learning models with blended learning during the Covid-19 pandemic, it can create satisfying learning outcomes for training participants, and learning outcomes have differences between blended learning and conventional learning. According to [13] states that the effect of e-learning with blended learning on learning independence such as motivation, discipline and responsibility and the desire to self-evaluate its success is very significant.

The Covid 19 pandemic has affected all aspects of life both economically, socially and in particular the educational aspect, so during the Covid 19 pandemic it was endeavored that learning could continue but was limited, then e-learning education and training learning could be used as a reference using the blended learning method [5]. According to [7] that e-learning is not always interesting and training participants show better face-to-face learning. Human resources include teachers as experts to guide and guide training participants who are required to be able to carry out the education and training learning process effectively, besides that training participants also have a role in implementing the training process, because they should be able to learn independently with online teacher guidance. The learning environment is a supporting factor for the training process using the blended learning model, with a comfortable learning environment that allows training participants to receive the training material optimally and express their

creativity. Facilities and infrastructure in the e-learning training model include smartphones/laptops/computers, LMS (learning management system) application platforms and internet networks to facilitate the remote training process.

Efforts to maintain HR competency can be carried out in various ways by the organization itself. One of them is the education and training program. Training is the process of teaching new or existing employees the basic skills they need to perform their jobs. Training is a powerful intervention in providing knowledge, abilities, and skills according to the needs and demands of the work being done. Related to learning processes such as making classes, creating assignments, content, discussion forums, scoring systems, and CBT online exams which are all accessible to the internet network. LMS is also often called an e-learning platform or learning content management system. So it can be concluded that the LMS is a web-based application that automates and virtualizes the teaching and learning process electronically. The existence of this e-learning facility makes it easier for students to learn online in this pandemic era.

Basically, LMS is software in which there are features needed in the learning process. Features in LMS that can support online learning are an alternative for teachers in monitoring developments and become indicators of student assessment.

The Tangerang City Government provides education and training services to ASN in an effort to improve their competence through the provision of LMS Prima. The results of the observations show that the education and training activities that the training participants feel have constraints, among others, the internet network which is less supportive. The problem that arises from these obstacles is the lack of activity of the training participants in the learning process and can be seen by the condition of the training participants who are unable to describe a problem, so that the answers given by the training participants are not correct with the answer points that should be in the case study questions. So that the ability of training participants in critical thinking is included in the less than optimal category. Training participants are ASNs whose aim is to improve competence and teaching skills (how to teach) ASNs. Increasing the competence of ASN is very necessary to support work that is oriented towards efforts to produce high performance so that it can improve service to the community.

Taking into account the development of emergency conditions in anticipation of the prevention and spread of COVID-19, the implementation of competency development through the training channel in the form of Classical learning which is carried out through activities that emphasize the face-to-face learning process in the classroom needs to be encouraged to change to Non-Classical learning which is carried out through activities which emphasizes the distance learning process outside the classroom which is carried out by utilizing Information Technology (IT) or available learning management applications to support the learning process without reducing the quality and achievement of learning objectives. Utilization of IT or learning management applications is carried out by integrating (incorporating) learning materials including delivery strategies for each training subject. Meanwhile, distance learning-based learning strategies and methods (tools and media) can be developed by Training Organizing Institutions according to their resources. Distance learning is carried out by utilizing e-learning technology or video conferencing applications which can be downloaded for free. The applications in question include Skype, Zoom cloud, Connect Wise Control, Google Hangout, and so

on. E- learning is the Competency Development of Civil Servants which is carried out in the form of training as a whole optimizing the facilities and the implementation mechanism is carried out by utilizing information and communication technology media. to achieve learning goals and improve performance.

2   Method

This research is a form of library research which includes literature study activities, data processing and analysis using a qualitative approach. The method of collecting data and information in this library research study is carried out through verification and analysis with secondary data obtained through institutional documents and literature searches. Books, literature, articles, journals, scientific research, secondary data from institutions and internet pages are the sources of data in this study.

Data from the implementation of e-learning training, were collected from various sources organizing training programs organized by the Government of Tangerang City. Implementation data collected includes e-learning education and training programs. Evaluation of the implementation and graduation rate of training participants using e-learning consists of two different stages, namely: the online or independent method stage and face-to-face practice. Evaluation of the implementation involves various aspects, especially related to the pass rate of this model, namely the number of participants who pass the training so that ASN competence can increase.

3   Results and Discussion

The growth of internet technology has transformed into education and training programs in the form of electronic learning systems, known as e-learning. E-learning is a type of learning that uses internet media or computer networks, making it possible for teaching materials to be delivered [8]. In addition, e-learning is classified as an important alternative to a knowledge-based environment, while the conventional learning process in class must be physically present in the same room. However, internet technology (e- learning) seems to have made traditional learning methods obsolete [3]. Nearly 95% of universities in the world use e-learning [15]. E-learning is considered capable of answering the challenges of the world of education in the midst of current technological developments. E-learning is urgently needed in the learning process of education and training participants, in this case the ASN of the Tangerang City Government, to expand access and flexibility to the information needed. The ASN competency development process flow through e-learning is described below:

Improving the performance of ASN after participating in training is an indicator of the success and or effectiveness of training [6]. To find out the results (product) of the training, it is measured by the level of use and usefulness of the training [20]. There are several criteria for measuring the success of a training intended to improve the performance of training participants in terms of the level of use: a) the perceived usefulness of the user institution, b) use by participants, and c) ease of application [14]. First, the opinion of the user institution, how often the training material is used by the

institution. The training materials that are developed do not always match the actual performance required by the institution.

Based on the order of the institution, the number of times the training participants apply the training material in a certain time unit. The two opinions of the training participants are whether the training materials set by the institution/organization are considered important by the training participants in completing their job descriptions. It may be that a training material is considered important by an organization or institution so that it is made into a capability that must be possessed by the training participants, but according to the training participants' view, the ability of the results of the training is not important. Because of this, the importance of a standard performance does not only need to be measured from the perspective of the institution but also needs to consider the views of the training participants. Third, is it easy to implement. Often the results of a training are in vain because the trainees do not apply them when carrying out their duties in the field.

Basically, even without the COVID-19 pandemic, there has been a shift in digital technology-based work systems and mechanisms that hit almost all institutions (profit and non-profit) in the era of the industrial revolution 4.0 and 5.0, which is a reality and necessity that is difficult to stop. The application of e-learning in the era of the industrial revolution 4.0 and during the Covid-19 pandemic can carry out e-learning properly, independently. Even active in participating in online learning and dare to give opinions and respond positively to learning using e-learning [9]. Changes to the work system and mechanism cannot work if the human resources owned do not have capabilities that are in line with the changes/developments of the work system and mechanism. According to [12] facing the era of society 5.0 and the Covid 19 pandemic, the world of education plays an important role in improving the quality of human resources, such as the ability to solve complex problems, critical thinking, creativity, emotional management, teamwork, and cognitive flexibility [25].

Training with online and offline approaches is a form of training that should be recommended so that implementation can be more effective. This success is a manifestation of collaborative-based training management. This means that all parties involved in implementing the Tangerang City Government ASN competency development program in an e-learning manner by utilizing LMS Prima are able to carry out tasks that are the responsibility of each unit. A collaborative approach to training management is aimed at advancing and synergizing the roles of relevant institutions and/or participants in training management. This is based on the fact that so far in non-formal education training institutions, teachers/trainers have conducted their own training. The principle of collaborative learning through virtual learning is to contribute to efforts to improve the quality and effectiveness of learning [19]. Collaboration means working together to achieve common goals that have been set through division of tasks/work, or distributing tasks to employees. Data on the implementation of ASN competency development is presented in a description: organizers, number of participants and participants who pass training using e-learning by utilizing LMS Prima.

As a training strategy that combines face to face (face to face/classical) learning with online learning (through the use of internet facilities/media), e-learning designs and implements training programs both in terms of content and delivery online. In this

case, training participants do not only rely on the material provided by the teacher, but can search for material in a variety of ways, including, looking at the library, asking classmates or friends online, opening websites, looking for study material through search engines, portals, or blogs, or it could be other media in the form of training software and training tutorials. Various innovations in the use of training technology can be easily found and used, making the combination of classical training and online-based training a very appropriate choice in the digital era.

Training participants have the flexibility to study materials or teaching materials independently by utilizing teaching materials stored online; 3) Discussion activities take place online/offline and take place outside of class hours, discussion activities take place both between the training participants and the instructor and between the training participants themselves; 4) Teachers can manage and control training conducted by training participants outside class hours; 5) Teachers can ask training participants to review the subject matter before face-to-face training takes place by preparing supporting assignments; 6) The target of achieving teaching materials can be achieved in accordance with the targets set; and 7) Training becomes flexible and not rigid.

Of course, the education and training model with the combination/assimilation concept besides having the advantages above also has drawbacks, including: 1) Teachers need to have skills in organizing e-learning; 2) Teachers need to set aside time to develop and manage e-learning system training, such as developing materials, preparing assessments, conducting assessments, and answering or giving statements in forums submitted by training participants; 3) Teachers need to prepare digital references as references for training participants and digital references that are integrated with face-to-face training; 4) Unequal supporting facilities and infrastructure and low understanding of technology; 5) Training strategies are needed by teachers to maximize learning potential. The potential for implementing education and training with the e-learning system is very possible to implement, this is in line with the development of information and communication technology, in terms of the proliferation of supporting applications, it is also accompanied by the even distribution of the use of this technology for the community, so that the deficiencies mentioned above can be overcome by having great will from the teacher. Whatever form of training strategy, method or model that is implemented and utilized properly and appropriately in education and training will expand learning opportunities, increase efficiency, improve the quality of education and training, facilitate skills formation, and encourage lifelong learning in a sustainable manner as stated at the beginning of the article. This. E-learning is not the only alternative in overcoming training problems. However, in the midst of the rapid flow of information and communication in various walks of life, e-learning is an essential solution today.

4   Conclusions

Training with a non-face-to-face learning model or better known as e-learning is a training strategy that aims to achieve training objectives in a technology and information-based way that is carried out online (online). So far, the popular training strategy in Indonesia is traditional class- based (classical) training using the lecture method. The Tangerang City Government, which also provides training services for ASN, applies

an e- learning based learning model as the most rational choice during the COVID-19 pandemic. Applicable in normal times. The ASN competency development program through e-learning that has been implemented has been running as expected in terms of the implementation and also the graduation of the training participants. Learning methods that combine online and face-to-face methods are still able to provide added value to the implementation and improvement of ASN competencies and skills as training participants.

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Analysis of Calculation of Regional Taxes (PBB-P2 and BPHTB) on Increasing Native Regional Income

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Abstract. Land and Building Tax for the Urban and Rural Sector (PBB-P2) and Regional Tax on Land and Building Rights Acquisition Fees (BPHTB) are a very important part of Regional Original Income. Achievement of revenue targets and determination of revenue targets for (PBB-P2) and (BPHTB) must be accurate. In order to analyse the determination of the PBB P-2 and BPHTB revenue targets, a qualitative approach was conducted in this study. In regional fiscal policies, it is necessary to calculate the potential land and building tax for the urban rural sector (PBB-P2) and land and building rights acquisition fees (BPHTB). This calculation is obtained by identifying the independent variables that affect revenue so that the Regional Government can make appropriate policies to increase Regional Original Revenue Revenues originating from regional taxes, especially BPHTB and PBB-P2 with the aim that variables that can be controlled by the Regional Government will become the focus of Fiscal Policy policies Area.

Keywords: Local Own Revenue · Urban and Rural Land and Building Tax · Fees for Acquisition of Land and Building Rights

1 Introduction

Analysis of Potential Calculations of Land and Building Tax in the Rural Urban Sector (PBB-P2) and Fees for Acquisition of Land and Building Rights (BPHTB). In fiscal policy, determining the target of PBB P2 and BPHTB revenues really needs to know the independent variables that influence it, this is very important so that the Government Regions can make appropriate policies to increase Regional Original Revenue Revenue sourced from regional taxes, especially PBB-P2 and BPHTB, regional fiscal policies will be directed at variables that can be controlled by the Regional Government.

The Covid-19 pandemic has disrupted the economy for the past three years. On March 2, 2020, when the President of the Republic of Indonesia announced the Covid-19 case, the national economy was immediately disrupted. In order to reduce the impact of Covid-19 on the economy, several National Economic Recovery Programs (PEN) were issued through handling the health crisis and as a response to the decline in community activities that had an impact on the economy. PEN is in the form of an arrangement of

Fig. 1. Tax Revenue in the 2017–2022 State Budget Source: APBN and Financial Note

activities made in the framework of national economic recovery and becomes part of the state financial policy to accelerate the handling of the Covid-19 pandemic or to face a threat situation that endangers the national economy or financial system stability and saves the national economy [14].

Sri Mulyani Indrawati, Minister of Finance of the Republic of Indonesia said that in 2022 it is estimated that the economy will start to recover and the national economic growth projection for 2022 is in the range of 5.2 to 5.8 percent or return to pre-pandemic economic growth. In fact, state revenue will be in the range of 10.18 to 10.44 percent of GDP. In contrast to the previous few years, Indonesia's economic development from 2014 to 2019 before the corona pandemic in Indonesia was at an average rate of 5 percent annually [13]. Recovery of state revenues still takes time, as shown in Fig. 1. During an economic recession, tax revenues fell by 16.9 percent (compared to the previous year). While in 2021, the tax revenue target will increase by 7.1 percent and in 2022 it is estimated that the economy will start to recover, in 2022 the tax revenue target will increase by 9.5 percent. This proves that even though there has been an economic recovery, the state revenue target in the APBN is not too high. In fact, tax revenues for 2022 are still below those for 2019 (Fig. 1). Fiscal consolidation by returning a maximum budget deficit of 3 percent of gross domestic product (GDP) is projected to be carried out in 2023. The government, through the Minister of Finance Sri Mulyani Indrawati, also estimates that economic growth in 2021 will be in the range of 3.5 to 4 percent. 0 percent. This projected figure is lower when compared to the assumption used in the 2021 State Budget of 5 percent.

A similar incident occurred in regional acceptance. Revenue realization recorded by the Ministry of Home Affairs in the 2021 APBD until December 2, 2021 on average is only IDR 947.46 trillion or 81.29% of the target set (ddtc, 2021). Planning for regional tax revenues that are quite optimistic by the regional government in the 2021 regional budget. Revenue for each region will certainly have different tendencies between regions [21].

Table 1. Realization and Target of APBD of seven Regency/City.Governments (in Rupiah)

Local Government	2018	2019	2020	2021
	Realization	Realization	Realization	APBD
Bogor Regency	1.969.519.761.542	2.243.429.745.163	1.993.575.019.000	1.832.504.463.000
Bogor City	592.978.746.862	689.543.006.040	733.276.508.019	651.069.000.000
Bekasi Regency	1.656.040.118.350	1.974.089.302.901	1.994.601.763.757	2.065.328.229.205
Bekasi City	1.580.754.200.591	1.778.314.661.578	2.120.698.889.047	1.941.201.180.504
Depok City	839.491.835.275	1.018.129.612.075	1.027.794.130.000	1.115.950.623.000
Tangerang Regency	1.915.261.073.035	2.153.661.721.883	2.037.175.855.620	1.771.510.088.743
Tangerang City	*1.551.439.325.839*	*1.760.354.444.860*	*2.087.962.239.160*	*1.842.626.622.644*
South Tangerang City	1.422.942.943.166	1.603.171.983.705	1.716.350.000.000	1.307.579.000.000

Source: DJPK, Ministry of Finance

Table 1 shows Regional Tax Revenue in seven City/District Governments around Jakarta. Of the seven City/Regency Governments, there are four Regional Governments, namely Bekasi Regency, Bekasi City, Depok City, Tangerang City, which have set a target for the 2021 APBD to recover as in 2019, namely the year before the Covid-19 pandemic. On the other hand, the Regional Government, namely Bogor Regency, Bogor City and South Tangerang City, are still not optimistic that Regional Tax Revenue will recover as in 2019.

A crucial step is needed in the Planning of Revenue from Regional Taxes and Regional Levies in each fiscal year which is carried out by each Regional Government. To support this crucial step, consideration is needed regarding the aspects in it, such as the Land and Building Rights Acquisition Fee and the P-2 Land and Building Tax. These two revenues have a significant positive effect simultaneously and are also the two largest tax items supporting Regional Origin Revenue [16]. With this positive influence, it is necessary to make efforts from each local government to increase revenue in this sector, especially during the Covid-19 pandemic.

One of the interesting regional governments is the Municipal Government of Tangerang. The city of Tangerang is the largest city in Banten Province, as well as the third largest city in the Potential Calculation Analysis of BPHTB and PBB P2. In the fiscal policy of determining BPHTB and PBB P2 revenue targets, it is necessary to know the independent variables that influence it. With the facts above, it can be projected that there are quite a number of objects related to PBB P-2 and also BPHTB. Based on the description above, the researcher concludes that it is necessary to analyze strategies in maximizing potential related to PBB P-2 and BPHTB revenues for the City of Tangerang in order to increase regional revenues for the City of Tangerang. Therefore, an analysis of calculating the Potential of PBB P2 and BPHTB in the fiscal policy of determining the revenue target of PBB P2 and BPHTB is needed to know the independent variables that influence it. Independent variables (Controllable) or controllable by the local government are attempted to control through the determination of fiscal policy

strategies in the Regional Development Plan, while independent variables that cannot be controlled directly by the Government of the city of Tangerang can refer to the State Budget Memorandum, such as interest rates and inflation rates, success the determination of strategic fiscal policies in the city of Tangerang will influence the success of the Complete Development of the City of Tangerang. This study aims to analyze the determination of the PBB P-2 and BPHTB revenue targets by identifying the effect of each independent variable based on a scientific study so that it can be accounted for.

2   Research Methods

A qualitative approach was carried out in this study by conducting a journal literacy study. The results of this study will be followed up by further research by testing the independent variables obtained through a quantitative approach. A qualitative approach through studies of international scientific journals and domestic journals that have relevance to the research theme. Further research will be carried out using a quantitative approach to forecasting methods using the economic model that has been developed from this research.

3   Result

3.1   Research Result Land and Building Rights Acquisition Fees

According to Law No. 1 of 2022, Financial Relations between the Central Government and Regional Governments (HKPD) in lieu of Law No. 28 of 2009 concerning Regional Taxes and Regional Retribution (PDRD), Land and Building Rights Acquisition Fees (BPHTB) are taxes on the acquisition of land and/or building rights. BPHTB Tax Subjects are of course individuals or entities that obtain temporary land and/or building rights. Tax objects related to BPHTB are as follows,

1. Acquisition of Land and/or Building Rights.
2. Transfer of rights due to: sale and purchase, exchange, grants, bequests, inclusion in a company or other legal entity, separation of rights resulting in a transfer, appointment of a buyer in an auction, implementation of a judge's decision that has permanent legal force, business merger, business consolidation, Expansion of business or gifts.
3. Granting of new rights due to: continuation of release of rights or other than release of rights.
4. Land rights are property rights, business use rights, building use rights, usufructuary rights, ownership rights to flats and management rights.

The basis for the imposition of BPHTB (DPP BPHTB) is the Acquisition Value of Tax Objects. In addition, the Value of Non-Taxable Tax Objects (NPOPTKP) is also determined. The amount of NPOPTKP is set at Rp. 60,000,000.00 (sixty million rupiah) for each Taxpayer. Exceptions to the acquisition of rights due to inheritance or testamentary grants received by individuals who are still in a blood relationship in a straight line of descent one degree up or one degree down with the grantor of the will, including the husband/wife, the Acquisition Value of the Taxable Object is Not Taxable (NJOPTKP) is set at Rp. 300,000,000.00.

3.2   Land Building Tax P-2

According to Law Number 28 of 2009 concerning Regional Taxes and Regional Levies, Rural and Urban Land and Building Tax as replaced by Law No. 1 of 2022 is a tax on land and/or buildings owned, controlled, and/or utilized by private person or entity, except for areas used for plantation, forestry and mining business activities. Earth is the surface of the earth which includes land and inland waters as well as regency/municipality territorial waters. Buildings are technical constructions that are permanently planted or placed on land and/or sea.

The object of Rural and Urban Land and Building Tax is land and/or buildings that are owned, controlled, and/or used by individuals or entities, except for areas used for plantation, forestry and mining business activities. The basis for imposing PBB P-2 tax is the Sales Value of Tax Objects (NJOP) which is the average price obtained from buying and selling transactions that occur fairly, and if there is no sale and purchase transaction, the NJOP is determined through price comparisons with other similar objects or the value of the new acquisition, or the replacement NJOP.

The subject of Rural and Urban Land and Building Tax is an individual or entity that actually has a right to the Land and/or obtains benefits from the Land, and/or owns, controls, and/or obtains benefits from the building. Whereas Rural and Urban Land and Building Taxpayers are individuals or entities that actually have a right to the Land and/or obtain benefits from the Land, and/or own, control, and/or obtain benefits from the building.

3.3   Factors Affecting Projected Land and Building Rights Acquisition Fee

Land and/or building rights acquisition fees are also imposed in many countries, and are known as real estate transfer taxes (RETT). States that after constitutional reforms gave German states the right to set local rates of real estate transfer taxes, over the past ten years many states have adopted this policy and have increased tax rates – some of them repeatedly [1].

Analyzed the impact of imposing Germany's real estate transfer tax. While the majority of single-family homes in Germany are owner-occupied, apartments are usually held by private investors and companies. A 1% increase in RETT will result in a 0.23% decrease in transactions for singlefamily houses, but will not have a significant effect on the price of houses traded. In contrast, for apartments, there was no significant negative effect on transactions, but the effect of RETT prices tended to be negative [6].

Explain the implementation of land tax transfers for real estate transactions in Canada. The decline in housing sales in Toronto following the imposition of the RTTT turned out to be a statistically insignificant negative impact. This is contrary to previous research. They say there is a bias due to the recession that coincided with the imposition of a land transfer tax in Toronto, and tightening mortgage regulations in Canada which prevented lenders from issuing subprime mortgages [8].

Meanwhile, the implementation of BPHTB in Indonesia is also experiencing problems. State that the realization of BPHTB revenues in the city of Bandung always increases every year. However, this increase was not optimal, because in several periods the targets set were not achieved. The target set was not achieved because BPHTB is

included in the self-assessment system group, namely a tax collection system that gives authority to taxpayers to determine the amount of tax owed on their own. Many taxpayers report that their transactions do not match reality, so they report smaller obligations than they should be paid [10].

The results of Sari and Rahayu's research (2020) on BPHTB collection in the City of Banjarmasin during 2014–2018 were very good, with an average percentage of achievement of 104 percent [17]. The next five-year projection will continue to grow by 24 percent. Furthermore, examines the effect of per capita income, population and issuance of land certificates on Land and Building Procurement (BPHTB) in Palembang City during the 2003–2018 period [20]. The results of the study show that the population is the most dominant factor in determining land and building rights acquisition fees. While the effect of per capita income and population has a positive and significant effect on the Cost of Acquisition of Land and Building Rights. While the number of Issuance of Land Certificates has a negative and insignificant effect on the Cost of Acquisition of Land and Building Rights.

When viewed from the macroeconomic effect, it can be seen from Nasution's research (2013) on the development of housing loans in Indonesia. The results of the study explain that macroeconomic variables (interest rates and inflation) only have an impact on consumers who are paying off housing loans while Loan to Value (LTV) policies have more influence on housing demand where with the LTV policy, the demand for new housing loans has decreased.

Analyzed the effect of lending rates, inflation, economic growth, loan to deposit ratio, LTV on the demand for housing loans in Central Java. The results of the study show that lending rates and inflation have a negative and significant impact on the demand for housing loans in Central Java. Economic growth and the loan to deposit ratio have a positive and significant effect on housing loans in Central Java. LTV has no effect on demand for housing loans in Central Java [19].

Analyzes the effect of consumption, population density and Construction Expensive Index simultaneously or partially on BPHTB Acceptance, while also analyzing the effect of GRDP as a moderating variable that can strengthen or weaken the relationship between consumption, population density and Construction Expensive Index on BPHTB Acceptance in districts / city in North Sumatra. The results of this study indicate that the variables of consumption, population density, construction cost index have a significant positive effect simultaneously on BPHTB acceptance. Partially only the population density variable has a significant positive effect on BPHTB acceptance, while the consumption variable and the Construction Expensive Index do not have a significant positive effect on BPHTB acceptance. The PDRB moderating variable can moderate the relationship between the population density variable and the BPHTB revenue and consumption variables. However, the Construction Expensive Index cannot be moderated on the BPHTB revenue variable [18].

Conducted research that aimed to analyze the factors influencing BPHTB acceptance at Subosukawonosraten in 2011–2015. Based on the results of the analysis with regression it was found that the GRDP factor and Regional Government Performance had a significant effect on BPHTB revenues. On the other hand, population factors, inflation, and IKK have no significant effect on BPHTB revenues [12].

3.4 Factors Affecting Projected Rural and Urban Land and Building Tax (PBB P-2) Revenues

The results of Duja and Supriyanto's research (2019) examine the dynamic relationship between residential property prices as reflected in the Residential Property Price Index (RPPI) and Gross Domestic Product (GDP), investment interest rates, wages, inflation and the exchange rate against the US dollar. The results of the study show that the macroeconomic factors that are significantly related to the price of Indonesian residential property are GDP, wages, inflation and the exchange rate against the US dollar, while the investment interest rate is not included in these factors.

The phenomenon of rising property prices as a result of economic growth has also occurred globally. The results of research by Chi-Wei et al. (2018) show that house prices and GDP have experienced high increases in the eastern region and in most provinces in the central region. Rapid industrialization and urbanization stimulated housing investment and significantly affected GDP, as well as resulted in rising house prices. The increase in house prices was a trigger for an increase in the Sales Value of Tax Objects (NJOP) which led to an increase in PBB revenues. Over the past few years, Indonesia's economic growth has been recorded as one of the top developing countries. Economic growth is believed to have contributed to rising residential property prices.

The link between GRDP affecting PBB P2 revenue can be seen consistently based on two studies conducted in Medan City [21]. First. Conducted a test and analysis of the factors that influence PBB P2 revenue for Medan City, namely the number of taxpayers, GRDP per capita (at current prices), inflation, interest rates and investment. Partially, it can be seen that the results of testing the hypothesis indicate that there is a not significant positive effect on the number of taxpayers; significant positive effect of GRDP per capita; inflation has a positive effect that is not significant; interest rate has a significant negative effect and the level of investment has a significant positive effect. If done simultaneously or together, there is a significant effect on the number of taxpayers, GRDP per capita, inflation, interest rates and investment on PBB P2 Medan City revenue [9].

Meanwhile, local governments must also be careful of high inflation in property prices. The results of research show that some local governments in the USA cannot increase the total property tax each year by more than the inflation rate or 5 percent (whichever is lower). Even Gold (1981) attests that several states expanded property tax relief programs for homeowners over the last decade. With the rapid inflation of house prices and modern valuation practices, the property taxes that will be imposed on homeowners are likely to increase. Meanwhile, research conducted by Fitri (2019) shows that the target growth in tax revenues in Temanggung Regency for the 2014–2018 period is 7 percent with a realized growth rate of 2 percent [11].

4 Conclusion

Based on the results of the discussion related to the linkage of variables to BPHTB and PBB P-2 revenue above, the research can draw the following conclusions,

1. There are several variables that affect BPHTB revenue. These variables are GRDP, Regional Government Performance, population factors, inflation, tariffs, and IKK.

Related to this, GRDP and Regional Government Performance have a significant effect on BPHTB revenues. On the other hand, population factors, inflation, and IKK have no significant effect on BPHTB revenues. The tariff factor will also affect revenue but will have an impact that will be felt by the community.

2. Variables that affect PBB P-2 revenue are Gross Domestic Product (GDP), population, investment interest rates, wages, tax rates, and inflation. Related to the above macroeconomic factors can trigger an increase in PBB-P2 revenue because if there is an increase in inflation and property prices increase, then PBB-P2 revenue will also increase.

Furthermore, the independent variables that affect the BPHTB and PBBP2 variables need to be carried out in a study so that the value of the effect can be known then on these independent variables which are (Controllable) or can be controlled by the Tangerang city government, they can be controlled through the fiscal policy strategy contained in the Development Plan. While the independent variables that cannot be controlled directly by the Tangerang City Government, can refer to the State Budget Memorandum, for example the inflation rate and interest rate, even so a successful strategic fiscal policy in the city of Tangerang will certainly influence the City and Regency governments together on the regional development success.

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Fraud Diamond Analysis and Its Effect on Commiting Sobis in the Sidrap District

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Abstract. The demographic bonus in Indonesia has entered its peak in 2020 which is dominated by the composition of Generation Z (Gen Z) with a percentage of 27.94%, or around 74.93 million people. This figure is expected to be able to contribute in welcoming the growth of economic development through quality young resources in the era of digitalization. However, the existence of the demographic bonus in Sidrap Regency has become a 'pandora' box or unwanted source of problems. The high activity of online fraud, or the Sidrap community calling it *sobis,* has become a job and livelihood for most young people in Sidrap Regency, especially Gen Z Sidrap. This study focuses on the *Fraud Diamond Theory factors*, namely pressure, opportunity, rationalization, and ability that influence Gen Z in Sidrap Regency to do *sobis* as a job. This study uses descriptive quantitative research methods. Data was collected through a survey of 100 Gen Z in Sidrap Regency with criteria for Gen Z who are 12–27 years old, domiciled in Sidrap Regency, and know the phenomenon being studied. The results showed that the four factors from the *Fraud Diamond Theory* (pressure, opportunity, rationalization, ability) also influenced Gen Z Sidrap to do *sobis.*

Keywords: Fraud Diamond Theory · Gen Z · *Sobis*

1 Introduction

The Central Statistics Agency released that Indonesia's productive age population reached 70.72%, this figure showed that Indonesia has entered the peak of the demographic bonus flow [1]. Demographic bonus is defined as a condition when the number of productive population or labor force, aged 15–64 years, is greater than the unproductive population, under 5 years and above 64 years [2]. Gen Z is the dominant generation in the composition of the productive age population with a total of 74.93 million people (27.94%). Meanwhile, Generation Z, also known as iGeneration, the Net Generation or Internet Generation, was born between 1995–2010 [3]. Generation Z was born at a time when the development of IT (Information Technology) is growing rapidly so that it has the potential to become a quality workforce in supporting economic growth in the current era of digitalization and industry 4.0 [4]. In addition, Gen z is also faced with various conveniences so that their fighting power is different from the previous generation which

causes this generation to take everything too easy, get bored easily and don't appreciate the process [5].

Sidenreng Rappang Regency as known as Sidrap is one of the regions in Indonesia that has a fairly high potential for a demographic bonus with a population of 72% productive age [6]. This potential might be an opportunity to create a quality workforce to encourage economic growth, this is actually the opposite because the younger generation, especially Gen z in Sidrap Regency, actually choose sobis or online fraud as a job or livelihood. In previous research mentioned that teenagers in Kalosi Village, Sidrap did sobis, they got 20 teenagers in the Tandru Tedong area, Sidrap [7]. Due to the high activity of sobis in Sidrap district, the Sidrap community rationalizes and considers sobis as a job. The same thing was also revealed in a direct interview with Mr. Fatahullah, one of the community leaders in Sidrap Regency who said that most *sobis perpetrators* were aged 16 to 25 years, besides that the Sidrap community had considered it the work of the Sidrap youths. *A survey* through a questionnaire was also conducted on 100 gen Z Sidrap aged 15–27 years showing that 58% agree that sobis is a job because many has done it, 80% agree *that sobis* is a job because of the income. 74% have also agreed that the perpetrator of sobis are ranged from teens to people in their 20s.

In Indonesian criminal law, the term sobis is not known, but based on interviews with investigators at the Sidrap Police, it is said that all online fraudulent acts are categorized as sobis. The rules regarding Online Fraud are contained in Article 28 Paragraph (1) of Law Number 19 of 2016 concerning amendments to Law Number 11 of 2008 concerning Information and Electronic Transactions, which reads "Everyone intentionally and without rights spreads false and misleading news and result in consumer losses in Electronic Transactions". Fraud is defined by Bologna, Lindquist and Wells as a criminal fraud that intends to provide financial benefits to the fraudster where a behavior is called fraud if it meets three elements: (1) intentional action, (2) fraud / fraud, and (3) personal gain // group or loss on the other side [8]. Fraud in this case can be detected using the fraud diamond theory which states that a person can commit fraud because it is influenced by four factors, namely pressure, opportunity, capacity, and rationalization [9].

Based on the above phenomena, this study will further examine the analysis of the *diamond fraud theory in the sobis* phenomenon as a Gen Z occupation in Sidrap Regency. Hence, the purpose of this study is to find out what factors from the *Fraud Diamond Theory* that influence Gen Z in Sidrap Regency to do *sobis* as a job. With Benefits, it can be used as a reference for policy making by government agencies and related *stakeholders* to support management programs to improve the quality of young workers. This research can also support the development of science in the form of the latest literature sources for academics, both students, students, and teachers/lecturers covering multidisciplinary sciences, namely socio-economics, law and linguistics. In addition, this research can enrich public discourse regarding the problematics of the *sobis phenomenon* as Gen Z's job in Sidrap Regency, how to prevent oneself from becoming a victim or perpetrator of *sobis*, can be a reference and motivation to be more aware and concerned about the problems in society.

2   Method

This research uses quantitative research with survey method. The population in this study is Gen Zs who lives in Sidrap Regency with a sample of 100 Gen Z as respondents in this study. Determination of the sample is done by using a non-probability sampling technique using purposive sampling or setting criteria, namely: 1) Gen Z aged 12–27 years, 2) domiciled in Sidrap Regency, 3) Knows the sobis phenomenon. In addition, to support the research, data was collected through literature reviews through previous research journals, mass media, and various other supporting literature. The data analysis technique used is descriptive statistics. According to Sugiyono, descriptive statistics are statistics used to analyze data by describing or describing the data that has been collected. This technique is used to manage data, classify data, and present data using descriptive calculations, the classified data is then presented in the form of a frequency distribution table [10]. The data obtained from the field survey was then analyzed using statistical methods with the help of the Statistical Package for Social Science (SPSS) software to speed up calculations. In this study using IBM SPSS 21. The assessment carried out by respondents is using a nominal scale where the answers to be given by respondents will vary greatly, which has gradations from agree, disagree, and do not know.

3   Results and Discussion

3.1   *Sobis* ia a Fraud

An action is called fraud if it fulfills three elements: (1) deliberate action, (2) cheating or fraud, and (3) profit private, group or losses on the other [9]. There is some elements of fraud are as follows:

- There is someone who is persuade or moved to surrender an item. The goods or money are handed over by those who have it by way of deception
- The fraudster intends to benefit himself or others without rights. From that purpose it turns out that the aim is to harm the person who surrenders the item.
- Those who are victims of fraud must be mobilized to hand over the goods by: Submission of goods must be result of deception and fraudster must deceive the victim with a regulate mind.

From the result shown that majority agreed sobis is deliberate action (80%), cheating or fraud (96%), have profit private or losses on the others (68%). Sobis fraud pattern is carried out by utilizing the psychological condition of the victims through rhetoric that makes the victims easy to believe, giving time pressure, and isolating communication so that the victim can be influenced in short time with various methods such as online buying and selling fraud, online loans, fake job vacancies, using means such a through sweepstakes, SMS, Facebook, telephone, etc [7].

As a Fraud, the cause of someone committing sobis can be identified using the Fraud Diamond Theory. Fraud Diamond Theory said there are four-factor that affects someone to commit fraud, namely pressure, opportunity, capability, and rationalization (Caroline, 2022) (Fig. 1).
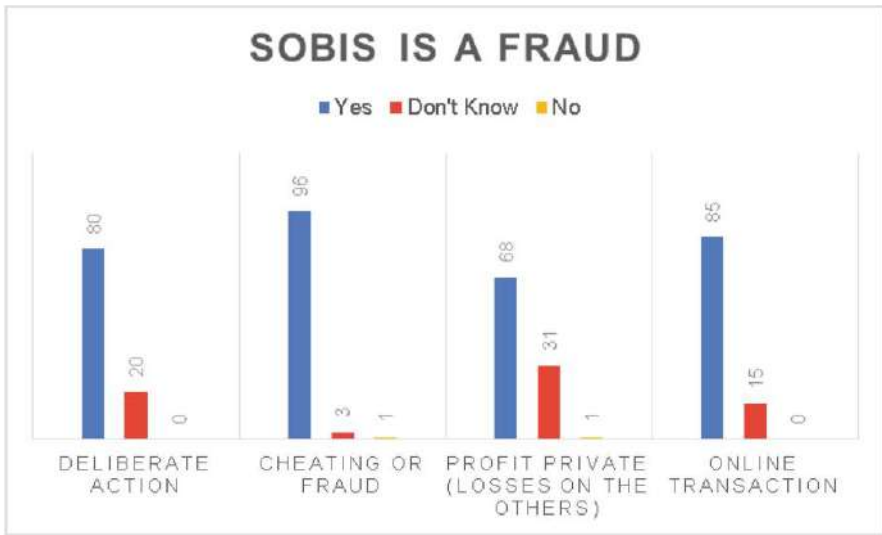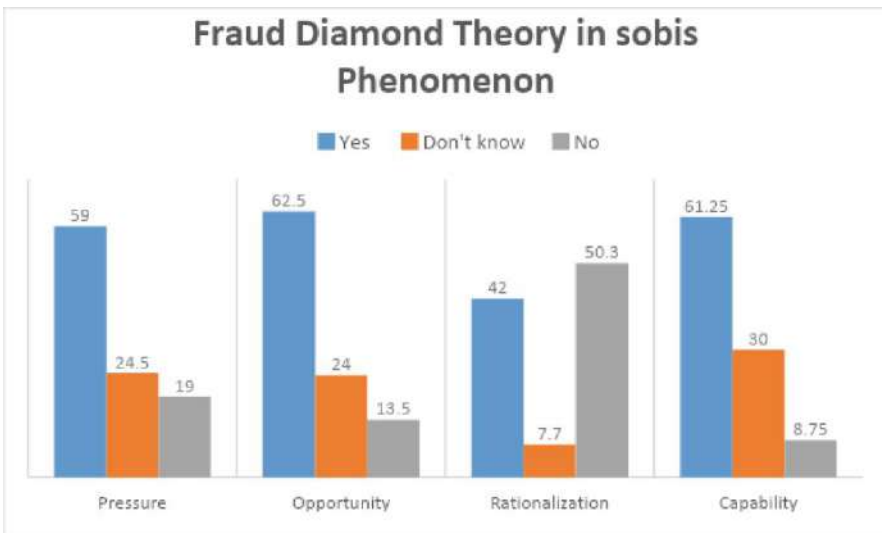
Fig. 1. Perception of Sobis is a fraud

Fig. 2. Perception of Fraud Diamond Theory in Sobis Phenomenon

Through the survey, the result obtained that respondents agreed that the four Fraud Diamond theory factors influenced the Gen Z Sidrap doing sobis as a job with a tendency to answer much influenced by opportunity factor (62,5%), then capability factor (61,25%), pressure (59%), and rationalization factors (42%) (Fig. 2).
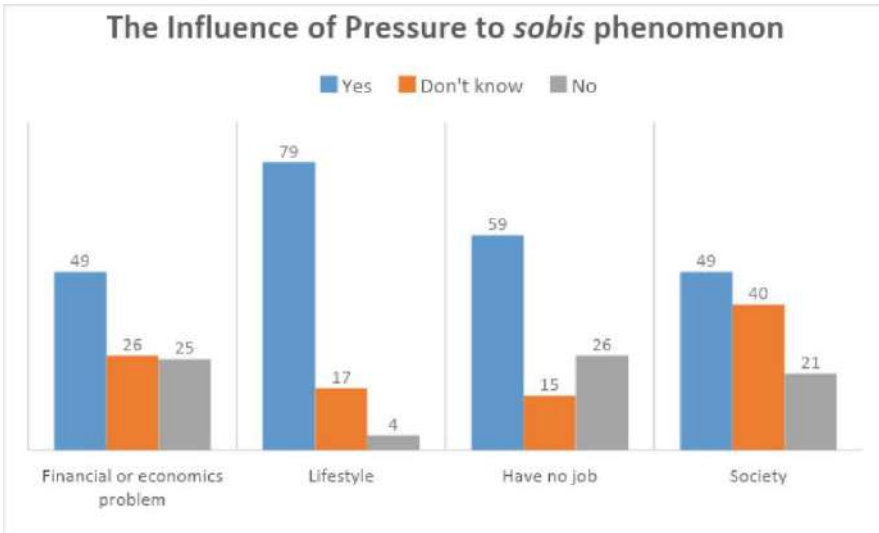
Fig. 3. Perception of the Influence of Pressure to Sobis Phenomenon

3.2   The Influence of Pressure Factor to Phenomenon *Sobis* as Gen Z SIDrap's Job

Pressure affects fraud [11]. Based on the statement on Auditing Standards (SAS) No. 99, four kinds of pressure condition that cause someone to commit fraud are financial stability, external pressure, personal financial need, and financial target [12]. Personal financial need shows from the desire of Gen Z Sidrap to be looks trendy thorugh the need for exclusive goods to meet their lifestyle. Gen Z behavior is justified by the Shelf, are who finds that they will justify various methods for upgrading their income so that they could buy the desired product without the consideration of high prices; he also explains that clothing has become the number one thing in the list for Gen Z shopping [13]. This research result also shown that the biggest pressure that influenced Gen z doing *sobis* as a job is because their lifestyle (79%).

Another pressure appears from external pressure in the form of difficulty of getting an occupation (49%) (Fig. 3). Besides that, the weak economy and problems with finances that are not stable (49%), and financial stability and external pressure affected fraud [8].

3.3   The Influence of Opportunity Factor to Phenomenon Sobis as Gen Z Sidrap's Job

Research results also showed that opportunity factor affects gen z sidrap to do sobis. Disclose that opportunity plays a big role in fraudulent behaviour. Opportunity by partial takes a positive and significant effect on fraud (Fig. 4). Based on the statement on auditing standards (sas) no. 99, opportunity factor in influenced by three conditions there are nature of industry, effective monitoring, and organizational structure [14]. Some of opportunity factor like ineffective monitoring (83%) and sidrap people who
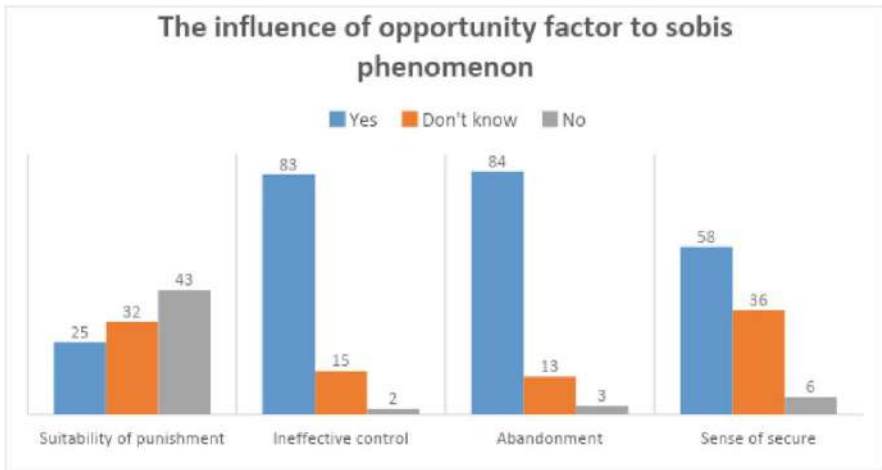
Fig. 4. Perception of the Influence of Opportunity Factor to Sobis Phenomenon

seem abandonment sobis as a fraud act (84%) that lead sense of security gen z sidrap to doing sobis as a job. The increase in fraud cases is attributable to ineffective control in organizations and societies, which creates opportunities for individuals to commit fraud. [15].

3.4 The Influence of Rationalization Factor to Phenomenon Sobis as Gen Z Sidrap's Job

The result shown that gen z sidrap in doing sobis as a job also influenced by rationalization factors. Rationalization becomes important in fraud where the perpetrator defends they behavour is right [12]. The survey show that respondents admit that people of sidrap recognize sobis as a job because it generates income (80%) and because many sidrap's people doing sobis. Crime can take place when an individual is bound into a culture, subculture, or group that actively encourages or tolerates criminal behavior [16].

Survey also show that respondent rationalize *sobis* as a job, but they also admitted that *sobis* is lawlessness (99%), ethically *sobis* is a bad or wrong act (97%), and sobis is very harmful (80%) (Fig. 5).

3.5 The Influence of Capability Factor to Phenomenon Sobis as Gen Z Sidrap's Job

Capability has a positive and significant effect on fraud. This research result identified that capability factor also one of the four fraud diamond theory that influenced gen z sidrap to do sobis as a job [17]. Gen z sidrap admitted that they have some basic skills such as language and ommunication skill (75%), using technology (73%), dan mastering many accents (60%) that can support their success in doing sobis. Purwanto et al (2019) revealed that employees who have intelligence and creativity have a high chance of committing fraud.
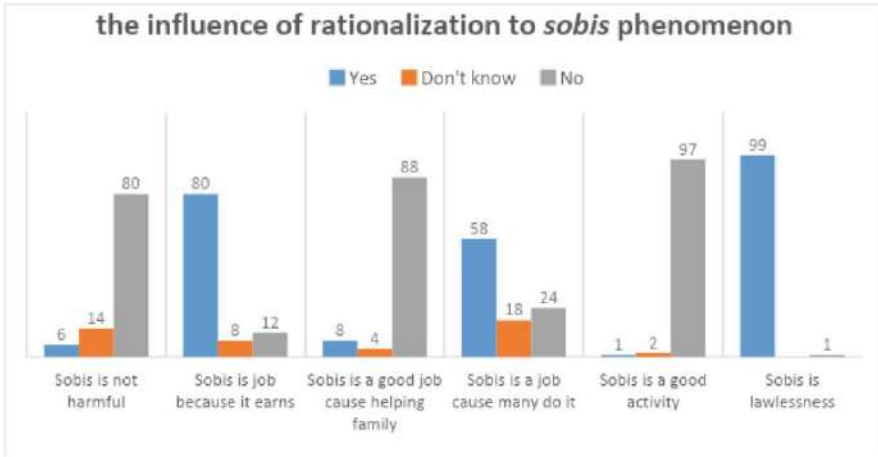
Fig. 5. Perception of the Influence of Rationalization to Sobis Phenomenon

4   Conclusion

Based on the results of data analysis, it can be concluded that four *Fraud Diamond Theory factors* consisting of pressure, opportunity, rationalization, and *capability* affect Gen Z Sidrap in committing *online fraud* or *sobis* as a job. The results of the analysis showed that the cause of Gen Z Sidrap to do *sobis is* dominated by the opportunity factor from the *Fraud Diamond Theory*. In addition, the results also showed that Gen Z Sidrap rationalizes *sobis* as a job, but they also recognize that *sobis* is ethically and morally bad.

The results of the study can be used as a reference for policy making by several parties such as youth organizations, the Education Office, Youth Sports and Tourism Office, as well as the UKM and Manpower Cooperatives Office in Sidrap Regency to carry out preventive efforts to improve the quality of human resources through several forms of policy recommendations such as improving the character of youths of Sidrap from an early age through the interactive introduction of various professions that become the compulsory curriculum for independent learning in schools from the elementary school level, providing training based on *focus skill improvement* to Sidrap youth, as well as *skill development* through apprenticeship programs or street vendors for Sidrap youth in collaboration with MSMEs in the Sidrap District.

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Role of Marketing Orientation and Marketing Assets in Improving Sustainable Business Performance of Private Colleges in Maluku

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Abstract. This research is conducted specifically on private universities in the province of Maluku, to encourage an increase in the interest of new students entering the next academic year period. From the observations, there is a significant decrease in student interest in entering private universities in Maluku. This research is a quantitative research with the objective of testing the influence of the independent variable which is symbolized by X and consists of X1 of marketing orientation and X2 of marketing assets towards the dependent variable which is symbolized by Y, namely business sustainability. The test results show that the marketing orientation variable has an influence of 4.711 on business sustainability and marketing assets has an influence of 5.241 on business sustainability. The samples collected are 100 respondents from various private universities, colleges, academics and polytechnics in Maluku. Thus, if universities, especially private universities in Maluku, want to maintain their business sustainability, things that need to be considered are determining marketing orientation and utilizing marketing assets in their respective institutions.

Keywords: Marketing Orientation · Marketing Assets · Business Sustainability

1   Introduction

Changes in regulations issued by the government, especially in the field of higher education, require universities to be able to make adjustments quickly if they want to continue to exist in the education service business. Currently, there are many good higher education institutions, from universities to polytechnics. Competition is becoming more open and tight, because of the same maket. As with a company, universities are also required to have a good and accurate marketing strategy in dealing with competitors. Many private universities have academic achievements and are able to position themselves on a par with public universities such as Telkom University, Bina Nusantara University, Muhammadiyah University of Jogjakarta, Mercu Buana University, Atma Jaya University, Guna Dharma University, and the Indonesian Islamic University.

Maluku, as a province in eastern Indonesia, also has many private universities (PTS). Data obtained through the official website of LLDIKTI Region XII shows that there are 44 private universities in Maluku and Maluku Utara, consisting of 9 Universities, 26 Colleges, 6 Academies, and 3 Polytechnics. This is a sign that competition in the field of higher education services in Maluku is increasingly open to any institution with a wide selection of products (study programs) on offer. The implication is that private universities in Maluku will find various challenges in formulating and implementing their business programs effectively and rationally, because consumers (prospective students) will determine for themselves the choice of products they desire, or even when their choices are outside of what the private universities have to offer.

This condition is also experienced by the Indonesian Christian University in the Mollucas (UKIM). Within the situation of recovering from the COVID-19 pandemic, UKIM, as one of the private universities in Maluku, experienced a drastic decline in the interest of prospective new students compared to the previous years. Based on the data obtained from the Academic Bureau of UKIM, in 2022, there are declines in several study programs, including the favourite study programs, by 15–20%. Following data in Table 1 explains the number of new student admissions in UKIM from 2018–2022.

This significant decrease is also experienced by all public (PTN) and private (PTS) universities in Maluku. Apart from changes in the marketing environment, this is also the impact of the shifting market orientation from universities and consumers themselves. For this reason, it is necessary to formulate the right strategy to increase the number of new students in the following years as a form of effort to maintain the sustainability of the university business. Based on this, UKIM must be able to develop various marketing activities so that the desired goals and objectives can be achieved properly. According to Agarwal A 2003 in the marketing concept: to achieve organizational goals such as market share and profitability depends on the company's ability to determine efficiently than its competitors [1]. From the observations, the UKIM rarely advertise the new student admissions in high schools. Advertisement is only produced generally and without a well-defined target orientation. UKIM also does not take advantage of available assets as the main capital in attracting new students.

Table 1. Data of New Student Admissions in UKIM at 2018–2022.

Name	2018	2019	2020	2021	2022
Faculty of Economy and Business	304	300	351	217	154
Faculty of Philosophy	311	275	207	180	75
Faculty of Health	609	690	665	354	229
Faculty of Civil Engineering	102	100	134	79	45
Faculty of Social and Politic	98	70	65	34	25
Faculty of Law	-	-	-	190	212
Faculty of Computer Science	-	-	-	215	197

Source: Academic Bureau of UKIM, 2022

In addition, there are also several other obstacles, such as: the available study programs are still accredited to a maximum of B, the cost of education is still too expensive and continues to increase every semester, there is no other source of fixed income besides student tuition. If this is allowed to continue, the UKIM will experience market disorientation so that it is unable to communicate about the education products, such as different new study programs, reliable human resources, use of technology, and a clear orientation of graduates, in order to maintain business sustainability. In recent years, market orientation has increased and is seen as a key element to achieve maximum company performance [2]. According to Day, (1994) market-oriented companies are considered to have more complex knowledge about the market and have better abilities in dealing with customers. This ability is seen as an ability that can guarantee companies to obtain higher profits compared to companies that are less market-oriented. Kotler and Fox, (1995) explain that to overcome competition, universities can use marketing assets to form competitive advantages and maintain business sustainability [3]. The marketing assets include: quality of education programs, differentiation of educational programs, costs or prices, reputation of institutions, and qualified human resources. Based on the explanation above, the scope of this research is limited to the discussion on ways to determine the correct market orientation, to utilize marketing assets correctly, to improve the marketing performance of a sustainable business at UKIM.

2 Theory and Hypothetic Development

2.1 Market Orientation

Market orientation is a term that is often used by practitioners in marketing as an implementation of the marketing concept. Kara, (2005) explains that for more than four decades, market-oriented corporate strategy is perceived by academics and practitioners as the main pillar to achieve superior company performance, both in manufacturing companies and in service companies [4]. The similar opinion is conveyed by Kohli and Jaworski, (1990) that researchers in the field of marketing states that market orientation is a set of unique activities and behaviors [5].

Hunt and Morgan (1995) views that market orientation is a resource as well as a basis for decision making [6]. Furthermore, Shapiro (1998) states that market orientation is an organizational culture [7], which is in accordance with the opinion expressed by Slater and Narver (1995) that market orientation is an aspect of organizational culture that cannot be separated from organizational learning. Researchers in the field of marketing also view market orientation from various perspectives, namely the strategic perspective (Day, 1994), the organizational design perspective (Webster, 1992), the market information process perspective Deshpande and Zaltman, 1982; Menon and Varadarajan, 1992; Moorman, 1995), product and service customization perspective (Pine, Victor, and Boyton, 1993), network perspective (Haeckel, 1995).

The competitive advantage of higher education can be established in many ways. Kotler and Fox (1995: 173) stated that, in a competition, a university can use marketing assets to build competitive advantage. These marketing assets can be observed through the following aspects: 1) Quality of educational programs, namely that competitive advantage can be created by prioritizing the quality of the educational programs

offered. Of course, the quality of the education program is reflected in the inputs, processes, outputs, and educational outcomes that have been achieved. 2) Differentiation of Educational programs, namely that competitive advantage is caused by the uniqueness or differentiation of the educational programs offered. So, a university can have a superior value because the educational program it offers is different from its competitors, and is also a program that is required by a certain market segment in the long term. 3) Costs or prices, namely competitive advantage originating from educational costs that are appropriate with educational programs and educational services offered. This does not necessarily mean that the cost must be the cheapest, or vice versa, a very expensive one, but it means that the compatibility between the cost and the quality of the educational programs and services offered, so that when the costs and benefits are calculated, it will provide assessment results indicating that the cost of education is appropriate and perceived to be lower than that of the competitors'. 4) Institutional reputation, namely the competitive advantage possessed by the reputation or good image of an institution in the eyes of the public. The reputation assessment comes from both inside and outside the institution. The realization of this reputation or image is not something easy and takes a long time. A university that already has a bad reputation in the eyes of the community is very difficult to restore its image to a better direction. On the other hand, an established good reputation of a university requires serious efforts and commitment to maintain and improve it. 5) Qualified Human Resources are competitive advantages due to the availability of qualified human resources: professional leaders, lecturers who have qualifications and competencies according to standards, high-performing employees, and high-quality students.

2.2 Sustainable Business

Sustainable business basically consists of two words, namely sustainable and business. Referring to these two words, sustainable business can be literally interpreted as a business that is sustainable, in generating both short-term and long-term benefits. The benefits in regard do not stop at material gain or profit. A new business can be said to be sustainable if the company is able to achieve its business goals, increase value in the long term, maintain its consistency.

In addition, sustainable business must also be able to implement social, economic and environmental values in its business strategy. There are at least 3 benchmarks in sustainable business. All three are summarized in the 3Ps consisting of people, profit and planet. According to Narayanad (2018) Business Sustainability is an attempt by businessmen to inhibit negative environmental and social effects so that future generations will have adequate resources to fulfill their needs.

2.3 Higher Education

In the government regulation of the Republic of Indonesia Number 30 of 1990 concerning tertiary institutions, it is stated that higher education is education at a higher level than secondary education in the school education path. Higher education is an education that becomes the final terminal for someone who has the opportunity to learn as much as

possible through school education [8].. Universities in Indonesia consist of three categories, namely: Public Universities (PTN), Private Universities (PTS), and Institutional Universities (PTK). These educational institutions are in the form of Universities, Institutes, Colleges, and Academies that provide education for Strata one (SI) with a Bachelor degree, Diploma I and II with an A.Ma title, Diploma III with A.Md title, Strata 2 or Postgraduate (S2) with a Master degree, and Strata 3 (S3) with Doctorate (DR) (Taliziduhu, 1988). Higher education is a level of education after secondary education which includes diploma, bachelor, master, specialist and doctoral educational programs organized by universities (Law No. 20 concerning the National Education System, 2003:20).

3   Methodology

3.1   Population and Sample

Population can be interpreted as the number of all people or non-people who have the same characteristics and meet certain requirements related to research problems and can be used as a source of sampling [8]. According to Sugiyono (2011) Population is an area that is general in nature and consists of objects or subjects that have qualities and meet certain characteristics, when determined by researchers to be studied and then conclusions are drawn. The population in this research is the head of the study program in each department and structural officials at a number of private universities in Maluku, namely 4 universities, 5 high schools, 5 academics and 2 polytechnics. The samples collected did not include private universities in the province of Maluku Utara. The sample is defined as part of the number and characteristics that are truly representative of the population [9]. Thus,the sample in this research is 100.

3.2   Hypothesis

The hypotheses proposed in this research are:

1.   It is assumed that market orientation influences the business sustainability of UKIM
2.   It is assumed that marketing assets influences the business sustainability of UKIM

3.3   Analysis Technique

To answer those hypothesis and prove the relationship between the variables, Simple Regression analysis technique is applied, which can be explained as follows.

$Y = a + bX$, where Y is the dependent variable, in this case business sustainability, a is the intercept/constant value, b is the regression coefficient, and X is the independent variable consisting of X1 marketing orientation and X2 marketing assets (Table 2).

4   Result and Discussion

The result of the reliability test shows that the Cronbach alpha value for all variables was above 0.7 (Table 3). Therefore, all variables are considered reliable (Table 4).

Table 2. Rotated Component Matrix

Var	Component		
	1	2	3
OP1	.766		
OP2	.763		
OP3	.749		
OP4	.785		
AP1		.792	
AP2		.783	
AP3		.703	
AP4		.746	
KB1			7.98
KB2			.803
KB3			.788
KB4			.797

Source: data processed 2022

Table 3. Reliability Test

No.	Variables	Cronbach Alpha	Description
1	Market Orientation	0,825	Reliable
2	Marketing Assets	0,824	Reliable
3	Business Sustainability	0,912	Reliable

Source: data processed 2022

Table 4. Hypothesis Test Result Cofficients[2]

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.495	.476		1.040	.303
Market Orientation	.430	.106	.432	4.711	.003
Marketing Assets	.589	.112	.537	5.241	.000

4.1 Dependent Variable MO, M

Hypothesis 2 test results indicate that market orientation has a positive influence on business sustainability. This is indicated by the t-count value of 4.711 with a significance value of 0.003 ($p < 0.05$). Therefore, Hypothesis 1 is accepted.

Hypothesis 2 test results indicate that marketing assets has a positive influence on business sustainability. This is indicated by the t-count value of 5.241 with a significance value of 0.000 ($p < 0.05$). Therefore Hypothesis 2 is accepted.

To attract a larger number of prospective students in the subsequent academic year period, UKIM must pay attention to these two variables. In maintaining the business sustainability of higher education, UKIM must have a clear marketing orientation. This marketing orientation aims to implement concepts and become the basis for decision making and organizational culture. To make it work, UKIM has to do several things, including:

1. Consumer Orientation. UKIM determines the basic needs of service users (consumers) to be attended and fulfilled.
2. Coordination and Integration within the Organization. To provide optimal satisfaction to consumers, all existing marketing elements must be well integrated and coordinated by UKIM policy makers.
3. Earning Profit through Customer Satisfaction. One of the company's goals is to make a profit. To maintain the sustainability of its business, UKIM must earn a profit or revenue from product sales in the college business and not depend on student tuition.
4. Marketing Strategy. By formulating the right marketing strategy, UKIM can compete with other private universities in Maluku.

To optimize marketing assets, there are 5 ways UKIM can do, namely: 1) improving the education quality of study programs that are driven through the results of educational inputs, processes, outputs to outcomes. The inputs received from the screening results, namely the prospective students, will be properly nurtured. Likewise, the process undertaken must be in accordance with the established standards, so that it can be an output and outcome that is not only useful for the outside world, but also useful for the universities. 2) Differentiation of educational programs. UKIM must encourage the differentiation of its educational program so that it can produce a top-quality study program because of its uniqueness compared to other universities.

A university can have a superior value if its educational programs offer something different from its competitors and also when the program is required by a certain market segment in the long term. 3) Costs or prices. Educational costs that are appropriate and suitable with educational programs and services offered can give the university the competitive advantage. This does not necessarily mean that the cost must be the cheapest, but more of that there are compatibility between the cost and the quality of the educational program and services offered. Therefore, if the costs and benefits are calculated, it will provide assessment results indicating that the cost of education is appropriate and considered lower than competitors 4) Reputation of the institution. Good reputation or image of an institution in the eyes of the public can also give a competitive advantage for a university. The reputation assessment comes from both

inside and outside the institution. Establishing a good reputation is not something easy and is an accumulation of judgment over a long period of time. It will be very difficult for a university that already has a bad reputation in the public eyes, to restore its image. On the other hand, a university with good reputation must put on some serious efforts and commitment to maintain and improve it. 5) Human resources with good qualifications. This is a competitive advantage due to the availability of qualified human resources: professional leaders, lecturers who have qualifications and competencies according to standards, high-performing employees, and high-quality students.

5   Conclusion

Based on the above discussion, it can be concluded that:

1. To gain an advantage in the competition among private universities in Maluku and in order to increase the number of students in the next academic year period, UKIM must improve its performance.
2. Improving the performance of universities, in order to maintain business sustainability can be achieved by determining market orientation appropriately and correctly
3. Through the effective application of marketing assets such as product information (study program), technology, and human resources, UKIM can easily adapt towards changes in the competitive situation of higher education businesses.
4. If the three points above are executed correctly, UKIM will be able to survive and have a sustainable business, in the midst of very tough competition among private universities in Maluku

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The Effect of State Openness and Institutional Economy on Economic Growth in ASEAN Countries: An Application of Autoregressive Distributed Lag Model

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Abstract. This study aims to analyze the long-term and short-term effects of State and Economic Openness on the economic growth of ASEAN countries. The type of data used in this study is secondary data that can be accessed through the Theworldbank.com website, in the form of an annual time series for the period 1998 to 2020. The analytical tool used is the Panel Auto Regressive Distributed Lag (ARDL). The results showed; 1) Export variables in the long term have a significant effect, while in the short term they do not have a significant effect on the economic growth of ASEAN countries. 2) Import variables in the long term have a significant effect while in the short term have a significant positive effect on the economic growth of ASEAN countries. 3) The FDI variable in the long term has a significant effect while in the short term it also has a significant influence on the economic growth of ASEAN countries. 4) The corruption variable in the long term does not have a significant effect while in the short term it has a positive influence at a significant level of 10% on the economic growth of ASEAN countries.

Keywords: Corruption · Foreign Direct Investment (FDI) · Exports · Imports · Economic Growth · Openness of the State · Institutional Economics · ARDL

1 Introduction

Monetary development is an issue of a country's economy over the long haul. Monetary development estimates the accomplishment of financial improvement starting with one period then onto the next. Starting with one period then onto the next the capacity of a country to create labor and products will expand because of the variables of creation that are continuously encountering an expansion in their amount and quality. As per Sukirno [1] in full scale examination, the degree of monetary development accomplished by a nation is the estimated by the improvement of genuine public pay accomplished by a nation/district. Sukirno further made sense of that financial development can be estimated by the development of Total national output (Gross domestic product). Gross domestic

product is the last worth or administration got from different units of creation in a country with a time of one year.

Economic growth in ASEAN countries tends to fluctuate. And in the last three years from 2018–2020 the economic growth of ASEAN countries has decreased. In 2018 Vietnam's economic growth was the country with the highest economic growth in ASEAN at 7.08%, followed by the Philippines (6.34%), Indonesia (5.17%), Malaysia (4.84%), and the lowest Singapore (3.50%). Then in 2019 all countries had declining economic growth and in 2020 the average ASEAN country had negative economic growth except Vietnam 2.91%, besides that the other four ASEAN countries were at negative economic growth including Indonesia -2.07%, Singapore -5.39%, Malaysia -5.65% and the lowest Philippines -9.57% [2]. So that the openness of countries in the economic field with the international world is a very good thing to be maximized in ASEAN countries. Because this can create more opportunities for cooperation, fill each other's shortcomings and to maximize profits for each country. The openness of the country in terms of the economy is closely related to various export activities, imports and the influx of foreign direct investment from abroad.

Export is the sale of goods from within the country to abroad with certain conditions that have been approved by the exporter or importer [3]. The increase in a country's exports can increase national income so that it can increase a country's economy. This is also in line with Tambunan [4] Exports are a key factor in the growth of the national economy because they produce foreign currency that can be used to pay for imports and the expansion of domestic industries. Exports play a significant role in accelerating an economy's growth. As researched by Tafirenyika [5] in South Africa which gives the result that exports can spur economic growth in South Africa.

According to the economic theory developed by Dornbusche and Fischer [6], investment is the demand for goods and services to create or increase production capacity or income in the future. The inflow of foreign direct investment can similarly be used to maximize the potential of resources in a country so that it can increase economic growth. This is because an investment recorded in the t-year does not necessarily produce the PRODUCT of GDP on which it is based on the calculation of economic growth in the t-year as well. Investment's impact on economic growth is largely determined by how long the investment realization process takes until the investment produces a product, especially investment in the secondary and tertiary sectors. In line with this, Aprilia and Hariyanti 7] regarding the determination of economic growth in ASEAN have resulted in the fact that economic growth is significantly influenced by FDI and trade openness. Similarly, Tafirenyika's research [5], states that exports and FDI can have a significant influence on economic growth.

Additionally, import is the action of bringing in merchandise through the customs territory or of bringing in merchandise from overseas while abiding by local laws [8]. That the number of imports tends to be suppressed so that there is no prolonged dependence. As well as research by Hodijah and Angelina [9], from the results of his research concluded that imports have a significant negative influence on economic growth. This is because the more a country carries out import activities, the amount of output of goods or services produced by a country will decrease. So that it will reduce GDP which causes economic growth in ASEAN countries to fall.

The institutional economy of a nation is linked to economic growth in addition to the relationship with openness of the nation. As in the New Institutional Economics (NIE) hypothesis, which contends that because not all economic actors have access to the same knowledge, no economic actor can enter or exit the market at will. The costs of transactions might be impacted by inaccurate information. Economic players pay higher transaction costs the more incomplete the knowledge is (i.e., the presence of asymmetric information). Nie believes that efforts should be made to reduce transaction costs. So that the occurrence of bounded rationality and oppourtunistic behavior causes unclear contractual relations in public organizations, resulting in an increase in transaction cost economics. A few individuals' tendency of abusing their positions of authority in public institutions has changed as a result of ongoing and sporadic bureaucratic policies Wijaya Kirana [10].

One of the actions that occurred was the existence of corrupt practices, even so corruption is still a hot global issue that never ends up being discussed and debated. Given that corruption is a problem that has long existed in many nations, particularly for ASEAN countries, corruption is not a recent phenomenon. Corruption has resulted in significant losses across a range of industries, where its effects can destabilize the economy and impede a nation's ability to prosper economically. However, corruption is also regarded as a serious offense that can stunt social and economic advancement in all spheres of society. According to a study by Abdul Farooq et al. [11], corruption is a factor that both in the long run and the short term has a detrimental impact on economic growth.

Such conditions and situations encourage the author to conduct research with the aim of; 1. Analyze the short-term and long-term influence of indicators of State openness to economic growth in ASEAN countries; 2. Analyze the short-term and long-term effects of institutional economic indicators on economic growth in ASEAN countries.

1.1 Literature Review and Hypotheses

Economic development that leads to an increase in the quantity and quality of the commodities and services produced in society can be thought of as economic growth. Increases in GDP/GNP constitute economic growth, regardless of whether they are higher or smaller than population growth rates or reflect changes in the economic structure that are currently in place [12]. Prof. Simon Kuznets [13] defined economic growth as a sustained rise in a country's ability to supply a range of economic benefits to its population. The development of technological, institutional, and ideological adaptations to a variety of current conditions has allowed for a rise in capacity.

The value of national income expressed in units of price or nominal amount has an impact on economic growth. Increases in the physical production of commodities or services during a specific time period are also referred to as economic growth. A country's rising national income is a sign that its citizens are becoming more prosperous. Economic growth is a reflection of how well a nation's economy is doing, as determined by its Gross Domestic Product or national income (GDP).

The Gross Domestic Product (GDP) is a key indicator of a nation's economic development. According to Sukirno [14], the gross domestic product is a national product that is produced by domestic forces. GDP is defined as the market value of all products

and services produced in a nation over a specific time period, according to Mankiw et al. [15]. All products and services produced in an economy and sold on the open market are included in the GDP value. Therefore, in this study, economic growth refers to the increase in a country's capacity to produce goods and services during a specific period of time interval.

Export is one of the activities in international trade. Definition of export according to Ball, et al. [16] is the transportation of any amount of domestic goods or services out of the country or outside the region. According to Lubis [17], there are two main factors that can affect a country's exports, namely:

Domestic Factors Domestic factors are factors that come from within or internally the exporting country that can affect the economic condition of the exporting country so that it can affect exports. These domestic factors include domestic production, domestic prices, and domestic policies.

International Market Factors International market factors are factors originating from outside or external to the exporting country that can affect the economic condition of the exporting country so that it can affect exports. International market factors include international prices, and exchange rates.

Selling products or commodities from one nation to another is known as export. In this study, the exports of products and jaas—which indicate the value of all exports of goods and other market services to the rest of the world—were employed as the export indicators. In addition to communication, construction, finance, information, commercial, personal, and government services, these services also comprise goods value, freight, insurance, transportation, travel, royalties, and licensing fees. Information in dollars.

Importing is the process of bringing in merchandise through the customs area or bringing in merchandise from overseas while adhering to local laws [8].

Susilo [18] mentioned that import is an activity in introducing goods from abroad into the customs territory of other countries. In this sense, it means that imports have involved two countries. Then in this sense, import activities can also be represented by two companies in different countries, one as a supplier and one as an import recipient.

Import is the activity of buying goods from abroad that comply with government regulations and the payment is made using foreign exchange [19]. The KEO-07 / BC / 2013 Decree of the Director General of Customs and Excise regulates the law pertaining to the importation procedures. Pertaining to the instructions for carrying out Customs Management in the area of imports and the minister of finance's order No. 453 / KMK.04 / 2002 pertaining to Customs Management in the area of imports.

Some of the understandings that have been explained can be concluded that import is a trading activity with an international scope by entering goods from abroad into customs or domestic areas carried out by importers, both individuals and business entities without forgetting the rules in the established laws and regulations and are obliged to pay import duties along with taxes.

According to Ball et al. [16], foreign direct investment (FDI) is defined as a direct investment in machinery, buildings, and organizations in a foreign country at a level high enough to obtain considerable managerial control, excluding only foreign investment in the stock market. FDI occurs when a company directly invests by producing

or marketing products in other countries. According to Hill et al. [20] there are two forms of FDI, namely greenfield investment which includes new business operations in foreign countries and the second form is taking advantage or joining existing businesses in foreign countries.

Foreign direct investment, according to Krugman [21], is the international capital flow that a corporation from one country uses to develop or grow its business in another one. As a result, control over foreign businesses is imposed in addition to the transfer of resources.

Foreign direct investment, according to Noor [22], is an investment in assets or production elements made in order to conduct business or business overseas. Investments in plantations, fisheries, factories, stores, and other company types are a few examples. The term "real asset investment" or "investments that are plainly in form, easy to see, and assess their influence on society as a whole" are generally used to describe this type of investment in daily discourse. Generally speaking, this type of investment is medium- or long-term and exclusively seeks to generate a profit.

In this study, it can be inferred from the numerous explanations given above that foreign direct investment (FDI) is the total quantity of capital flows, or foreign direct investment, which is the sustained involvement of one country in another over an extended period of time. It includes the sum of equity capital, the reinvested income, the ownership of at least 10% of the shares, and other capital.

Corruption is generally defined as the abuse of public power for personal gain. The vested interest here is the receipt of valuable money or assets, and the increase of power or status. Accepting promises for future gains or relationship gains is also a personal gain commonly referred to as nepotism and favoritism [23]. In addition, Lambsdorff [23] said that bureaucrats exercise public power in a variety of spheres, including courts, licensing, business regulation, privatization, foreign exchange (including customs, trade permits, and international financial transactions), taxes, and licensing (including the granting of tax exemptions, policies, subsidies, public means such as water, electricity, telephone, health and education). Abuse is often characterized by behavior that deviates from the proper course of action and places the interests of the class above those of the larger community.

According to Nawatmi [24], participating in procurement, offering or receiving presents or promises in exchange for bribes, embezzling money while in office, extorting money while in office, and collecting gratuities for employees of the government are all considered acts of corruption.

The most basic definition of corruption is the misuse of authority for one's own or a group's benefit (World Bank and IMF). According to the law, something is considered corrupt if it satisfies the following criteria: unethical behavior, misuse of power, resources, or opportunities, enrichment of the individual, other persons, or corporations, and harm to public finances or the national economy. Giving or accepting gifts, promises, or bribes, embezzling while in office, extorting while in office, taking part in procurement, and receiving gratuities for civil workers or state administrators are all considered acts of corruption.

Conceptual Framework The following is a description of the conceptual framework used in this study: (Fig. 1)
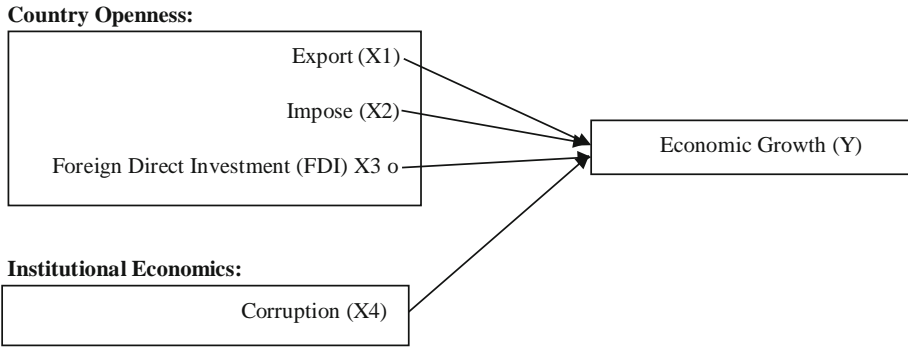
Country Openness:

Fig. 1. Conceptual Framework

2   Research Methods

2.1   Data

In this study using panel data from 5 ASEAN countries: Indonesia, Malaysia, the Philippines, Singapore and Vietnam. With an annual time series spanning from 1998 to 2020, with variables: Economic Growth (G), Export (X), Import (M) and Foreign Direct Investment (FDI) and Corruption (cast). The data source was obtained from secondary data from The World Bank and Transparency International.

2.2   Operational Variables

Economic growth (g) is the growth of the production capacity of goods and services in a country within a certain time interval. Measured using a change in Real GDP of percentage units (%).

Export (X) is the total amount of goods, services and other market services provided worldwide in 5 ASEAN countries expressed in U$IBs.

Import (M) is the total amount of goods, services and other market services received from around the world in 5 ASEAN countries expressed in U$IPhones.

Foreign direct investment (FDI) is the cumulative amount of foreign direct capital flows or investments that constitute a country's long-term participation in another country in a certain period of time expressed in US$ billions.

Corruption (Cor) is measured using the Corruption Perceptions Index (GPA). GPA describes the perception of business actors towards the practice of bribery in a country based on categories: prevalence of corruption, public accountability, motivation for corruption, impact of corruption and effectiveness of eradicating corruption. The Corruption Perceptions Index (GPA) is taken based on a combined index / combination of various international surveys and corruption assessments referring to 13 surveys from independent institutions expressed in scores of 0 to 100. The higher the GPA score, the less corrupt practices that occur, and vice versa.

2.3 Data Analysis

The model used in the study was to use panel data (pooled data). Furthermore, the analysis using the Autoregressive Distributed Lag (ARDL) Panel test. The basic models of this study are:

$$G = \beta 0 + \beta 1\ Xit + \beta 2\ Mit + \beta 3\ FDIit + \beta 2\ corit + \varepsilon it \qquad (1)$$

To i = 1,2,3…5 dan t = 1,2,3, …..,21
Where:
i = Data Cross section
t = Data time series
G = Economic Growth (%)
X = Exports (billion US$)
M = Imports (billion (US$)
FDI = Foreign Direct Investment (US $billion)
Cor = Corruption (index 1–100)

The data in this study were analyzed using the *Panel Autoregressive Distributed Lag* (ARDL) test. The analysis is carried out first to conduct stationary testing, if the results of the analysis of all variables are not stationary at the level but also stationary at the first different, it will be followed by an ADRL test to test whether there is a long-term influence then then carry out a cointegration test to ensure the short-term influence of the variables examined.

2.4 Hypothesis

a. Both in the short and long terms, exports have a substantial impact on economic growth.
b. Short- and long-term economic growth are significantly impacted by imports.
c. Both in the short and long term, FDI has a major impact on economic growth.
d. Economic growth is significantly impacted by corruption both immediately and over time.

3   Result and Discussion

3.1 Stationarity Test

The use of time series data in econometric analysis is often faced with the problem of variable stationaryity. When analysis is carried out on data that is not stationary, it will produce false regression results (spurious regression) and the conclusions drawn are less meaningful [25]. This stationarity test is performed to see if the time series data contains the root unit of the unit. There are several ways to perform a root unit panel test. In this study will use the panel test of the root unit Levin, Li & Chut.

Stationary test results in Table 1. It shows that all variable data in this study have been stationary at the *first difference* level.

Table 1. Stationary Test Results

Variabel	Level		First Difference	
	p-value	Ket.	p-value	Ket.
g	0.0000	Stationer	0.0000	Stationer
LOG_X	0.0001	Stationer	0.0000	Stationer
LOG_M	0.0055	Stationer	0.0000	Stationer
LOG_FDI	0.1002	Not Stationer	0.0000	Stationer
IPK	0.3229	Not Stationer	0.0000	Stationer

Source: Secondary data processed, 2022

Table 2. Long-Term ADRL Panel Test Results

Variable	ASEAN	Indonesia	Malaysia	Philipina	Singapura	Vietnam
	Sig					
D(LOG_Ex)	0.0024* -44.89772					
D(LOG_Im)	0.0002* 52.09264					
LOG_FDI	0.0700*** -1.557193					
IPK	0.0431** -0.107639					

Source: Secondary data processed, 2022 Ket: sig *1%; **5%; ***10%

3.2 ADRL Panel Test

After the stationerity test is met, then to see the long-term and short-term effects, the ADRL Panel test is carried out.

From Table 2 we can see that in the long run exports have a significant effect of 1% on economic growth in ASEAN countries. This is in line with research conducted by [26] which shows the same results, namely exports affect economic growth. In this study, exports have a negative influence on economic growth in ASEAN countries. so that it can be interpreted that any increase in the export value of 1 unit will be able to cause a decrease in economic growth of 44.89772 units. The findings of this study do not support a number of theoretical studies, such as Tambunan's [4] assertion that exports are a significant economic force because they generate foreign exchange that can be utilized to finance imports and the expansion of local economic sectors. This is not the case in ASEAN countries, because when the value of positive economic growth is actually increasingly negative. This indicates that the process of creating exported goods requires much more efforts for the country, for example what happens in Singapore to be able to export goods needed basic materials from other countries which may also

be of greater value so that to create exported goods in the long run actually burdens its national income.

Import variables in the long term have a significant effect of 1% on economic growth in ASEAN countries. This is supported by previous research conducted by Hodijah and Angelina [9] and Risnitia [27] showing that imports have a significant influence on GDP. Imports have a positive relationship towards long-term economic growth in ASEAN countries. This means that each increase in one unit of import variables can increase the economic growth of ASEAN countries by 52,09264 units. Imports of goods that are able to build community productivity in producing goods of higher value so that they can generate income for the community and become export goods can increase the country's foreign exchange which in turn can improve the economy of a country.

The economic growth of ASEAN countries is significantly impacted by the FDI variable over the long run by 10%. Foreign direct investment significantly affects economic growth, according to Aprilia and Hariyanti [7], Keshmeer [28], and Nawatmi [24], who also supported these findings. Furthermore, the relationship between it and long-term economic growth is moving in the opposite way. In the sense that each unit of FDI that increases results in a reduction of 1.557193 units of economic growth. The findings of this investigation do not support the notion from Hill et all [20] which states that FDI can result in an increase in players in the domestic market, so that it will increase the level of national competition, thus prices will fall and consumer welfare increases. This increased competition encourages capital investment by building companies, procurement of equipment, and research and development programs. The long-term outcome is increased productivity, product innovation, and greater process and economic growth. However, in this study, FDI entered into the country's equity capital, income reinvestment, share ownership at least 10%. So that in the long run the turnover of profit sharing becomes a source of national income for other countries, which can reduce the value of foreign exchange for the country so that it can reduce the economic growth of a country.

Meanwhile, the variable corruption perception index in the long term has a significant negative effect on economic growth in ASEAN countries. This means that the increase in the corruption perception index indicates that there are fewer and fewer corrupt practices, this has resulted in reducing economic growth in ASEAN countries, this result also pays attention that in ASEAN countries corrupt practices are still a trend in increasing economic growth. So that awareness of the factor of egoism and attaching importance to personal interests above the interests of many people is still very lacking, so that economic movements are still a condition for corrupt practices to smooth the pace of the economy in ASEAN countries (Table 3).

To ensure the stability and absence of the cointegration relationship in the short term, a Kao cointegration test will be carried out. The results of the analysis were obtained as follows;

From Table 4. Kao's Cointegration test can be seen that the prob value. of the variables of export, import, FDI and Corruption to economic growth is 0.0009 which is less than the significance value of 1%, which means that the variables of export, import, FDI and GPA have a significant and stable short-term relationship towards the long term.

As can be seen from Table 3, export factors have a big impact on the ASEAN countries' economic growth in the short term. A rise in export value can boost the economic

Table 3. Short-Term ADRL Panel Test Results

Variable	ASEAN	Indonesia	Malaysia	Philipina	Singapura	Vietnam
Short Run Equation						
				0.0053		
D(LOG_X)	*0.0432*** 157.6196	*0.9893* 67.86874	*0.9433* 407.9774	*0.9884* -7.311388	*0.9582* 250.7033	*0.9475* 68.86009
D(LOG_M)	*0.1543* -100.2434	*0.9834* -80.46465	*0.9548* -332.6833	*0.8413* 94.68156	*0.9798* -130.0208	*0.9428* -52.72969
LOG_FDI	*0.6739* 2.575665	*0.0033** 0.270107	*0.0927*** 2.656087	*0.8823* -17.94582	*0.1018* 19.13349	*0.2692* 8.764466
IPK	*0.0002** 1.016114	*0.0002** 1.590767	*0.0008** 0.358940	*0.0905*** 1.325479	*0.0079** 1.316133	*0.0003** 0.489253
C	*0.2181* -0.922588	*0.1839* 0.144231	*0.0247** -0.471494	*0.0921** -3.788021	*0.0205** -0.714962	*0.0362** 0.217308

Source: Secondary data processed, 2022 Ket: sig *1%; **5%; ***10%

Table 4. ADRL Kao Cointegration Panel Test Results Economic Growth, Exports, Imports, FDI, Corruption

ADF		t-Statistic	Prob.
		-3.129570	0.0009
Residual variance		15.91986	
HAC variance		11.76494	

expansion of ASEAN nations as well as having a good relationship orientation. This study is consistent with that of Larasati and Sulasmiyati [26] who found that export factors significantly affect economic growth as indicated by GDP values for their respective nations. This is so that export activities might, in the short term, directly raise the country's foreign exchange, hence increasing national income. So that more countries can finance the production of domestic goods and services so that in the end it can increase economic growth.

In contrast to the case with import variables, it can be shown to have a prob value. Above 10%, indicating that imports in ASEAN countries do not significantly affect economic growth in the short run. The findings of this study conflict with those of Ismadiyanti et al.'s study, which discovered that imports significantly affect economic growth in the near term. This is because of the five ASEAN countries studied, there are two countries, namely the Philippines and Singapore, where when the change in economic growth is positive, it actually has a negative change value while the other three countries have unidirectional changes.

The short-term impact of the FDI variable on economic growth in ASEAN nations is negligible. This is consistent with the economic theory put out by Dornbusche and

Fischer [6], which claims that investment is the demand for products and services to develop or boost production capacity or revenue in the future. So that in the short term the influence of investment has not been felt by the community. This is also because an investment recorded in the t-year does not necessarily produce the PRODUCT of GDP which is the basis for calculating economic growth in the t-year as well. So that the effect of investment on economic growth is largely determined by how long the investment realization process takes until the investment produces a product, especially investment in the secondary and tertiary sectors.

At a level of 1%, the GPA variable has a considerable short-term impact on economic growth in ASEAN nations. Positively, i.e., by removing corrupt behaviors, one can enhance economic growth in the short term by raising the GPA. According to Nawatmi's [24] research, the economic growth is significantly impacted favorably by the corruption index. The state must work to eradicate corrupt behaviors in order to reduce corruption actors and boost economic growth, which will raise the GPA score.

4   Conclusion and Suggestions

4.1   Conclusion

The following research findings are based on the findings of study and talks conducted in an effort to address issues:

1. While the export variable has a considerable short-term positive influence on the economic growth of ASEAN countries, it has a significant long-term negative impact.
2. The economic growth of ASEAN countries is significantly influenced by import variables over the long run, but not significantly so over the short term.
3. In the short term, the FDI variable does not significantly affect the economic growth of ASEAN countries, but in the long run, it has a considerable negative influence below 10%.
4. While the short-term impact of corruption on the economic growth of ASEAN countries is significant, the long-term impact is significantly beneficial.

4.2   Suggestions

The weakness in this study is in the analysis test tool, namely the ADRL panel. It is very good in estimation in the long term and short term, it's just that the maximum input estimate can only contain 2 independent variables and 1 dependent variable, so that in the next study it can be continued using the latest eviews which is able to contain all variables when conducting ADRL panel tests.

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Identification of MSMEs Digital Economy Accessibility as Competitiveness Before and After Covid-19 in Gowa Regency

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Abstract. The acceleration of the digital economy occurs after Covid-19. The demand for different digital transactions experiences sharpens, encompassing demand for services, financial technology (fintech), e-commerce, and digital payment application before and when the Covid-19 pandemic existed. This study aims to identify the accessibility of the digital economy for the MSMEs sector. It gives guidelines for MSMEs and their relationship to strengthening their power competitiveness before and after Covid-19. This research was analyzed using primary data with a survey technique (questionnaire) from 150 samples of MSMEs in the Gowa district. Accelerating the digital economy in this study includes (1) knowing the concept, (2) having an application, and (3) being able to use application-related demand on services, financial technology, and e-commerce, as well as digital payments. Then the competitiveness in this study uses a proxy of MSMEs earnings before and after Covid-19 exists. The results show that respondents in the well-literate and literate categories understand the concept of demand on service by 75.33%, 91.34% for fintech, and 63.3% for e-commerce. Conversely, the MSMEs having the application shows a downward trend, especially fintech (47.33%) and e-commerce (46.67%). Meanwhile, at the user level, e-commerce also has the lowest percentage (26%) and demand for service (72%). The results also show that 22 units of MSMEs experienced increased turnover after the Covid-19 shock. Seven units of MSMEs are less literate, twelve are literate, and three are in the well-literate category.

Keywords: MSME's · Acceleration · Competitiveness · Literate · Digital Economy

1 Introduction

The digital economy's transformation has changed the Indonesian economy's face. Production and distribution activities no longer require a particular place, reducing production costs. The Covid-19 pandemic has become one of the drivers for the increase in the value of e-commerce in Indonesia. This is shown by the value of e-commerce which has increased significantly in 2021, namely IDR 401 trillion, and it is predicted that in 2022 it will increase to IDR 526 trillion or grow around 31.2% [2].

Restrictions on community activities due to the pandemic have forced many business actors, especially in the MSME sector, to try to survive by continuing to produce and sell them online. In addition, public interest in using electronic money platforms and digital banking is also increasing. In 2021, BI recorded an electronic money transaction value of IDR 305.4 trillion, while digital banking was IDR 39,841.4 trillion. This value is predicted to grow by 17.13% and 24.83%, respectively, in 2022 [2].

Digital economy acceleration generally occurs in areas where economic growth centers have a relatively high level of financial literacy. Financial literacy is knowledge, skills, and beliefs that influence financial attitudes and behavior to improve the quality of decision-making and financial management to achieve financial inclusion (SNLIK, 2021). Thus, this encourages the financial welfare of society. Low financial literacy impacts individuals' losses either due to inflation, declining economic conditions both domestically, or the development of the economic system [2].

The importance of financial literacy for individuals is not just knowledge or theory. However, it is expected to make individuals wiser and more innovative in managing their assets to provide beneficial feedback in supporting individual finances both in the short and long term [15]. Furthermore, based on the 2019 SNLIK survey, the Makassar City financial literacy index is 38.54%. However, the index data based on regional strata includes Gowa Regency, which is 26.32%. The gap in these index values is quite large compared to the regional strata in Java and Sumatra.

The financial literacy index (ILK) based on strata in 2019 shows a significant gap between the percentages of ILK Makassar City (38.54%) and Gowa Regency (26.32%). This difference illustrates the inequality of understanding, knowledge, and information regarding access to finance, digital financial products, digital marketing, and a cashless society ecosystem. However, the shock caused by Covid-19 is still sufficiently controlled by Gowa Regency's economic activities, especially the rapid development of the MSME sector. Social restrictions make people continue to carry out economic activities by marketing through various digital platforms. This, of course, reduces production costs and provides additional income for MSME entrepreneurs.

Apart from that, from the payment side, Bank Indonesia has also encouraged using QRIS, which has many benefits, such as increased sales due to accepting QR-based payments, updates, and transparency of transaction recording. If MSME actors know this information well, MSME products will be more competitive. Then, the more comprehensive the product marketing network, the easier it is to buy and pay for products. This digital economic response allows MSME sector actors to choose investment instruments to strengthen their business competitiveness. It ultimately encourages an increase in income, reflecting an increase in the welfare of MSME sector actors and the welfare of the people of the Gowa Regency.

Today the digital economy has developed very rapidly. Four sectors are estimated to be in great demand in the post-Covid era, namely, the Education sector, where access is increasingly widespread thanks to online learning innovations. The Health sector continues to develop along with technological developments, the fintech sector, where digital lending and online investment are increasingly popular, and the e-sector -commerce, where the number of online buyers has skyrocketed in the pandemic era. It can be seen from the development of various forms of a digital economy based on demand

for service (Spotify, grab, indihome, gojek, NetFlix); (2) fintech in the form of innovation in the financial sector (Credito, Gopay, tanihub, ovo, kitabisa.com, taralite), and (3) E-commerce, namely the spread of online sales, purchases, marketing of goods and services. The accelerated development of the digital economy will likely encourage the strengthening of MSMEs in the Gowa Regency.

This study aims to identify the Accessibility of the Digital Economy of MSMEs as Competitiveness Before and After Covid-19 in Gowa Regency. In this region, there are 37,000 MSME units whose accessibility to the digital economy still needs to be identified because of Kab's financial literacy level. Gowa is still relatively low. Identifying digital financial access for MSME actors can provide guidelines to what extent economic acceleration can be accessed and how it affects the strengthening of MSME competitiveness.

2   Theory and Hypothetic Development

Competitiveness is associated with the ability of MSEs to produce goods and services that meet international standards. In this case, the competitiveness of one company creates a specific value with other companies. It is supported by Hitt et al. in Handriani (2011: 53), who argue that the competitiveness of small businesses is the extent to which a company can meet market demand, both domestically and internationally, by producing goods and services and maintaining or developing the business. And their employees. According to Ada et al. (2013), the competitiveness of MSEs can increase the selling value in commercial competition [1].

Competitiveness is associated with increasing the competitiveness of MSEs to survive in a constantly changing environment and intense business competition [10]. Meanwhile, according to Porter (1985: 102), *competitiveness* is defined as implementing strategies that create business value and are not achieved by competitors and competitors who are challenging to imitate [9]. Global competitiveness is associated with high levels of social learning and the ability to adapt to new technologies.

Many factors affect a company's competitiveness; these factors can come from within or outside the company. According to Handriani (2011), a company is said to be well competitive if it has a high-profit level even though the situation and industrial structure are unfavorable. Meanwhile, the competitiveness and weaknesses of SMEs in Indonesia are due to a lack of working capital, difficulties in marketing, access to financial resources, weak management and technological skills, low productivity, and limited production resources. Especially capital and technology., information and markets, institutions, and organizations for poor quality cooperation and lack of business networks [13]. In contrast, Vojtovic (2017) states that increasing competitiveness can include the transfer of innovation and new technologies, growth in labor productivity, introduction of innovative approaches to production, growth of added value, and investment in research and development [14].

A critical indicator in the development of MSMEs, which aims to increase their competitiveness, is the ability to adapt technological innovations in the digital economy context. The thing currently developing the most is the digitization of the financial sector. Because of the growing technological innovations in the financial sector, the community,

including MSME players, must increase financial literacy by studying and understanding every service, product, and financial decision they will implement. It is intended so that the benefits of access to finance, including fintech, can be felt to the fullest and not harm MSME actors. Financial literacy itself is a skill in financial terms that a person has. Someone with good financial literacy (well-lit) will be able to see money from a different perspective and control his financial condition [6]. The importance of financial literacy for MSME players so that technological innovation in the financial sector in the form of digitalization of the economy can accelerate the competitiveness of MSMEs.

Technological innovations in the financial sector are increasingly developing. The community, including MSME actors, must increase financial literacy by studying and understanding every service, product, and financial decision they will implement. It is intended so that the benefits of access to finance, including fintech, can be felt to the fullest and not harm MSME actors. Someone with good financial literacy (well-lit) will be able to see money from a different perspective and control his financial condition [7]. For MSMEs, understanding the concept of financial literacy is very important. Good financial literacy will make it easier for them to know how the value of money will be helpful in the present and how significant the impact will be in the future. Therefore, strategic efforts are needed to improve the performance and sustainability of MSMEs [3]. Increasing the financial knowledge of MSME actors will improve the performance and sustainability of MSMEs so that their management and accountability can be better accounted for as befits large companies [3]. Based on the National Financial Literacy Survey (SNLK) conducted by the Financial Services Authority (OJK) in 2019, the national financial literacy index is 38.03%, and the financial inclusion index is 76.19% [8].

The Industrial Revolution 4.0 raises opportunities and challenges, especially for Micro, Small, and Medium Enterprises (MSMEs). To be able to compete in existing business competition, MSMEs are required to be able to adapt to digital-based economic transformation. The success of MSMEs in surviving and winning the competition is determined mainly by their competitiveness [4]. The importance of digitizing MSMEs is to survive and win the existing competition by increasing the performance and competitiveness of MSMEs [11]. Digital-based business transformation needs to be carried out. It requires the support of two main factors: the high level of digital literacy and the high quality of products or services. Several strategies can be carried out: focusing on core competencies, mastering skills, customer-centric strategies, reducing production costs, and expanding market share to the international level [5].

The study of SMEs and E-commerce has received much attention from academics and practitioners because SMEs play an essential role in generating large amounts of state revenue at this time. Therefore, the contribution of SMEs to economic development despite their scarce resources requires intense and passionate studies to examine the factors that will affect the adoption of E-commerce among SMEs [12]. SMEs can overcome global challenges by conducting reliable, balanced, and high-standard business operations. There are various management methods to increase the competitiveness of SMEs. In recent years the competitiveness of SMEs has also been analyzed at the country level. Creating a good business environment for this group of companies is crucial. In times of crisis, the extraordinary role of SMEs in GDP creation is emphasized throughout Europe and abroad [7].

The main reason for addressing competitiveness at the SME level is that, in the end, macro-level competitiveness is generated at the enterprise level, the leading actor of economic life. It is one of the most widely used levels of analysis in the literature due to the particular interest shown by companies in assessing their competitive situation concerning direct competitors, using easy-to-use tools for comparison between firms (benchmarking is one of the most widely used systems). Used), specificity of comparison, using quantitative indicators that are widely accepted and easy to compare - profit, market share, Etc. (Ceptureanu, S, 2015).

3   Methodology

This research was analyzed using primary data with a survey technique (questionnaire) from 150 samples of MSMEs in the Gowa district. Accelerating the digital economy in this study includes (1) knowing the concept, (2) having an application, and (3) being able to use application-related demand on services, financial technology, and e-commerce, as well as digital payments. Then the competitiveness in this study uses a proxy of MSMEs earnings before and after Covid-19 exists.

4   Result and Discussion

Identification of digital economic access for MSMEs in Gowa Regency as measured by the level of financial literacy based on On-Demand Service (ODS), Fintech, Understanding of E-Commerce, Implementation of Digital Finance in MSMEs. The identification results with various measurement indicators are stated in an index. The resulting index is one of this era's power benchmarks for MSMEs. Digitalization in all sectors, including MSMEs, is critical to implement as a competitiveness for MSMEs in increasing their turnover and profits (Table 1).

Based on the table above, MSMEs in Gowa Regency fall into the category of quite understanding. Gowa Regency. Regarding ownership and use of applications, it still shows that some MSMEs are not literate. This condition tends to explain that the behavior

Table 1. Percentage of the Number of MSMEs based On-Demand service Literacy

No	"On Demand Service" Literacy	Number of MSMEs (%)			
		Very Understand	*Adequately Understand*	*Less Understand*	*Do Not Understand*
1	Understanding Concepts	21,33%	67,33%	11,33%	0,00%
2	Application Ownership	11,33%	65,33%	16,67%	6,67%
3	Application Usage	8,00%	64,00%	21,33%	6,67%

Source: Primary Data, Processed (2022)

of MSMEs still needs time to fully transform into the digital sector, especially on-demand service applications (Table 2).

The literacy level of MSMEs towards financial technology (fintech) in general shows that 55.33% of the total respondents have mastered the concept of fintech, while 47.3% own applications, and 52.67% use applications. This description explains that it is possible that some respondents do not yet have the application but sometimes use other people's applications to carry out digital economic transactions/activities. This survey also shows that less than 15% of MSMEs are less literate. Meanwhile, the number of MSMEs that needed help understanding the ownership of the application and the use of the application was 11.33% and 64.67%, respectively. It reflects the condition of MSMEs that still need to understand and utilize various financial technology (fintech) facilities, especially regarding funding, donations, and financial planning. Varian (2017) explains that technology is a part that can move the production curve. It means that adopting financial technology can increase efficiency, reduce production costs, and optimize the income of a business.

Table 3 shows that only 6% of MSMEs have qualified knowledge and understanding of e-commerce. Of these, only 2% have e-commerce applications, decreasing as much as 1.33% at the user level. On the other hand, the number of MSMEs that are not literate

Table. 2 Percentage of Number of MSMEs based on Financial Technology Literacy

No	"Fintech" Literacy	% Number of MSMEs			
		Very Understand	*Adequately Understand*	*Less Understand*	*Do Not Understand*
1	Understanding Concepts	14,67%	55,33%	28,00%	2,00%
2	Application Ownership	0,00%	47,33%	41,33%	11,33%
3	Application Usage	0,00%	15,33%	20,00%	64,67%

Source: Primary Data, Processed (2022)

Table. 3 Percentage of Number of MSMEs Based on E-Commerce Literacy

No	e-commerce Literacy	% number of MSMEs to "e-commerce"			
		Very Understand	Adequately Understand	Less Understand	Do Not Understand
1	Understanding Concepts	6,00%	52,67%	29,33%	12,00%
2	Application Ownership	2,00%	42,67%	41,33%	14,00%
3	Application Usage	1,33%	24,00%	35,33%	39,33%

Source: Primary Data, Processed (2022)

Table 4. Implementation of Digital Finance in MSMEs Sector

No	Category	Percentage of MSMEs "Digital Finance" Literacy			
		Very Understand	Adequately Understand	Less Understand	Do Not Understand
1	Digital Payment knowledge in business	38,00%	42,67%	16,00%	3,33%
2	Use of Digital payments in Business	18,00%	54,67%	24,00%	3,33%

Source: Primary Data, Processed (2022)

and less literate conceptually is 12% and 29.33%. This condition shows that MSMEs need to be appropriately touched by digital technology. Due to the lack of understanding of the concept, it is followed by a lack of ownership of the application, and of course, they will not use the application. Underdevelopment of financial technology can hinder the MSME sector from distributing and marketing its products [5].

Table 4 shows that 38% of respondents know the concept of digital payments in business very well. However, implementation in business is only 18%. Once again, conceptual understanding has not gone hand in hand with the decisions of MSME actors who have yet used digital payments in their business. While the number of respondents who quite understand as much as 42.67% and 54.67% of respondents have used it in business. It means that some respondents understand the concept but try to adopt or try their luck in business. However, understanding the concept should make use of digital transactions carried out effectively and efficiently. Furthermore, performance affects the sustainability of SME businesses. This research implies that support from the government is still needed so that MSMEs can take advantage of e-commerce and expand business networks to survive the Covid-19 pandemic [4].

A critical indicator in the development of MSMEs, which aims to increase their competitiveness, is the ability to adapt technological innovations in the digital economy context. The thing currently developing the most is the digitization of the financial sector. Because of the growing technological innovations in the financial sector, the community, including MSME players, must increase financial literacy by studying and understanding every service, product, and financial decision they will implement. It is intended so that the benefits of access to finance, including fintech, can be felt to the fullest and not harm MSME actors. Financial literacy itself is a skill in financial terms that a person has. Someone with good financial literacy (well-lit) will be able to see money from a different perspective and control his financial condition [5]. The importance of financial literacy for MSME actors so that technological innovation in the financial sector in the form of digitalization of the economy can accelerate the competitiveness of MSMEs (Table 5).

However, what needs to be considered is the existence of MSME units that can still produce and produce goods/services during Covid-19. It proves that an increase in the

Table 5. Overview of Turnover Conditions Before-During Covid -19

Turnover Difference Pre-During Covid 19	MSMEs Frequency	Percentage
Increasing	22	14,7%
Constant	42	28,0%
Decreasing	86	57,3%
Total	150	100%

Source: Primary Data, Processed (2022)

financial literacy index has made the MSME sector competitive to survive amid major economic shocks [15]. The encouragement of accelerating financial literacy can sustainably increase MSMEs' competitiveness and performance due to the urgency to carry out digital economic transformation [10]. Therefore, it takes total effort and encouragement from the regional government of Gowa Regency to continue to increase financial literacy in the area, especially the MSME sector. The use of digital marketing has been carried out to increase customer awareness. Marketplace as a form of e-commerce is used as an innovation or change in sales methods [16].

As an economic foundation, the MSME sector has a significant role in maintaining economic resilience. When a shock occurs, the MSME sector becomes the leading supporter of the national economy [6]. Therefore, increasing financial literacy requires an acceleration to provide business opportunities and increase production. The importance of financial literacy for MSME actors so that technological innovation in the financial sector takes the form of digitization.

5   Conclusion

Identification of digital economic access for MSMEs in the concept of On Demand Service, in general, MSME actors understand enough in understanding the concept of owning applications and using applications during the Covid-19 pandemic. Before Covid, the percentage of lack of understanding of these indicators was relatively high. The percentage of MSMEs in Fintech literacy that is measured is based on an understanding of the concept, application ownership, and application use is at the level of sufficient understanding; it is just that application use has decreased during Covid-19 because only a few have applied it. Identification based on literacy in e-commerce before and during the pandemic shows that the level of understanding, application ownership, and application use is still in the less literate category. Furthermore, the implementation of Digital Finance shows that 50 percent of MSMEs have applied and experienced an increase during the Covid-19 pandemic.

Competitiveness in this study uses MSME income proxies before and after Covid-19. The results showed that respondents in the well-literate and literate categories understood the concept of demand on service by 75.33%, fintech by 91.34%, and e-commerce by 63.3%. In contrast, MSMEs with applications show a downward trend, especially fintech (47.33%) and e-commerce (46.67%). Meanwhile, at the user level, e-commerce also has

the lowest percentage (26%) and service requests (72%). The results also show that 22 MSME units experienced an increase in turnover after the Covid-19 shock. Seven MSME units are less literate, twelve literacy units and three are in the category of good literacy. Accelerating the digital economy during a pandemic, several MSMEs still have potential.

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The Relations of Organizational Culture and Job Satisfaction with Employee Performance Capabilities in the Pakuan Jaya Market Area Company, Bogor City

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Abstract. An organization or company needs to pay attention about the interests and things that are desired by its employees. It cannot be denied that an employee is an ordinary human being. They also have needs, wants, and expectations from the organization where they work. These factors can have an impact to employee's Performance and professionalism, because workers are encouraged to do their jobs as well as possible in order to achieve their desired goals. In this research journal, using a correlational approach technique contains two general discussion points, about the existence of a close correlation between organization culture and job satisfaction on Employee Performance Capabilities. The object studied in this journal took as many as 92 employees from a total of 119 employees as a random sample at the Regional Company Market Pakuan Jaya, Bogor City. In analyzing the data, using statistical analysis techniques, which are explained by regression and the determination of correlations in the form of simple and multiple. The conclusions drawn from this research journal are three points, first, explaining that there is a very significant relationship in the correlation between organizational culture and employee performance.

Keywords: Performance · Organizational Culture · Job Satisfaction

1 Introduction

An organization or company needs to pay attention about the interests and things that are desired by its employees. It cannot be denied that an employee is an ordinary human being. They also have needs, wants, and expectations from the organization where they work. These factors can have an impact to employee's Performance and professionalism, because workers are encouraged to do their jobs as well as possible in order to achieve their desired goals.

So, there are factors that can affect the quality of employee performance both internally and externally. Internal factors are related to the psychological condition of the

employee, such as work motivation, organizational commitment, responsibility, discipline, competence, and personality. Other internal factors related to organizational culture include supervision, leadership, incentives, and promotions. This factor also applies to employees of the Pakuan Jaya Market Regional Company, Bogor City, which is one of several regional companies in Bogor.

The work results of an employee toward realizing organizational goals can be referred to job performance. Employee work results are quantitative and qualitative measurements of work activities, implementation of office duties, and achievement of office targets. Performance is measured quantitatively and qualitatively in the form of work achievement and individual contribution to the organization. Employee performance indicators in this study are: a) efficiency, b) effectiveness, c) contribution, d) job target, e) yield standards.

According to earlier research by [1], there is a considerable positive association between organizational culture and employee performance, with organizational culture accounting for 11.8% of the relationship. According to the findings of a different study done by [2], work satisfaction and organizational culture have an impact on how well people perform at the PT. State Savings Bank (Persero) TBK Makassar Branch.

The same topic as this study was investigated by [1], who discovered a significant and favorable association between organizational culture and employee performance, with an organizational culture contribution of 11.8%. [2] conducted a similar study on staff members of PT. State Savings Bank (Persero) TBK Makassar Branch and discovered the same outcomes.

Based on what has been explained above, it can be used as a background for more detailed research to examine the relationship between organizational culture and the application of internal and external provisions, such as the application of real behavior patterns, relationships between members, and make a job satisfaction, and what impact will this have on employees of the Pakuan Jaya Market Regional Company, Bogor City.

This research is expected to provide benefits, including: theoretically, scientific development related to employee performance and improving employee performance, which continues to develop dynamically, while practically becoming a source of knowledge for efforts to better understand their roles and functions as members of employees of the Pakuan Jaya Market Regional Company, Bogor City and encouraging an increase in the work of employees in the organization.

The main topic for further discussion in this journal is the strong and positive correlation between employee performance and organizational culture, work satisfaction and employee performance, and organizational culture and job satisfaction together with employee performance.

2   Methodology

2.1   Research Subjects and Sampling Techniques

The research subjects had sample characteristics, as the employees of the Pakuan Jaya Market Regional Company, Bogor City, which is one of several regional companies in Bogor. There were only 92 participants in this study, of whom 27 were excluded from

Table 1. Description of Statistical Data Variable Research

No	Data Description	Employee Performance	Organizational Culture	Job Satisfaction
1	Total score	12401	11805	11380
2	Lowest score	112	103	103
3	Highest score	161	158	148
4	Average score	134,79	128,315	123,696
5	Standard deviation	10,52	10,984	10,067
6	Mode	132	132	124
7	Median	132	128,5	124
8	Range	49	55	45
9	Variance	110,65	120,658	101,335

the sample for instrument calibration tests. Simple random sampling was employed as the sampling method in this study. Simple random sampling, is a technique for gathering research samples at random without taking into account population strata, ensuring that every member of the population has an equal chance of being sampled [3]. As a result, every employee of the Market Pakuan Jaya Regional Company in Bogor City has the equal chance to participate in the study.

2.2 Research Design

A survey method using a correlational approach was utilized as the research methodology. This type of study is intended to learn more about the link between two or more different variables in a population. A one-shot reliability test utilizing Cronbach's Alpha Technique was utilized in this study to assess the consistency of the measuring tool.

A correlational technique, which is research done to uncover information from the relationship between numerous different variables in the population, is employed in this research journal together with survey research methodologies.

3 Results

3.1 Data Description

The description of the research data aims to describe in general the distribution of data with histograms of the three research variables. The research results will be explained in the form of tables and graphs (Table 1).

3.2 Analysis of the Correlation Between Organizational Culture (X1) and Employee Performance (Y)

The regression linearity test yields F result = 0.63, which is smaller than Ftable(0.05)(38.52) = 0.63. Therefore, the results that can be concluded are that if
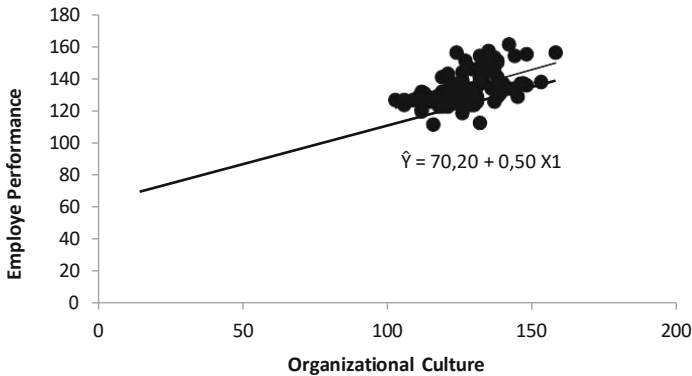
Fig. 1. Diagram of the Relationship between Organizational Culture and Employee Performance

the regression equation = 70.20 + 0.50 X1 is linear, The regression equation shows that every one-unit increase in the organizational culture score will cause an increase of 0.50 units in the employee performance score at a constant of 70.20, as shown in the following graph (Fig. 1).

The calculations indicate that, at the significance level of 0.05 and with dk = 90, t count = 6.34 and ttable = 1.99, respectively. The correlation coefficient between organizational culture and employee performance is declared to be highly significant due to the computation of >ttabel [6]. Therefore, it can be said that the alternative hypothesis (H1) is accepted and the null hypothesis (H0) is rejected.

3.3 Analysis of the Relationship Between Job Satisfaction (X2) and Employee Performance (Y)

Based on the results of the significance test, it was found that the value of Fhitung was 19.16, while Ftabel with dk numerator = 1 and dk denominator = 90 at a significance level of α = 0.01 was 6.93, and at a significance level of α = 0,05 was 3.95. Thus, the calculation of of Fcalculates > Ftable indicates that the result $\hat{Y}$ = 80,91 + 0,44 X2 can be used as a reference for predicting employee performance through job satisfaction.

The regression linearity test yields F = 0.65, which is smaller than Fta-bel(0,05)(48,42) = 1.65. So, it can be said that the regression equation $\hat{Y}$ = 80,91 + 0,44 X2 is linear. The regression equation shows that every one-unit increase in the Job Satisfaction score will cause an increase of 0.44 units in the Employee Performance score at a constant of 80.91, as shown in the following graph (Fig. 2).

3.4 Analysis of the Relationship Between Organizational Culture (X1) and Job Satisfaction (X2) Together with Employee Performance (Y)

Based on the results of the significance test, it was found that the value of Fhitung was 19.16, while Ftabel with dk numerator = 1 and dk denominator = 90 at a significance level of α = 0.01 was 6.93, and at a significance level of α = 0,05 was 3.95. Thus, the
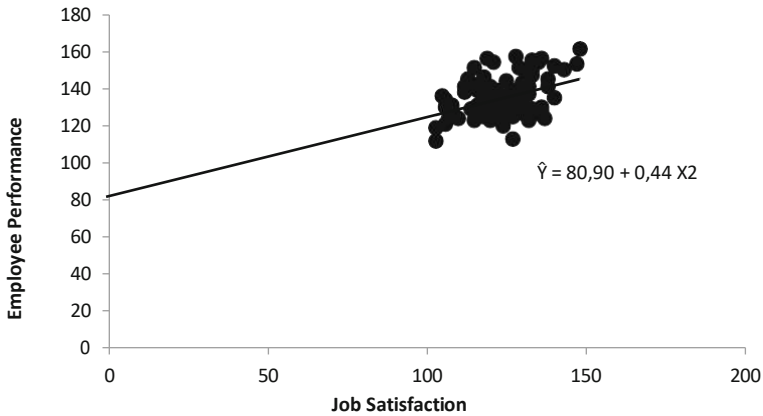
Fig. 2. Diagram of the Relationship between Employee Performance and Job Satisfaction.

Table 2. Results of the Calculation of the Significance Test of The Correlation of Organizational Culture and Job Satisfaction Together with Employee Performance.

Koef. Correlation ry.12	dk numerator	dk Denominator	F_{count}	F_{table}		Conclusion
				$\alpha = 0{,}01$	$\alpha = 0{,}05$	
0,597	2	90	24,68	6,93	3,95	Very Significant

Significance level test requirements: Fcalculate > Ftable

calculation of of Fcalculates > Ftable indicates that the result $\hat{Y} = 80{,}91 + 0{,}44\,X2$ can be used as a reference for predicting employee performance through job satisfaction.

The regression linearity test yields F = 0.65, which is smaller than Ftabel(0,05)(48,42) = 1.65. So, it can be said that the regression equation $\hat{Y} = 80{,}91 + 0{,}44\,X2$ is linear. The regression equation shows that every one-unit increase in the Job Satisfaction score will cause an increase of 0.44 units in the Employee Performance score at a constant of 80.91, as shown in the following graph.

Performance measure indicate the strength of the relationship between these variables. This suggests that whereas other factors influence employee performance by 64.3%, organizational culture and job satisfaction together account for 35.7% of it. It is required to test the significance of the multiple correlation coefficient using the F test in order to determine the significance of the positive association between organizational culture, job satisfaction, and employee performance. The multiple correlation coefficient is deemed significant if Fcalculates > Ftable.

The alternative hypothesis (H1) is accepted and the null hypothesis (H0) is rejected if it can be determined that the result is significant (Table 2).

3.5 Partial Correlation Test

Calculation of the partial correlation between job satisfaction and employee performance if organizational culture is controlled produces a value of ry2.1 = 0.333. Calculation The value of t value which is more than ttabel [6] indicates that the relationship between Job Satisfaction and Employee Performance, where the Organizational Culture value is significantly controlled, means that the Job Satisfaction variable and the Employee Performance variable are not significantly influenced by the Organizational Culture variable.

This research finds that that the strength of the relationship between job satisfaction and employee performance is higher than the relationship between organizational culture and employee performance. Thus, the main variable in this study is job satisfaction because it makes the greatest contribution to employee performance, while the organizational culture variable only makes a small contribution to job satisfaction.

4 Discussion

4.1 The Relationship Between Organizational Culture (X1) and Employee Performance (Y)

The results of the study show that there is a positive relationship between organizational culture and employee performance. This is shown by the correlation coefficient (ry.1) is 0.526, which is very significant. The contribution of organizational culture to employee performance is 27.6%, which is expressed by a coefficient of determination (r2y.1) = 0.276. The partial correlation coefficient of organizational culture (with the variable job satisfaction controlled) is 0.471, which is very significant.

Based on the research that has been done, it shows that the correlation coefficient (ry.1) is 0.526, which is very significant, meaning that there is a positive correlation between organizational culture and employee performance. Organizational culture contributes quite a lot to affecting employee performance, with a total of 27.6%. This is in accordance with the test results, which show the value of the coefficient of determination (r2y.1) = 0.276. Furthermore, the results of testing the partial correlation coefficient of organizational culture (with the variable job satisfaction controlled) yielded very significant test results.

According to the basic linear regression equation = 70.20 + 0.50X1, it is projected that for every unit increase in organizational culture, the employee performance score will rise by 0.50 units at a constant of 70.20. According to the study's findings, organizational culture significantly and favorably influences job satisfaction.

The comprehension of a shared system of values, norms, and beliefs is fundamentally based on a pattern of fundamental presumptions and a system of shared meaning. In this study, organizational culture is the main topic. Real behavior patterns, conventions, values, identity, shared views, and relationships amongst individuals are all system markers of organizational culture.

Organizational culture is an understanding of the values and norms that are important in the organization and that these values and norms direct the behavior of members of the organization [4]. Characteristics that mark the existence of organizational culture are:

1. There is observance of the rules of conduct, which means that interactions between members of the organization must use general words while still paying attention to ethics to respect and behave.
2. Norms that become standards of behavior relate to rules regarding quantity in doing work.
3. As its dominant value, the organization hopes that its members are guided by its core values, for example, quality work products, high work efficiency, and being rarely absent from work.
4. philosophy, meaning that there are several policies to realize organizational trust in treating employees or customers.
5. Rules that must be guided by the achievements of the company. Organization needs to adjust the procedures that have been determined so that they can be accepted by other members.
6. Organizational climate, namely all feelings shown by physical rules that contain guidelines on how members of the organization interact with outside customers

Based on this explanation, provide clear facts and data that conclude that the results of this study support the results of previous research on the strong correlation between organizational culture and employee performance, either directly or indirectly.

Based on the results of the research and discussion above, it can be indicated that one of the efforts to improve employee performance is to improve or develop their organizational culture.

And it can be concluded that one of the efforts to improve the quality of employee performance in an organization is to develop its organizational culture so that it can have a better impact on the quality of employee performance.

4.2   The Relationship Between Job Satisfaction (X2) and Employee Performance (Y)

The research correlation coefficient (ry.2) is 0.417 indicates that there is a positive relationship between job satisfaction and employee performance, with a significant correlation of 17.4% at the level of $\alpha = 0.05$.

A simple linear regression equation $Y = 80.91 + 0.44 X2$ expresses the pattern of relationship between the variable Job Satisfaction and the variable Employee Performance. It is predicted that every increase of one unit in Job Satisfaction will cause an increase of 0.44 unit in employee performance at a constant of 80.91.

This means that the job satisfaction factor of an employee will contribute, which can help to achieve more optimal employee performance.

Job satisfaction is an employee's emotional condition, which includes attitudes, feelings, and perceptions of satisfied or dissatisfied employees with the work environment. With indicators: a) rewards; b) superiors; c) co-workers; d) jobs faced; e) work environment.

[2] has previously performed study on workers at the PT. State Savings Bank (Persero) TBK Makasar Branch to assess the extent to which organizational culture and job satisfaction have an impact on worker performance. The results of the study demonstrate a significant and advantageous association between corporate culture, job

satisfaction, and worker performance. With a Rsquare value of 0.463, which shows that changes in organizational culture and job happiness variables account for 46.3% of the variation in job satisfaction programs and that other variables account for the remaining portion,

The R square value from this study was 0.463, which indicates that variations in organizational culture and work satisfaction characteristics account for 46.3% of the variation in job satisfaction programs, with other variables accounting for the remaining 53.7% of the variation.

Use this justification to support the conclusion that there is a strong association between corporate culture and employee performance, either directly or indirectly, and that the study's findings support those findings.

4.3 The Relationship Between Organizational Culture (X1) and Job Satisfaction (X2) Together with Employee Performance (Y)

The results of the multiple linear regression equation test of the variables Organizational Culture and Job Satisfaction together with Employee Performance obtain the results $\hat{Y}$ = 42,02 + 0,43 X1 + 0,31 X2, which can be explained if Organizational Culture is denoted by the variable ((X1)) and the value of Job Satisfaction (X2) has increased by 1 unit, so the value of Employee Performance (Y) will increase by 0.43 units and 0.31 units in the same direction with a constant of 42.02. The multiple regression linear equation $\hat{Y}$ = 42,02 + 0,43 X1 + 0,31 X2 serves to determine the level of employee performance in an organization because it can be seen that the correlation coefficient score (ry.12) is 0.597, which is very significant after being tested with the F test.

Organizational culture and job satisfaction simultaneously contribute to employee performance with a coefficient of determination (r2y.12) is 0.357 or 35.7%.

According to the study's findings, organizational culture and job happiness can both have a big impact on how well employees perform, thus if organizational culture and job satisfaction are both more effective, employee job satisfaction will be higher as well.

[5] has previously conducted study on how organizational culture and work happiness affect the productivity of employees of the Palembang City Regional Revenue Service. According to the study's findings, organizational culture and work satisfaction both simultaneously influence employee performance by 85.20%, with other factors outside of research accounting for the remaining 14.80%.

Since organizational culture and job satisfaction can have a real and significant impact on employee performance, research in this publication will yield results and factual data that are acceptable and can support the findings of earlier research.

5   Conclusions and Suggestions

The following conclusions are reached based on empirical data concerning the relationship between organizational culture and work satisfaction with employee performance at Market Pakuan Jaya Regional Company, Bogor City, analysis results, and discussion of results of the study. (1) The simple linear regression equation Y = 70,20 + 0,50X1 and a correlation coefficient (rx1.y) of 0.526 at a moderate relationship level support

the existence of a positive and very significant relationship between organizational culture and employee performance at Market Pakuan Jaya Regional Company, Bogor City. The organizational culture at the Pakuan Jaya Market Regional Company, Bogor City, has a 27.6% positive impact on employee performance, according to the coefficient of determination (rx1.y2), which has a value of 0.276. (2).

In Pakuan Jaya Market Regional Company, Bogor City, there is a very significant positive correlation between job satisfaction and worker performance, with a correlation coefficient (rx2.y) of 0.417 at the moderate level of relationship, and this relationship is supported by the simple linear regression equation $\hat{Y} = 80,91 + 0,44X2$. The job satisfaction of employees at the Pakuan Jaya Market Regional Company in Bogor City contributed 17.40% to their performance, as indicated by the coefficient of determination ((rx2.y2) value of 0.174. (3).

A significant positive relationship exists between organizational culture and job satisfaction, as well as the performance of employees of Pakuan Jaya Market Regional Company, Bogor City, with a correlation value (R_(x1.x2.y)) of 0.597 at the moderate level of relationship, and supported by a simple linear regression equation $\hat{Y} = 42,02 + 0,43X1 + 0,31X2$. The performance of employees of the Pakuan JayaMarket Regional Company, Bogor City, was affected by the company's culture and job satisfaction to a level of 35.7%, as indicated by the coefficient of determination value (R(x1.x2.y)) value of 0.357.

Based on the report's results, it can be concluded that organizational culture and job satisfaction are positively correlated with employees' performance at Pakuan Jaya Market Regional Company.

For improving the performance of employees of the Pakuan Jaya Market Regional Company, Bogor City is advised to: a. Increase efficiency, namely with existing personnel members without having to add, so as to reduce expenses, b. Increase organizational effectiveness, by making activities optimally so that not too much time is wasted in effective hours/working hours on all members, c. Increase the contribution of members to the organization, i.e. by giving each member the burden and responsibility to perform a certain work to completion, d. Increase work targets, create a time schedule for each activity and the length of work, each member to be able to meet the given standards, e. Improving the standard of results, each member is given a standard of the expected results of the work given, if not to be given improvements so that it can meet the standards.

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Increasing Customer Satisfaction and Loyalty in E-Commerce: A Case Study of Costumer Tokopedia in Makassar City

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Abstract. The goal of this study is to see if trust and word of mouth (WOM) have a direct effect on satisfaction and loyalty, as well as an indirect effect via Tokopedia customer satisfaction in Makassar City. This research approach is a quantitative research approach. The population is all Tokopedia customers in Makassar City. The total sample is 172 people, with the technique of determining the sample is done by the technique of Nonrandom Sampling with the type of sampling purpose. Hypothesis testing is done by path analysis and Sobel test. According to the findings of this study, trust and word of mouth (WOM) have a positive and significant direct effect on Tokopedia customer satisfaction, but have no effect on customer loyalty. This study also discovered that customer satisfaction has a positive and statistically significant effect on Tokopedia customer loyalty. The indirect effect also demonstrates that trust and word of mouth (WOM) have a positive and significant direct effect on loyalty in Makassar City via Tokopedia customer satisfaction.

Keywords: Trust · Word of Mouth · Sastisfaction · Loyalty

1   Introduction

Business competition is getting tougher in today's era, so business people must be able to maintain business by carrying out various appropriate marketing strategies, one of which is related to the products offered to customers. One of them is that the company must be able to make a customer loyal when using the products or services offered by the company to customers. When the consumer is a customer with a high level of loyalty, it is due to a sense of satisfaction that has been fulfilled by the customer, so to switch to another company the possibility is small [1]. Allison and Yu in Saputra, et al., (2017) suggest that loyalty is a goal to be achieved as the key to the success of a business [2].

According to Kotler and Keller (2009), satisfaction is defined as a person's feelings of pleasure or disappointment as a result of comparing the perceived performance of a product (or outcome) to their expectations or expectations [3]. The customer is dissatisfied if performance falls short of expectations. The customer is satisfied if the performance meets expectations. When performance exceeds expectations, the customer

is overjoyed. According to Bahrudin and Zuhro (2016) research, high customer satisfaction is required to build high customer loyalty [4]. Satisfaction influences customer loyalty. To get loyal customers, the trust factor is one thing that must be considered. In the theory of trust put forward by Morgan and Hunt in Tumbel (2017) that the key to trust is the belief that arises because each party trusts each other so that they have high integrity, are consistent, fair, like to help and are responsible [5].

Referring to the research conducted by Laely (2018) that there is an influence of the trust variable on customer satisfaction [6]. Then, Pratiwi and Seminari (2015) found that trust has a positive and significant effect on customer satisfaction at the Dauh Ayu Savings and Loans Cooperative Denpasar [7]. Likewise with Mahendra (2018) who found that there was an effect of customer trust on customer satisfaction at CV Mitra Perkasa Utomo [8]. Not only affects satisfaction, but also has implications for customer loyalty. Tumbel (2017) who found that trust had an effect on customer loyalty at PT. Bank BTPN Mitra Usaha Rakyat, Amurang branch, South Minahasa Regency [5]. Then, Bahrudin and Zuhro (2016) that to build high customer loyalty requires high trust [4].

Word of Mouth factor also affects the level of customer loyalty. As the Word of Mouth theory proposed by Prasetijo & Ihalauw (2005) that word of mouth communication or known as Word of Mouth (WoM) is a process in which information obtained by a person about a product, either from the mass media, from social interactions as well as from the experience of consumption, is passed on to others and in the process information spreads everywhere [9]. There is a significant positive effect of word-of-mouth on satisfaction [10]. Then, Nugraha and Aditya (2015 found that the word of mouth variable had a significant effect on the consumer satisfaction variable [11]. Furthermore, Word of Mouth will also be able to increase loyalty as Saputra, et al., (2017) who found that word of mouth has a positive and significant effect on customer loyalty [2]. Likewise, research by Oliviana, et al., (2017) found that WOM (Word of Mouth) has a significant effect on consumer loyalty [1].

The phenomenon that occurs is that Tokopedia consumer loyalty in using the Tokopedia marketplace tends not to be maximized. Even though from a report from iPrice, for the second quarter of 2021, Tokopedia is in first place with 147,790,000 visitors per month, while its competitor, Shopee, is behind it with 126,996,700. However, for application rankings on the Play Store and App Store, Shopee is superior because it is at the top of number 1. While Tokopedia is in 2nd place for the App Store and Play Store is ranked 4. This situation shows that the loyalty of Tokopedia market place users needs to be more improved, due to the increasing number of competitors such as shopee, bli-bli, and so on.

The researchers are interested in conducting research on the theories and phenomena mentioned above: increasing customer satisfaction and loyalty in e-commerce: a case study of costumer Tokopedia in Makassar City.

2 Methodology

This study employs an associative research design in order to examine the direct and indirect effects of trust and WOM on loyalty via customer satisfaction at Tokopedia in Makassar City. The research was conducted in Makassar City, and all Tokopedia customers or users were interviewed. In this study, the population consists of all Tokopedia customers in Makassar City. The number of samples is determined based on 5– 10 times the number of indicators, where the total indicators of the four variables are 14 indicators, so that when referring to the value of $10 \times 14 = 140$ respondents. The technique for determining the sample is done by using nonrandom sampling technique with purposive sample/judgmental sampling. Path analysis is one of the data analysis techniques used in this research model. In this study, researchers wanted to see the direct effect of trust, WoM, and satisfaction on jobstreet.com user loyalty, as well as the indirect effect where the satisfaction variable became the intervening variable.

3 Result and Discussion

3.1 Validity and Reliability Test Results

Before testing the hypothesis, and the data sourced from the questionnaire in this study, it is necessary to test the instrument first. The results of the validity and reliability test of each variable showed that the questionnaire tested was valid and reliable as many as three statement items related to the confidence variable; as many as four statement items related to the word-of-mouth variable; as many as four statement items related to the user satisfaction variable; and as many as three statement items related to the user loyalty variable, with 140 respondents as many as. Because the corrected item total correlation value is 0.3, the validity test results show that all statement items on the variables of trust, word of mouth, satisfaction, and user loyalty are declared valid. Then, for reliability, it also shows the value of Cronbach's alpha 0.6 so it can be interpreted that the statement items in the questionnaire can be assessed as reliable as a measuring tool for the variables in this study.

3.2 Hypothesis Testing Results

Hypothesis testing is carried out to determine whether or not the independent variable has an effect on the dependent variable, both direct and indirect effects through the intervening variable. The hypothesis on the direct effect is accepted if the value of tcount > ttable or the value of Sig. < 0.05. As for the hypothesis on the indirect effect, it is accepted if the value of tcount > ttable or the value of Sig. < 0.05, where the determination of the tcount value and significant value or p-value is carried out using the Sobel calculator (the calculation results are shown in the attachment). The results of hypothesis testing can be seen in the following Table 1.

Table 1 Hypothesis Test Results

Variable	Direct Effect Coefficient	Indirect Influence Coefficient	t_{hitung}	Sig
Trust → Satisfaction	0,177	0	2,114	0,036
Word of Mouth → Satisfaction	0,525	0	5,281	0,000
Trust → Loyalty	0,068	0	0,925	0,356
Word of Mouth → Loyalty	0,113	0	1,413	0,160
Satisfaction → Loyalty	0,642	0	9,649	0,000
Trus → Satisfaction → Loyalty	0	0,177 × 0,642 = 0,114	2,065	0,039
Word of Mouth → Satisfaction → Loyalty	0	0,525 × 0,642 = 0,337	4,632	0,000

Based on Table 1, the results of hypothesis testing are described as follows:

H1: It is suspected that trust has a positive and significant effect on Tokopedia customer satisfaction in Makassar City. Based on data from the results of data processing, it is known that the effect of trust on user satisfaction has a tcount value of 2.114 which is greater than ttable of 1.974 and a p-value or Sig. of 0.036 is smaller than 0.05. This value shows the results that meet the requirements, namely tcount (2.114) > ttable (1.974) or the value of Sig. (0.038) < 0.05 and has a positive value, so it can be concluded that the first hypothesis in this study is acceptable. That is, trust has a positive and significant effect on Tokopedia customer satisfaction in Makassar City.

H2: It is suspected that word of mouth has a positive and significant effect on Tokopedia customer satisfaction in Makassar City. Based on data from the results of data processing, it is known that the effect of word of mouth on user satisfaction has a t-value of 5.281 which is greater than t-table of 1.974 and a p-value or Sig. of 0.000 is less than 0.05. This value shows the results that meet the requirements, namely tcount (5.281) > ttable (1.974) or the value of Sig. (0.000) < 0.05 and has a positive value, so it can be concluded that the second hypothesis in this study is acceptable. This means that word of mouth has a positive and significant effect on Tokopedia customer satisfaction in Makassar City.

H3: It is suspected that trust has a positive and significant effect on Tokopedia customer loyalty in Makassar City. Based on data from the results of data processing, it is known that the effect of trust on user loyalty has a tcount value of 0.925 which is smaller than ttable of 1.974 and a p-value or Sig. of 0.356 is greater than 0.05. This value shows the results that do not meet the requirements, namely tcount (0.925) < ttable (1.974) or the value of Sig. (0.356) > 0.05 and has a positive value, so it can be concluded that the third hypothesis in this study was rejected. This means that trust has a positive and insignificant effect on Tokopedia customer loyalty in Makassar City.

H4: It is suspected that word of mouth has a positive and significant effect on Tokopedia customer loyalty in Makassar City. Based on data from the results of data processing, it is known that the effect of word of mouth on user loyalty has a tcount value of 1.413 which is smaller than ttable of 1.974 and a p-value or Sig. of 0.160 is greater than 0.05. This value shows the results that do not meet the requirements, namely tcount (1.413) < ttable (1.974) or the value of Sig. (0.160) > 0.05 and has a positive value, so it can be concluded that the fourth hypothesis in this study was rejected. This means that word of mouth has a positive and insignificant effect on Tokopedia customer loyalty in Makassar City.

H5: It is suspected that satisfaction has a positive and significant effect on Tokopedia customer loyalty in Makassar City. Based on data from the results of data processing, it is known that the effect of satisfaction on user loyalty has a tcount of 9.649 which is greater than t-table of 1.974 and a p-value or Sig. of 0.000 is less than 0.05. This value shows the results that meet the requirements, namely tcount (9.649) > ttable (1.974) or the value of Sig. (0.000) < 0.05 and has a positive value, so it can be concluded that the fifth hypothesis in this study is acceptable. This means that satisfaction has a positive and significant effect on Tokopedia customer loyalty in Makassar City.

H6: It is suspected that trust has a positive and significant effect on loyalty through Tokopedia customer satisfaction in Makassar City. Based on the data from the data processing, it is known that the influence of trust on loyalty through user satisfaction has a tcount value of 2.114 which is greater than ttable of 2.065 and a p-value or Sig. of 0.039 is smaller than 0.05. This value shows the results that meet the requirements, namely tcount (2.065) > ttable (1.974) or the value of Sig. (0.039) < 0.05 and has a positive value, so it can be concluded that the sixth hypothesis in this study is acceptable. That is, trust has a positive and significant effect on loyalty through Tokopedia customer satisfaction in Makassar City.

H7: It is suspected that word of mouth has a positive and significant effect on loyalty through Tokopedia customer satisfaction in Makassar City. Based on data from the results of data processing, it is known that the effect of word of mouth on loyalty through user satisfaction has a tcount value of 4.632 which is greater than ttable of 1.974 and a p-value or Sig. of 0.000 is less than 0.05. This value shows the results that meet the requirements, namely tcount (4.632) > ttable (1.974) or the value of Sig. (0.000) < 0.05 and has a positive value, so it can be concluded that the seventh hypothesis in this study is acceptable. That is, word of mouth has a positive and significant effect on loyalty through Tokopedia customer satisfaction in Makassar City.

4   Conclusion

Based on the findings from the results of research that has been carried out on, it can be concluded several things, namely: 1) Trust has a positive and significant impact on Tokopedia customer satisfaction in Makassar City. This means that high trust will be able to increase Tokopedia customer satisfaction in Makassar City. 2)Word of Mouth (WOM) has a positive and significant effect on Tokopedia customer satisfaction in Makassar City. This means that the better WOM will be able to increase the satisfaction of Tokopedia

customers in Makassar City. 3) Trust has a positive and insignificant effect on Tokopedia customer loyalty in Makassar City. This means that high trust will be able to increase the loyalty of Tokopedia customers in Makassar City. 4)Word of Mouth (WOM) has a positive and insignificant effect on Tokopedia customer loyalty in Makassar City. This means that the better WOM will be able to increase the loyalty of Tokopedia customers in Makassar City. 5)Satisfaction has a positive and significant effect on Tokopedia customer loyalty in Makassar City. This means that higher satisfaction will increase the loyalty of Tokopedia customers in Makassar City. 6)Trust has a positive and significant effect on loyalty through Tokopedia customer satisfaction in Makassar City. This means that high trust will be able to increase the satisfaction and loyalty of Tokopedia customers in Makassar City. 7)Word of Mouth (WOM) has a positive and significant effect on loyalty through Tokopedia customer satisfaction in Makassar City. This means that a good WOM will be able to increase the satisfaction and loyalty of Tokopedia customers in Makassar City.

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The Relationship of Leadership Style to Employee Performance: A Schematic Literature Review

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Abstract. The purpose of writing this article is to conduct a literature review, on 6 (six) Articles related to leadership style on employee performance. The main supporting element in health services is Human Resources (HR). In order to create positive motivation that will lead to the maximum intention and effort (performance), supported by organizational facilities, a leader in the organization must be able to create a harmonious integration with his subordinates. This integration must also include fostering cooperation, directing, and encouraging the work passion of the subordinates. The analysis of the six articles revealed that five of them all came to the same conclusion—that a good leadership style influences employee performance—while only one claimed there was little to no effect. It is concluded that there is no one best leadership approach and that as long as you follow the reality of the situation and prioritize employee welfare, everything will work out well.

Keywords: Leadership Style · Schematic Literature Review · Employee Performance

1 Introduction

According to [1] Leadership is a person's efforts to influence, encourage, guide, direct and encourage others to work with enthusiasm and self-confidence in order to achieve a common goal with all their abilities. There are several views of experts related to leadership, according to Yukl (2010:20) which collects the views of experts and experts on the meaning and significance of leadership, namely (1) Hemphil and Coons (1957) Leadership is individual behaviour directing group activities to achieve common goals; (2) D.Katz and Kahn (1978) Leadership is an additional influence that goes beyond the regular mechanical needs of running an organization; (3) Burns (1978) Leadership is exercised when a person mobilizes institutional, political, psychological and other resources to inspire, engage and fulfill the motivation of followers; (4) Ruch and Behling (1984) Management is the process of influencing the activities of organized groups to achieve goals; (5) Jacobs and Jacques (1990) Process management gives purpose (meaningful direction) to collective efforts so that efforts are used to achieve goals. It can be concluded that leadership is a conscious process in which a person emphasizes his

strong influence over others to direct, structure and promote activities and relationships in a group or organization [2].

Leadership means influencing the behavior of others in an attempt to achieve desired goals. The role of management is the creation of innovations in the way organizations work, the transformation of existing structures and the processes taking place in them, and efforts to change the work culture and behavior of employees [3]. Transformational leadership changes the feelings of followers, raises moral expectations, and motivates them to do their best to achieve organizational goals, not because they are forced to, but because they want to [4]. Dynamic and effective leadership is the most basic resource and it is difficult to find, so every leader must understand the theory of leadership by understanding the talents or potential that his subordinates or himself possess [5]. Management is the most important part of management because management is the driving force behind the optimization of factors of production (people, capital, machines and methods) in an organization or company [6].

The leader in the organization must be able to create a harmonious integration with his subordinates, including promoting cooperation, directing and encouraging subordinates' enthusiasm for work, creating positive motivation that leads to maximum intentions and effort (performance) also supported by the organization's premises m.p.h. Improve performance. Achievement of organizational goals [19]. Leaders, as part of management, play an important role in influencing and promoting the attitudes and behaviors of individuals and groups, resulting in the development of leadership styles used by the leader [7, 8]. Several leadership styles can be practiced, including democratic leadership, authoritarian leadership, bureaucratic leadership, charismatic leadership, transformational leadership, and transactional leadership. Each of these aspects has advantages and disadvantages, but it should be noted that the application of the manager's management style must be adapted to the existing conditions.

Research related to leadership styles is conducted every year, and one factor that stands out is its impact on employee performance. Employees or workers are one of the most important assets that an organization needs to carry out the production process. The next question is how to develop top performers. Optimum employee performance is one of the goals of the organization to achieve high productivity [9]. In this case the leader is not only tasked with directing and organizing his subordinates but also many things that need to be considered. According to [10], a leader must be able to motivate subordinates to achieve desired work results. This is because each member of the organization is unique physically and psychologically and develops based on a different learning process. Therefore, it is undeniably one of the most difficult tasks faced by any type of organization is to motivate employees to perform their work and successfully achieve predetermined standard work results. Therefore, these two things are important and need to be further explored in this paper using a literature review approach.

2 Theory and Hypothesis Development

2.1 Leadership

Kouzes and Posner (2007) state that leadership is the creation of ways for people to contribute to making something extraordinary happen [20]. Rivai and Mulyadi (2009) stated that leadership is a role and a process to influence others [21]. According to [22] leadership is a skill that involves motivating others to work toward a common objective. The process of influencing organizational goals, inspiring follower behavior to achieve goals, and influencing the group to better itself and its culture are all parts of leadership. According to [23], leadership is the capacity to positively influence others to work together to accomplish the planned goals.

The following conclusion can be drawn in light of these various descriptions:

1. All relationships can involve leaders, and leadership includes the use of influence.
2. Communication is a crucial component of leadership. Followers' behavior and output are influenced by how well messages are communicated and accurate.
3. The accomplishment of goals is the focus of leadership. Effective leaders must relate to various individual, group, and organizational goals [2].

Leadership style is the respondent's perception of his superiors about the behaviour patterns shown by his superiors when influencing the activities of subordinates. This variable is measured by indicators of adhering to 3 (three) leadership criteria from Lewin's:

1. Autocratic leadership style

   a. Subordinates' needs are given less thought by leaders
   b. The leader sets the rules for all policies
   c. When solving a problem, leaders do not involve their subordinates

2. Democratic leadership style

   a. Include workers in decision-making processes
   b. Encourage staff members to get involved in achieving organizational objectives
   c. Offer staff members chance to advance their positions

3. Laissez-Faire (Freedom)

   a. Leaders only set broad objectives and policies
   b. Subordinates have the authority to make pertinent decisions to carry out objectives in any manner they see fit

2.2 Democratic Leadership Style

According to [4], asserts that a democratic leadership style involves involving subordinates in the decision-making process. Using a democratic leadership style, decisions are

made in consultation with subordinates and after considering their suggestions and opinions. This leadership style is evident in the way he always consults with his staff before assigning tasks to ensure that they feel valued for their different ideas and viewpoints and have the knowledge necessary to solve the organization's many complex problems [11].

2.3 Autocratic Leadership Style

According to [12], asserts that leaders avoid accountability, ignore followers' needs, withhold feedback, and put off making decisions. The strongest force and ultimate decision-maker is autocratic leadership. The goal of autocratic leadership is to ensure that those in positions of power in the organization reap the greatest rewards from decisions and the development of the organization's structure. The autocratic leadership style is used to describe leaders who tend to concentrate power in their own hands, dictate how tasks should be carried out, make decisions alone, and actively discourage employee input. The definition of autocracy is essentially complete self-rule. Leadership that is exercised in an autocratic manner is known as authoritarian leadership. Therefore, autocratic leaders believe that if they are in charge of everything, everything will go according to plan.

2.4 Bureaucratic Leadership Style

According to Azizah (2020) in organizations where employees perform routine tasks, a bureaucratic leadership style is advantageous because it typically demonstrates a high level of commitment and adherence to procedures. The bureaucratic leadership style develops and motivates those who are ignored by bureaucratic leaders; it is characterized by problem-solving and the strict application of procedures to their subordinates. A leadership approach that emphasizes rules is called bureaucratic. Procedural obedience is the most obvious indicator of a leader who uses a bureaucratic leadership style. This submission to his superiorship extends to the people under his leadership as well as to himself. Superiors who follow this bureaucratic leadership style are more rigid and inflexible, in addition to enforcing procedures. The bureaucratic leadership style can be identified by its superior-centered decisions. Typically, superiors will make all decisions that are made and have to do with work. In the meantime, it must be carried out by the subordinates. The superior also sets the requirements for how subordinates must perform their tasks. If the subordinate doesn't follow the relevant standard operating procedures, the superior will also make clear sanctions.

2.5 Charismatic Leadership Style

This leadership style places an emphasis on symbolic leader behavior, motivating vision statements, nonverbal communication, appeals to ideological values, intellectual stimulation of followers by the leader, displays of self-confidence, and performance that goes above and beyond the call of duty [11].

2.6 Transformational Leadership Style

According to [1], asserts that effective leadership focuses on enhancing followers' skill development, motivation levels, and value systems while also influencing followers' behavior and motivating them to go above and beyond what is required of them for the benefit of the organization. A transformational leader is someone who seizes control of the situation by exuding a distinct vision of the group's objectives, a love of their work, and the capacity to re-energize and energise the members of the group. Those who follow (followers) under a leader who practices transformational leadership experience positive changes. Leaders who transform organizations tend to be enthusiastic, energized, and passionate. The group's leaders not only participate and pay attention to what is going on, but they also put a lot of effort into making sure that each individual succeeds. The goal of transformational leadership is to inspire followers to go above and beyond what they would normally do. It is a leadership style that aims to increase human resources and the relationship between leaders and followers. It measures this relationship with indicators of trust, admiration, loyalty, and respect for the leader. (Bass, 1994) A transformational leader is someone who, with the help of his team, works to overcome self-interest and inspires them to go above and beyond what is good for the company. According to the hierarchy of human needs, transformational leaders give priority to higher needs like appreciation, recognition, and self-actualization.

2.7 Transactional Leadership Style

According to [4], transactional leadership style uses rewards and penalties to motivate followers by outlining tasks and job requirements and providing a reward system once those goals have been met. The idea behind transactional leadership is that workers are hired to do their jobs and are compensated for their compliance and hard work. The leaders must be obeyed, and followers must do as they are told. Due to employees' inclination to be less interested in performing tasks that fall outside of the strict confines of their employment contract or the official parameters of the job, transactional leadership models frequently fail to produce the desired results.

3 Methodology

This study uses a qualitative approach. This article aims to delve deeper into the leadership model and how it affects worker performance. A systematic literature review was used as the methodology to find and categorize various research findings on leadership models and their effects on worker performance. Its goal is to evaluate, communicate, and summarize the findings and implications of earlier research. To that end, a literature review methodology is used in this article (Table 1).

The research method conducted by [13], employed the quantitative approach, which is supported by the SPSS 23 application, to analyze data from a survey that was distributed to 34 KONI employees in Jambi City using a Likert scale model. The simple linear regression, correlation coefficient (r), and t Count data analysis techniques are used. In this study, it is hypothesized that employee performance at the Indonesian

Table 1. Journal Articles Reviewed

No	Author	Title	Method	Journal
1	Hario Tamtomo, Lusi Angraini, Suprihatin Lestari (2022)	The Influence of Leadership Style on Employee Performance During the Covid-19 Pandemic At the Indonesian National Sports Committee Jambi City	Quantitative	*Jurnal Khazanah Intelektual*
2	Tomy Sun Siagian, Hazmanan Khair (2018)	The Influence of Leadership Style and Work Environment on Performance Employees With Job Satisfaction As Intervening Variable	Quantitative	Maneggio: Jurnal Ilmiah Magister Manajemen *homepage:* Vol 1, No. 1, September 2018, 59–70
3	Juwita Sari dan Siti Rokhmi Fuadati (2022)	The Effect of Leadership Style on Performance: Job Satisfaction as an Intervening Variable	Quantitative	JIMBis: Jurnal Ilmiah Manajemen dan Bisnis
4	Muhammad Nurjaya, Mustafa, Tasmin Tanggareng, Adi Nawir (2022)	The Effect of Leadership Style on Cooperative Performance Employees of PT. Cement Bosowa Maros	Quantitative	*Journal of Government Insight*
5	Dwi Retnaningsih, Luky Dwiantoro (2020)	Factors That Improve Nurse Performance in Inpatient Rooms: Systematic Review	Qualitative	*Jurnal Kesehatan Kusuma Husada*
6	Uzma Sarwar, Samina Zamir, Kiran Fazal, Yang Hong, Qi Zhan Yong, Abroon Qazi (2022)	Impact of leadership styles on innovative performance of female leaders in Pakistani Universities	Quantitative	*Plos one*, *17*(5)

National Sports Committee (KONI) Jambi City is significantly and favorably impacted by leadership style.

The research method used by [14], is a quantitative approach that is correlational. The population in this study were all permanent employees who were not included in the positions of General Manager, Deputy Manager, and Field Manager who worked at PT. PLN (Persero) North Sumatra Development Main Unit with a total of 103 people. The

number of samples used in this study amounted to 103 people, where the entire population was used as a research sample using the saturated sample method. Primary data were used in this study, which refers to information that was collected by researchers directly from the subject of their inquiry through the distribution of questionnaires. The Likert scale is the measurement scale utilized in the measurement device to gauge the short interval's length. This study's data analysis method was a quantitative one that employed statistical techniques. The statistical technique employed is partial least squares (PLS). Because it is not predicated on many assumptions, partial least squares is a potent analytical technique (Noor, 2015). PLS utilizes the SmartPLS version 2.0.M3 software for data analysis.

According to [15], study employed a survey research methodology. An instrument used in survey research is a questionnaire that is used to collect information on indicators related to the research variables from a sample of a predetermined population. The collected data were examined, and the findings were presented in a descriptive manner. In order to examine how different variables relate to one another, this study employs quantitative analysis. This study used nurses as its research subjects and was carried out in a private hospital in Gresik Regency. As of January 2019, there were 215 nurses who worked in hospitals under heads of rooms or heads of units who made up the population of this study. Afterward, a sample of this amount is used for the study. There were 132 returned questionnaires, but many of them were incomplete, so they were not used. Finally, 100 samples made up the total valid data processed in this study. The following theories were put forth:

a. H1 = The effectiveness of employees is significantly improved by leadership style.
b. H2 = Leadership style significantly improves job satisfaction.
c. H3 = Job satisfaction significantly improves worker productivity.
d. H4 = Job satisfaction mediates between leadership style and employee performance.

Research conducted by [16], used a quantitative analysis method, and the population of this study was employees of the cooperative of PT Semen Bosowa Maros. The sample size of this study as respondents is 36 respondents and then Likert scale is used for analysis to make it easier for the respondents to answer the questionnaire questions, weighting level is 1–5 and hypothesis testing is done. The proposed hypothesis refers to the existence of a relationship between the variables of (X) leadership style and (Y) employee performance.

Research conducted by [17], used a systematic review through review of journals about leadership styles and nurse performance in inpatients. Data search strategies from Google Scholar and ProQuest. Research eligibility criteria for this study included empirical research and references on nurse leadership style and performance in hospital care. Based on the study plan, study quality was assessed using structured tools. The data extraction procedure was performed from article retrieval results in ProQuest, Google Scholar, and Sinta (Science and Technology Index) and 631 articles were obtained, then articles published in the last 5 years were standardized, and there were 201 duplicates. A full article search was then performed, yielding a total of 299, and incomplete articles were not used. Full text of 12 articles were selected based on the keywords leadership style and nurse performance.

According to [18], this study uses correlational investigations. Women working as deans, department chairs, directors and senior staff in public and private universities in Punjab, Pakistan constitute the population of this study. A sample of 100 female leaders was selected using a multistage sampling method. In the first stage, 10 universities (5 public and 5 private) were selected using a simple random method. In the second stage, using a targeted selection method, 10 female leaders were selected from each university (5 from the Department of Social Sciences and 5 from the Department of Basic Sciences). A questionnaire-based tool based on a five-point Likert scale was used to collect quantitative data on women managers. The questionnaire was divided into four parts: the first part was about demographic information, the second part was about the transaction management item, the third part was about the transformation management item, and the fourth part was about the innovation performance item. Thus, the questionnaire has a total of 33 items. Actual data was collected using research assistants and online technology using Google Sheets. Collected data were analyzed in SPSS (version 26).

4   Result and Discussion

According to [13], leadership style has an influence on employee performance. The study focused only on the leadership style used and how it impacted the results. The leadership style carried out in KONI refers to the free leadership style (Laisez Faire Leadership). The leadership mechanism with the Laisez Faire Leadership style that has been carried out so far needs to be improved so that the leadership's decisions are always in line with the attitude of the subordinates so that employees make work reports in accordance with the existing work results. With regard to employee performance, employees should always carry out and finish work on time according to plan and the results are good and employees must obey company regulations, so that employees can be more responsible for their work and ultimately the employee can continue to improve his work performance in the future. In this case, it is not studied further how the impact is, there are only suggestions and conclusions. Of course it is very unfortunate to see this research has the potential to continue to grow by adding other variables.

According to [14], Leadership style had no significant effect on employee performance. The direct effect hypothesis shows that the variable X1 (leadership style) has no significant effect on the variable Y (employee performance), where the effect of the variable X1 on Y has a P value - Values (0.171) > α (0.05)), so it is accepted H0, which means that the effect of X1 (leadership style) on Y (employee performance) is not significant. Therefore, the third hypothesis, which reflects the influence of leadership style on employee performance, is not supported. Testing this hypothesis can support previous research on the effect of leadership style on employee performance (Setiawan, 2015). From the results of hypothesis testing, it can be seen that an increase in the value of leadership style will be accompanied by an increase in the value of performance, but the increase in performance does not meet expectations or is too low. This problem can be seen in situations where the leadership style is not direct (acts as a motivator) to the employees and lacks a strong attitude (trust) in fulfilling the mandates of all employees. This situation affects employee performance in terms of better quality of work performance, quantity achievement, job responsibility, employee innovation and work initiative.

According to [15], leadership style has a significant positive impact on performance The leadership style used in an organization has a direct impact on employee performance. This effect was positive and supported previous results (Ivana Ariyani, 2016; Yulianto et al., 2018). According to the theory discussed in the previous chapter, choosing an effective leadership style will greatly influence the performance of subordinates. Effective in the right sense and according to the conditions and needs of the organization in which it is performed.

According to [16], the regression coefficient of the leadership style variable (X) is 0.63, which means that if leadership style increases by 1 unit, then employee performance (Y) will increase by 0.63. There is a positive coefficient between management style and employee performance, the more suitable the management style is for the employees, the higher the final performance of the employee.

According to [17], found that there are several research styles that can be applied. In Roostyowati's research, the majority of respondents stated that they were satisfied with democratic leadership while working as a nurse in a hospital. A leadership style that respects the nature and abilities of staff and is able to motivate staff and groups to achieve goals is democratic leadership (Roostyowati, 2015). The results of research conducted at RSJD Dr. Aminogondo Hutomo, Central Java Province in 2017, the authoritarian leadership style is widely used in inpatient rooms. Decision making with a leadership style both planning and one-way authority is authoritarian leadership. If there is a problem, the head of the room makes a plan, the head of the room makes decisions based on his own authority (Windi Yunita Siwi, Titik Suerni, 2017). Directive, consultative, participatory, and delegative leadership styles are all combined and used in this situation. Because the subordinates are motivated and skilled at handling a task, it can be inferred that the leader applies the consultative leadership style more frequently when interacting with them. This leadership style describes the support with high subordinates and high direction. To adapt to the circumstances and situations, leaders also combine the styles they employ (Harlen and Lousyiana, 2015).

In the consulting leadership style of providing nursing services there are discussion sessions with nurses who do, explain and direct more than instruct. The results of performance and communication are more effective and optimal (Alvin Nur Fadhilah, Ana Zakiyah, 2019). The study discovered that, depending on the circumstance, nurse managers employ all four leadership styles from the Leadership theory. The achievement-oriented leadership style, however, is the one that is most frequently employed. Nurse managers tended to use the directive and participatory leadership styles the least. This indicates that nurse managers employ a situational leadership approach rather than adhering to a specific leadership style (Asamani et al., 2016).

In Pakistani universities, most female leaders employ a transformational leadership style, while a smaller percentage employs a transactional leadership style, according to research findings by [18], According to the circumstances, it appears that the female leaders adjusted their leadership style. Women must adapt their leadership style while taking into account their institutional goals, just as in Pakistani culture, where men predominate. In their research, they found a significant link between innovative employee performance and transformational leadership style. This study shows that there is a

strong correlation between transformational leadership style and employee performance. Female leaders favor transformational leadership over transactional leadership.

5 Conclusion

From According to [13], there are several employee performance indicators that need to be adhered to. In this study, it is known that the Laisez Faire Leadership style in the scope of the work system is less supportive and needs to be improved so that the work report can be in accordance with the existing work results because the leader's decisions are always in line with the attitude of the subordinates. So, in this case the leadership can be involved in decision makers and establish policies to improve employee performance in the future. The result of the research is that leadership style affects employee performance.

According to [14], The X1 variable (leadership style) has a positive and insignificant impact on the Y variable (employee performance), according to the findings of the testing of the direct influence hypothesis. It is therefore hoped that the company's leadership will be able to further enhance the application of a better leadership style in terms of the ability to move or as a motivator for employees and be more assertive in carrying out any established regulations.

According to [15], leadership style affects employee performance. So the existing leadership style must be determined and even improved in order to have a good impact on employee performance.

According to [16], the conclusion that the results of the study indicate that respondents' responses to the leadership style of the Cooperative PT. Semen Bosowa Maros can be done well, because the overall average value of 0.63 is in the interval 0.60 - 0.799, the leadership style that exists in the Cooperative PT. Semen Bosowa Maros is a democratic leadership style. Then the employee's performance is very good, because the overall average value of 1.34 is in the interval 0.80–1,000. The influence of leadership style has a positive and significant contribution in improving the performance of the cooperative employees of PT. Semen Bosowa Maros obtained a correlation coefficient between the influence of leadership style on employee performance.

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Analysis of the Effect of Non-cash Payment Transactions, Inflation, Interest Rate on the Money Supply in Indonesia During the Pandemic Covid-19

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Abstract. This study aims to examine and analyze the effect of non-cash payment transactions, inflation, interest rates on the money supply (M1) in Indonesia during the covid-19 pandemic. The analytical method used in this research is multiple linear regression analysis using secondary data. Data collection in this study is through monthly data obtained from Bank Indonesia. The dependent variable in this study is the amount of money supply, the independent variable used is the value of non-cash payment transactions, inflation, interest rates. The results of this study indicate that, 1) the value of non-cash payment transactions has a significant positive effect on the money supply (M1), 2) inflation has no significant effect on the money supply (M1), and 3) interest rates have a significant positive effect on the money supply (M1) during the COVID-19 pandemic. The data collection method used in this study is Literature Study where this method is used to collect the required data, namely by reading books and other literature, both required and recommended and relevant to the problems to be discussed in this study.

Keywords: Money Supply · Non-cash Payment Transactions · Inflation · Interest Rates · Covid-19 Pandemic

1 Introduction

At the beginning of 2020 there was an event that shook the world economy, namely the Covid-19 Virus outbreak which began at the end of 2019. The World Health Organization (WHO) explained that Corona viruses are viruses that infect the respiratory system. This viral infection is called Covid-19. The Covid-19 virus outbreak has caused more than 27 million confirmed cases worldwide and more than 890,000 deaths (WHO, 2020). During the first three months (first quarter) of January to March 2020, the spread of the Covid-19 Virus has spread very quickly in Indonesia and has had a considerable impact on economic activities in Indonesia. This epidemic has caused a contraction of the world economy and has had a wide impact on all sectors of the economy.

The impact on the economy is expected to be large and can cause a country's economy to slump. The Indonesian government has decided to implement a Large-Scale Social Restriction Policy (PSBB) which aims to break the chain of transmission. With the existence of large-scale social restrictions, this will have an impact on the economic condition of a country. The implementation of this policy makes people have to reduce their economic activity. Large companies are forced to enforce layoff policies because of the difficulty to bear the burden of their operational costs. As a result, people's purchasing power decreases. The decline in people's purchasing power was mainly caused by a lack of public income, so that it triggered a decrease in the demand for money. Meanwhile, the role of money is very important. There is hardly any part of human economic life that is not related to the existence of money. Experience has shown that an uncontrolled money supply can have serious consequences for the economy as a whole. The consequences of the uncontrolled development of the money supply can be seen, among others, in the uncontrolled development of the main economic variables, namely the level of production (output) and prices.

The money supply is the total value of money in the hands of the public which consists of currency and demand deposits. The money supply (M1) is money in a narrow sense consisting of currency and demand deposits, while M2 (money in a broad sense) consists of M1 plus quasi money [1]. Currency (currencies) is money issued by the government and or the central bank in the form of paper money or coins. While demand deposits (deposit money) is money issued by a commercial bank. Examples of demand deposits are cheques, bilyet giro. Quasi money includes savings accounts, time deposits, and foreign exchange accounts. The process of supply and demand for money is influenced by the behavior of commercial banks and the people of their country. Many factors can affect the rise and fall of the money supply both in a broad sense (M2) and in a narrow sense (M1), including interest rates, inflation, non-cash payments. In its development the money supply must be limited, this is done to limit consumers to be consumptive and suppress the inflation rate. The data on the money supply (M1) during the Covid-19 pandemic can be seen in Fig. 1.

Based on Fig. 1, it shows that the money supply (M1) during the Covid-19 pandemic fluctuated from March 2020 to January 2022 where the highest money supply was in December 2021 at Rp. 2,282.106.16 billion and the lowest was in April 2020, which was Rp. IDR 1,576,401.00 Billion. The amount of money in circulation must of course be a concern for the central bank, so that over time it can achieve its objectives effectively, namely achieving and maintaining money stability.

An excessive increase in the money supply can cause an increase in prices beyond the expected level so that in the long run it can disrupt economic growth. On the other hand, if the increase in the money supply is very low, a recession will occur. If this continues, the welfare of society as a whole will decline. For this reason, it is necessary to know the factors that can affect the money supply, especially during the Covid-19 pandemic so that the money supply is stable.
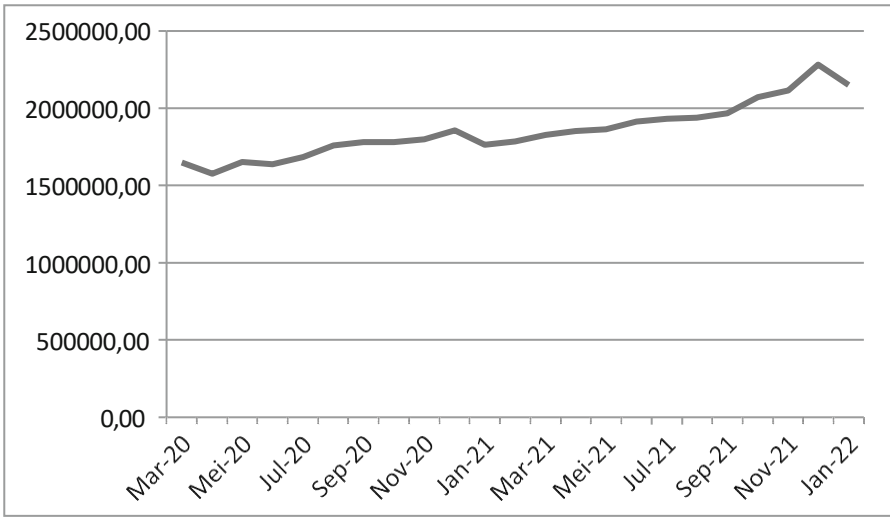
Fig. 1. Growth in the Money Supply (M1) in Indonesia During the Covid-19 Pandemic (Billion Rp). Source: Bank Indonesia, 2022

2 Literature Review

The theory of money demand aims to develop an understanding of the determinants of money demand, where money serves as a medium of exchange and optimization of the amount of money demand. According to Fisher, people want to save money because the use of money in transactions will be influenced by institutional factors such as payment habits, the tools used in paying (credit cards and ATMs) and the quality of communication. In his book entitled the Purchasing power of money, Irving Fisher introduces the theory of the demand for money with the velocity approach. According to Fisher, changes in the money supply (M) are directly proportional to changes in prices (P). That is, the function of money here is only as a medium of exchange. Fisher also revealed that the demand for money is a very liquid interest for transaction motives. so that in equation form it can be written:

$$MV = PT \qquad (1)$$

where:

M = Money supply (M1)
V = Velocity circulation of money, namely the amount of money that changes hands from one hand to another.
P = General price level
T = Total production of finished and semi-finished goods (assuming V and T are constant).

Based on this equation, the national income value of P × T is greater than the value of P × Q, because T includes finished and semi-finished goods with their respective

prices. The equation can also be written: M = PT/V means that if M increases by 5% then P will also increase by 5 percent, Or to reduce the price level by 5 percent, the money supply must also be reduced by 5 percent.

Cambridge theory focuses on the function of money as a common medium of exchange. This classical theory sees the demand for money from society as a need for tools for transaction purposes. According to Fisher, the demand for money is just a constant proportion of the volume of transactions that is influenced by constant institutional factors. Cambridge actually argues that behavioral factors (Consideration of profit and loss) are the relationship between individual financial needs and planned trading volume. In other words, Fisher views the velocity of money as constant while Cambridge does not. According to Cambridge theory, the demand for money is not only influenced by transaction volume and institutional factors, but is also influenced by interest and people's expectations about future conditions.

Keynes argues that the function of money not only functions as a medium of exchange but also as a store of value, which became known as the theory of Liquidity Preference. Keynes incorporates elements of uncertainty and hope as in the Cambridge approach. However, Keynes's theory focuses more on the interest rate variable, which is an important variable in the demand for money [2]. In the theory of money demand, Keynes distinguishes between transaction motives, precautionary and speculative. Transaction motives are also recognized to be more focused on speculative motives.

Non-cash payments are payments that do not use cash in circulation but use checks or demand deposits and are in the form of an electronic card payment system that can replace the role of currency. Non-cash payments in its use involve banking services. Banks as business actors in collecting public funds must provide payment transaction services that can help meet the economic needs of their customers. Non-cash transactions have shifted the role of cash, especially in wholesale trade, financial transactions with large values and in retail payments due to the increasing number of payments using transfer methods between bank accounts and the increasing use of cards such as debit, credit ATM, e-money in transactions. Increasing non-cash payments will have an impact on the demand for money and the balance of the money market as well as output and prices which will have an impact on monetary policy [3].

Inflation is a continuous increase in the price level that affects individuals, businesses and governments. Inflation is generally seen as an important issue that must be addressed given the impact on the economy, which can lead to instability, slow economic growth, and rising unemployment. Inflation is also a problem that is always faced by every economy and has even become the main agenda of politics and policy makers for the government [4].

The interest rate is the fee that must be paid by the borrower for the loan received which is a reward for the lender for his investment [5]. The interest rate is also the price that links the present with the future. Like other prices, interest rates are determined by the interaction of supply and demand. The interest rate is also the policy interest rate that reflects the monetary policy stance set by Bank Indonesia and announced to the public. In general, Bank Indonesia will increase the BI rate when future inflation is expected to exceed the predetermined target, on the other hand, Bank Indonesia will decrease the BI rate if future inflation is estimated to be below the predetermined target. The money

supply in the community can be controlled properly. This means that interest rates have a negative effect on the money supply.

3   Research Method

The scope of this study includes the money supply (M1), the value of non-cash payment transactions, inflation, interest rates in the period March 2020 to January 2022. For analysis purposes, secondary data is used in this study. The data source in the form of time series is obtained from Bank Indonesia (BI). The data taken for this study are data on the value of non-cash payment transactions, data on the money supply, data on inflation rates, data on interest rates. The data collection method used in this study is Literature Study where this method is used to collect the required data, namely by reading books and other literature, both required and recommended and relevant to the problems to be discussed in this study.

   Data analysis in this study used multiple linear regression analysis. Multiple linear regression analysis is a regression to see the effect of two or more independent variables on one dependent variable. This analysis aims to determine the direction of the relationship between the independent variable and the dependent variable and to predict the value of the dependent variable if the value of the independent variables increases or decreases [6]. The model used can be formulated as follows:

$$Y = f(X1, X2, X3)\tag{2}$$

   Based on function (2) can be expressed in the form of multiple linear regression equations are as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \tag{3}$$

   Furthermore, Eq. (3) is transformed into the natural logarithm (ln) with the following equation:

$$Y = \beta_0 + \beta_1 \ln X_1 + \beta_2 X_2 + \beta_3 X_3 + e \tag{4}$$

where:

Y   = Money Supply (M1)
β_0 = Constant
$\beta_1, \beta_2, \beta_3$ = Independent Variable Regression Coefficient
X_1 = Non-Cash Payment Transaction Value
X_2 = Inflation
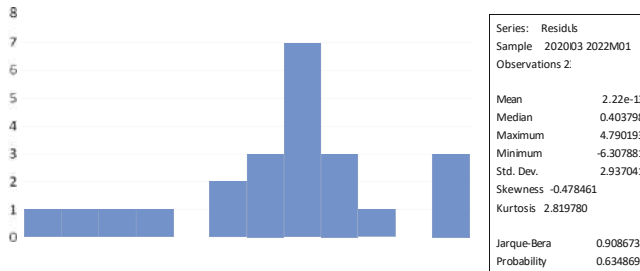X_3 = Interest Rate
e   = Standard error

Fig. 2. Normality Test Results

Table 1. Multicollinearity Test Results

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	51939.67	119601.8	NA
X1	114.5752	109164.1	2.883611
X2	4.748386	34.39030	1.862595
X3	14.58700	484.8585	4.254259

4 Results

The results of the normality test (histogram-normality test) above, it is known that the probability value is 0.634869. This means that with a significance level of alpha (α) 5%, the probability value is greater than (α) 5% or not significant so that the data in the regression is normally distributed (Fig. 2 and Table 1).

The results of the multicollinearity test show that the value of the VIF (Variance Inflation Factor) of all independent variables is less than ($<$) 10. This means that this regression does not contain multicollinearity (Table 2).

From the results of the heteroscedasticity test, it shows that the probability of the non-cash payment transaction value variable is 0.5428, the inflation variable is 0.0759 and the interest rate variable is 0.4439. This means that all variables are more than alpha (A) 5% (accepting Ho) or in other words the regression in this study does not contain heteroscedasticity (Table 3).

From the regression results above, it shows that the result of the chi-squared probability is 0.3900 or greater than the alpha level (α) 5% so it is not significant. This means that the regression data in this study does not contain autocorrelation (Table 4).

The coefficient value of the X1 variable (the value of non-cash payment transactions) is 33.25174 and is positive. This means that the variable value of non-cash payment transactions has a unidirectional relationship to the money supply variable (M1). This means that for every 1% increase in the value of non-cash payment transactions, the money supply (M1) will increase by 33.25174% with the assumption that inflation (X2) and interest rates (X3) are constant.

Table 2. Heteroskedastisitas Test Result

Heteroskedasticity Test: Glejser
Null hypothesis: Homoskedasticity

F-statistic	1.408856	Prob. F(3,19)	0.2710
Obs*R-squared	4.185338	Prob. Chi-Square(3)	0.2421
Scaled explained SS	3.987343	Prob. Chi-Square(3)	0.2628

Test Equation:
Dependent Variable: ARESID
Method: Least Squares
Date: 09/07/22 Time: 10:52
Sample: 2020M03 2022M01
Included observations: 23

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C				
	83.66490	133.4376	0.626996	0.5381
X1	-3.883472	6.267205	-0.619650	0.5428
X2	2.395056	1.275856	1.877215	0.0759
X3	-1.748341	2.236205	-0.781834	0.4439

R-squared	0.181971	Mean depend ent var	2.189367
Adjusted R-squared	0.052809	S.D. dependent var	1.901316
S.E. of regression	1.850432	Akaike info criterion	4.225486
Sum squared resid	65.05789	Schwarz criterion	4.422964
Log likelihood	-44.59309	Hannan-Quinn criter.	4.275151
F-statistic	1.408856	Durbin-Watson stat	1.773974
Prob(F-statistic)	0.271024		

Table 3. Auto-Correlation Test Result

Breusch-Godfrey Serial Correlation LM Test:
Null hypothesis: No serial correlation at up to 2 lags

F-statistic	0.758130	Prob. F(2,17)	0.4837
Obs*R-squared	1.883426	Prob. Chi-Square(2)	0.3900

Table 4. Multiple Linear Regression Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-709.4767	227.9028	-3.113067	0.0057
X1	33.25174	10.70398	3.106484	0.0058
X2	-1.979384	2.179079	-0.908358	0.3751
X3	10.08390	3.819294	2.640254	0.0161

$Y = -709.4767 + 33.25174X1 - 1.979384X2 + 10.08390X3 + e$

Table 5. T-Test Result

Variable	t-Statistic	Prob
C	-3.113.067	0.0057
X1	3.106.484	0.0058
X2	-0.908358	0.3751
X3	2.640.254	0.0161

The probability value of the X2 variable (inflation) is 0.3751 or more than = 5%. This means that inflation has no significant effect on the money supply (M1) in Indonesia during the Covid-19 pandemic.

The coefficient value of the X3 variable (interest rate) is 10,08390 and is positive. This means that the interest rate variable has a unidirectional relationship to the money supply variable (M1). This means that for every 1% increase in interest rates, the money supply (M1) will increase by 10.08390% with the assumption that the value of non-cash payment transactions (X1) and inflation (X2) are constant (Table 5).

The probability value of t-count variable value of non-cash payment transactions (X1) is 0.0058 < probability value = 0.05 so it can be said that Ha is accepted and H0 is rejected, which means that the variable value of non-cash payment transactions has a significant effect on the money supply (M1) in Indonesia during the Covid-19 pandemic.

The probability value of t-count inflation variable (X2) is 0.3751 > probability value = 0.05 so it can be said that Ha is rejected and H0 is accepted, which means that the inflation variable has no significant effect on the money supply (M1) in Indonesia during the Covid-19 pandemic. 19.

The probability value of t-count interest rate variable (X3) is 0.0161 < probability value = 0.05 so it can be said that Ha is accepted and H0 is rejected, which means that the interest rate variable has a significant effect on the money supply (M1) in Indonesia during the period. Covid-19 pandemic (Table 6).

The value of non-cash payment transactions (X1), inflation (X2), interest rates (X3) to the money supply (M1) (Y) in Indonesia obtained an R2 value of 0.239614, this indicates that variations in the independent variables can explain variations in the money supply. (M1) of 23.96%. The remaining 76.04% is influenced by other variables outside of this study.

Table 6. Coefficient Determination (R-Square) Result

R- Square	0.343303
Adjusted R-Square	0.239614

The value of non-cash payment transactions has a significant effect on the money supply (M1), this happens because during the Covid-19 pandemic, transactions for consumption and for other transaction purposes, people prefer to use non-cash transactions so that the value of non-cash payment transactions affects the amount of money. circulating (M1). The results of this study are in accordance with the quantity theory of money which states that the habit of non-cash payments will encourage people to make more transactions, so that the velocity will increase followed by an increase in the money supply. This study shows that the value of non-cash payment transactions has a significant effect on the money supply (M1).

Inflation has no significant effect on the money supply (M1) in Indonesia during the COVID-19 pandemic. This can happen if people do not spend their money for consumption when inflation rises and choose to spend their money for consumption when inflation has fallen or it could be when inflation rises. do not directly request money, especially during the covid-19 pandemic. The results of this study are not in accordance with the quantity theory of money which concludes that the price level is the main result of changes in the money supply. Theoretically, the money supply will affect the value of money which is implemented at the level of prices and products. If the money supply is greater than the production of goods and services, this will cause an increase in prices and a decrease in the value of money. On the other hand, if the money supply is smaller than the production of goods and services, it will cause the price level to fall. This will then affect a lot or at least the amount of money circulating in the community.

Interest rates have a significant effect on the money supply (M1) during the Covid-19 pandemic. This shows that the policy of lowering or increasing the BI Rate carried out by Bank Indonesia can affect the existing money supply. The results of this study are not in accordance with Dornbusch's theory which states that the demand for real money balances responds negatively to interest rates. An increase in interest rates will reduce the demand for money. When interest rates increase, the money supply decreases. On the other hand, when interest rates decrease, the money supply increases.

5   Conclusion and Recommendation

Based on the results of the analysis and discussion, the following conclusions can be drawn. The variable value of non-cash payment transactions has a significant positive effect on the money supply (M1) in Indonesia during the Covid-19 pandemic. This means that every time there is an increase in non-cash payment transactions, it will affect the money supply (M1). The inflation variable has no significant effect on Indonesia's money supply (M1) during the Covid-19 pandemic. Any increase in inflation will not affect the increase in the money supply (M1) in Indonesia during the Covid pandemic.

The interest rate variable has a significant positive effect on the money supply (M1) in Indonesia during the Covid-19 pandemic. This means that any increase in interest rates will affect the money supply (M1) in Indonesia during the Covid-19 pandemic.

Based on the conclusions from the results of the research above, in this section several suggestions are put forward, including:

1. Along with the increase in transactions of non-cash payment instruments, the Central Bank needs to tighten supervision of non-cash payment instruments in addition to seeing the development of transactions through electronic means that are increasingly in demand by the public, it is necessary to have a policy from the central bank to regulate electronic media payments and provide convenience for users by increasing the development of electronic payment infrastructure, especially in areas that still lack electronic media payment infrastructure.

2. The importance of money in the economy of a country. In order to maintain a stable inflation rate, the central bank, namely Bank Indonesia, needs to maintain the stability of money circulating in the community. The central bank must maintain the balance of money in accordance with the needs of the community so that there is no high inflation or deflation, especially during the Covid-19 pandemic.

3. Bank Indonesia as the holder of the monetary authority that has the authority to control the money supply in Indonesia, needs to be more careful in determining the interest rate as one of the paths of monetary policy. If the money supply does not increase within a reasonable limit, then the policy taken by the central bank is to increase bank interest rates so that people keep their money in banks.

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Factors Affecting the Completion of Follow-Up Examination Results in Regional Apparatus Organizations in Indonesia

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Abstract. Destination from study this is for test the influence of the influencing factors solution act carry on results inspection from organization device areas in Indonesia. Study this use method survey with spread questionnaire to officer at Organization Regional Devices. Research results show that communication no take effect significant to act carry on results examination, disposition take effect positive significant to act carry on results examination, competence source power man take effect positive significant to act carry on results inspection, structure bureaucracy take effect negative significant to act carry on results inspection.

Keywords: Communication · Disposition · Human Resources Competence

1 Introduction

The supervisory function becomes very important because it is one of the main aspects that support the success of the government. There are three main aspects that support the success of regional autonomy, namely supervision, control, and inspection [1]. Control is an activity in implementing systems and policies in government carried out by the executive (local government). Examination (audit) is an activity carried out by parties who have professional independence and competence in examining the results of local government performance related to conformity with predetermined standards or criteria.

Auditors are supervisors who have the main task of carrying out internal supervision in government agencies and providing recommendations based on the audit findings presented in the Audit Results Report (LHP). Internal supervision will be in vain without corrective action in the completion of follow-up so that the purpose of supervision is not achieved, namely improving performance for the organization and will lead to public distrust [2]. Follow-up on Examination Results (TLHP) within the scope of local government in Indonesia has been regulated in Government Regulation of the Republic of Indonesia Number 79 of 2005 concerning Guidelines for Guidance and Supervision of the Implementation of Regional Government, Regulation of the Minister of Home Affairs Number 23 of 2007 concerning Guidelines for Supervision of Regional Government Administration and Regulation of the Minister of State for Empowerment of

State Apparatus Number 9 of 2009 concerning General Guidelines for the Implementation, Monitoring, Evaluation and Reporting of Follow-Ups on the Results of Functional Supervision.

The obligation to complete TLHP has been regulated in laws and regulations, namely Article 23E of the 1945 Constitution, Article 20 of Law Number 15 of 2004, Article 34 of Government Regulations Number 79 of 2005, and BPK Regulation Number 2 of 2017. For the period of completion of the TLHP, it is carried out no later than 60 (sixty) calendar days from the receipt of the LHP. By taking into account various provisions of laws and regulations, it is clear that the implementation of the TLHP is an important thing to implement [3].

Agency theory can be applied in public organizations [4]. The people are the holders of the highest interest in a country, so the people can be assumed as the principal. Meanwhile, the party acting as an agent is the government as the party given the authority to carry out state management tasks for the benefit of the people. The government here can be in the form of an executive (central government or local government) in charge of carrying out the authority to manage state resources for the benefit of the community.

The performance of the Inspectorate is determined by various factors in order to achieve reliable performance. In the Public Sector Internal Audit Function Management to bring forth the role of the Inspectorate, people within the Inspectorate must have high competence in their fields. Therefore, to realize these interests, several factors need to be considered, including firm and continuous commitment from the leadership, improvement of technical and professional capabilities, improvement of policies, systems and procedures, improved communication and coordination of follow-up examination results, as well as monitoring and evaluation of the administration of local government. According to [5], the factors that influence the Follow-up of Examination Results (TLHP) are communication, Human Resources (HR), disposition and bureaucratic structure.

Follow-up on Audit Results is a continuation of the audit process and is important and needs special attention because it determines the effectiveness of supervision affects organizational performance and accountability, supports the implementation of good governance [6–9], affects the credibility of the supervisory agency [10] and is a mandate from the legislation. However, in reality there is a gap between what is happening and what should be, so this is what encourages researchers to want to conduct a study on the process of completing the follow-up to the results of the examination of regional apparatus organizations in Indonesia that has occurred so far.

Based on phenomenon this so destination study directed for test and analyze influence communication, disposition, human resources competence. structure organization to act carry on results inspection.

2   Literature Review

2.1   Agency Theory

Agency theory can be applied in public organizations [4]. The people are the holders of the highest interest in a country, so the people can be assumed as the principal. While the party acting as an agent is the government as the party given the authority to carry

out state management tasks for the benefit of the people. According to [11] explains that agency conflicts can be minimized by principals by monitoring and supervising agents.

[12] explain that in agency theory, there is a working relationship between the party who gives the authority (the principal) and the party who is authorized (the agent) to do work and make decisions on behalf of the principal. If the principal and the agent have the same goal, the agent will act and make decisions in accordance with the interests of the principal.

2.2 Follow Up on Monitoring Results (TLHP)

To reach good governance so required roles and functions supervision. Supervision as a process is Suite no interrupted which started from planning supervision until with results supervision done followed up. For reach results optimal supervision, then every findings results supervision apparatus supervision government external and internal Required follow up good by the leadership agency Central and Regional Governments consistent and responsible answer. Failure in carry out TLHP, whatever why must realized as waste in use source power Regional State finances and sources power apparatus.

Monitoring Results Report, hereinafter abbreviated as LHP, is a report containing all results of supervision in the form of data findings, conclusions of supervision results, and suggestions/recommendations that are formal, complete, and final after being responded to by the Head of the Unit/Agency being examined (Regulation of the Minister of State for Empowerment of State Apparatus Number 09 of 2009). So that, can said that Follow-up to Supervision Results (TLHP) is an auditee activity in order to fulfill the auditor's recommendations contained in the audit results.

According to William N. Dunn's theory in Yulianti (2018), TLHP indicators include:

a. Effectiveness is whether the desired results have been achieved in accordance with a predetermined plan.
b. Efficiency is whether the objectives achieved in implementing the program use resources optimally
c. Adequacy is whether the results achieved have met the needs, how far the achievement of the desired results solves the problem
d. Equalization is whether the results or benefits are distributed evenly to each SKPD.
e. Responsiveness is how far the results achieved and desired can solve problems, responses from each SKPD. Accuracy is the desired result or goal in the implementation of the program that is truly meaningful and valuable.

2.3 Communication

According to [13], communication is the process of delivering meaning in the form of ideas or information from one person to another through certain media. Submission of information through the media used to speed up the information to other people so as to improve the quality and quantity of work.

Communication between leaders and subordinates will determine the success of achieving the objectives of the implementation. Effective implementation occurs when decision makers already know what to do. The work on what will be done can run if the

communication goes well, so that every decision and implementing regulation must be transmitted (communicated) to subordinates appropriately.

In the audit process, communication to the auditee must be complete, meaning that it does not lack anything important and includes all important and relevant information and observations to support recommendations and conclusions. In order for the results of the internal audit to be complete, it must contain all the information from the internal audit information needed to meet the internal audit objectives, provide a correct and adequate understanding of the matters submitted to the auditee, so that the auditee obtains a correct and adequate understanding and is easy to follow up.

2.4 Disposition

Disposition is a characteristic that is closely related to policy/program implementers. If the implementers have a positive attitude tendency or there is support for policy implementation, then there is a high possibility of implementing the policy effectively, and vice versa if the implementers have a negative attitude or reject the implementation of the policy because of conflicts of interest or political situations that affect it, the policy implementation will not run effectively.

According to [14] it is said to be "the willingness, desire and tendency of policy actors to carry out the policy seriously so that what is the goal of the policy can be realized". If policy implementation is to succeed effectively and efficiently, implementers not only know what to do and have the ability to implement the policy, but they must also have the will to implement the policy.

Indicator disposition could be reviewed from dimensions cognitive; dimensions affective; dimensions view group; dimensions difficulty changeover staff; and dimensions incentives [15, 16].

2.5 Human Resources Competence

According to Spencer quoted by [17], competence is a characteristic that underlies a person related to the effectiveness of an individual's performance in his work or the basic characteristics of individuals who have a causal relationship or as a cause and effect with the criteria used as a reference. According to Spencer, competence lies on the inside of every human being and is forever in the personality of a person who can predict behavior and performance in a broad range of situations and work tasks.

[14] reveals that there are several factors that can affect a person's competence skills, namely the following beliefs and value; skills; experience; personality characteristics; motivation; emotional issues; intellectual ability; and organizational culture. Thus, it can be concluded that competence is a characteristic inherent in a person that causes a person to be able to predict his surroundings in a job or situation. Indicator competence according to Gordon in [18] could reviewed through knowledge, understanding, abilities/skills, values, attitudes and interests.

2.6 Bureaucratic Structure

In the bureaucratic structure, it is necessary to have clear procedures or guidelines in the process of making follow-up settlement policies. A clearly formulated goal will make it easier to be used as a guide in carrying out or efforts to achieve these goals.

Aspects of Organizational Structure include 3 things, namely the mechanism of Standard Operating Procedures (SOP), Operational Inspection Guidelines (POP) and the bureaucratic structure itself. S structure indicator or organization could reviewed from dimensions of division of work; dimensions of clarity of command line and coordination; dimensions of scope of control; and dimensions of standard operating procedures [15].

3 Research Methodology

The method used by the researcher is a quantitative descriptive method. This study tries to explain the existing problems by using numbers to show the research results. Researchers want to know detailed and complete information about the factors that affect the TLHP carried out by auditees and to find out the problems that cause the completion of the TLHP not yet optimal, this information can only be obtained by talking directly with the implementers [19]. Researchers collect data in the field where informants experience problems that are being studied in this study, namely in Regional Apparatus Organizations (OPD) which still have unfinished findings with the consideration that there is still a significant number of pending TLHP.

The population of this study is all Regional Apparatus Organizations within the scope of the Provincial Government in Indonesia. The number of registered Regional Apparatus Organizations are those under the coordination of Assistant I, II and III Provinces in Indonesia.

Data collection is carried out through survey with spread questionnaire. Questionnaire given containing amount distributed questions to the respondents accompanied letter application charging questionnaire. Questionnaire this contains a list of questions structured aimed at to respondent with meaning get information related writing with participation budget, clarity target budget, commitment organization, and culture organization to performance apparatus government.

Data analysis techniques in study this use analysis regression multiple for knowing is communication, disposition, competence source power people and structures organization take effect against act carry on results inspection (TLHP). As for some step form analysis carried out is with test the validity and reliability of the data above formerly then to do testing assumption classic and beyond conducted linear analysis of the independent variable on the dependent variable.

4 Results

4.1 Sample Characteristics

From the results of the data collection process carried out with share questionnaire obtained 200 respondents. Of the total 200 respondents or sample by whole said worthy for processed.

Characteristics respondent based on type gender, respondent woman by 56% more many compared to respondent manifold sex man by 44%. Difference the enough significant. This can be interpreted in that in this study there are fewer male respondents than female respondents.

Characteristics based on age, grouped to in 8 groups age that is most respondents are 36–40 years old, that is 30% or 88 people, 41–45 years old 25.6% or 41 people, 46–50 years old 18.8% or 30 people, 51 years old–55 years which is 13.1% or totaling 21 people, 31–35 years old that is 7.5% or 12 people, 56–60 years old, that is 3.8% or 6 people, 20–25 years is 0.6% or 1 person and 26–30 years is 0.6% or 1 person. So it can be concluded that characteristics respondent based on Age in Provincial OPD in Indonesia was found to be the most Among 36–40 years old or 88 people, because still productive where they still capable work by effective.

Characteristics based on level education of 200 people total respondents 62.5% or 125 people with S-1 education, 33.5% or 63 people with S2 education, 3.5% or 7 people with high school education and 2.5% or 5 people with D1 education–D4. So, it can be concluded that the characteristics of respondents based on the level of education most found S1 as many as 125 people or 62.5%, this is related to the minimum capacity in an OPD especially those dealing with administrative issues or financial reports. While the education level is at least D1–D4 as many as 5 people or 2.5%, related to economics or accounting majors, only a few campuses still apply the D1–D4 level.

Characteristics based on service period, dominated by officials whose service period is 11–15 years with a total of 46.5% or 93 respondents, 15–20 years as many as 42 people or 21%, 20–25 years as many as 28 people or 14%, service period > 25 years as many as 19 people or 9.5%, while 9% or 18 people have work experience for 6–10 years.

Characteristics based on positions, the positions of the most respondents are Head of Finance Sub-section with 45.5% or 91 people, salary treasurer with 29.4% or 47 people, treasurer of expenses with 14.4% or 23 people and Head of District with 11.3% or 18 people.

4.2   Data Test Results

Validity test show r-count is bigger from r-table so with df = 84 (200 – 2) means r-table is 0.3 which resulting that all question items for measure each variable study declared valid.

Based on results testing data reliability shows that score *cronbach's alpha* of each variable studied are bigger from 0.70. This thing show that the instrument is reliable (Table 1).

4.3   Regression Analysis Results

Before testing analysis regression moderation, assumption test results classic consisting of from normality, heteroscedasticity, and multicollinearity tests everything fulfilled and worthy for next multiple linear tests, are shown in Table 2.

Table 2 shows that the coefficient of determination is determined by looking at the value (R square) obtained by 0.355 or 35.5% which means that Communication (X1),

Table 1. Data Validity

Variable	Cronbach's Alpha	Reliability Limit	Information
Communication (X1)	0.739	0.60	Reliable
Disposition (X2)	0.777	0.60	Reliable
HR (X3)	0.784	0.60	Reliable
Structure Bureaucracy (X4)	0.821	0.60	Reliable
TLHP (Y)	0.773	0.60	Reliable

Source: processed data, 2022

Table 2. Regression Test Results

Independent Variable	Coefficient	t	Sig.	Information
Constant	0.623			
Communication (XI)	0.245	1,477	0.141	Not Significant
Disposition (X2)	0.519	4.972	0.000	Significant
HR (X3)	0.336	3.581	0.000	Significant
Structure Bureaucracy (X4)	-0.281	-2.112	0.036	Significant

$= 5\% = 0.05$

R square $= 0, 355$

$F = 26,844$ sig. 0.00 0 .

Disposition (X2), HR (X3), and Bureaucratic Structure (X4) has a contribution of 35.5% to the Follow-up of Examination Results (Y) in OPD, and 64.5% is influenced by factors not included in this study.

In the F test, it is known that that the F table is 2.42 of, while in Table 3 it is known that together the independent variables have a significant positive effect on the dependent variable. This can be proven from the value of fcount 26,844 > 2.42 ftable with a significant level of 0.000 < 0.05. This means that Communication, Disposition, Human Resources, and Bureaucratic Structure have an effect and are significant on the Follow-up of Examination Results in OPD.

Based on test results three the stage that has been done, then results testing hypothesis could concluded as follows:

- Influence communication to act carry on results inspection (TLHP)

  At the value of t count of 1,477 while t table value of 1,654. Conclusion value of t count (1,477) t table (1,654) which means that the variable Communication (X1) is not take effect to variable tied because t table is bigger than tcount. At level significance

variable Communication (X1) 0.141 0.05 means that the variable Communication (X1) is not significant to the Action variable Continued Examination Results (Y). So, it could be concluded that the hypotheses first H1 is rejected H0 is accepted.

- Influence disposition to act carry on results inspection (TLHP)

    At the value of t count of 3,581 while t table value of 1,654. Conclusion value of t count (3.581) > t table (1.654) which means the Disposition variable (X2) has an effect positive to variable tied because t table is smaller than t count. At level significance variable Disposition (X2) 0.000 0.05 means Disposition variable (X2) has an effect significant to act carry on results examination (Y). So that it could be concluded that para hypothesis second H2 received.

- Influence competence source power man to act carry on results inspection (TLHP)

    At the value of t count of 4.972 while t table value of 1,654. Conclusion value of t count (4,972) > t table (1.654) which means that the HR competency variable (X3) has an effect positive to variable tied because t table more small than t count. At level significance variable HR competency (X3) 0.00 0.05 means that the HR competency variable (X3) has an effect significant to act carry on results examination (Y). So that it could be concluded that the hypotheses second H3 is accepted or H0 is rejected.

- Influence communication to act carry on results inspection (TLHP)

    At the value of t count as big as -2,112 temporary t table value of -1.654. Conclusion value of t count (-2.112) t table (-1,654) which means Structure variable Bureaucracy (X4) effect negative to variable tied because t table more big than t count. At level significance variable Structure Bureaucracy (X4) 0.036 < 0.05 means variable Structure Bureaucracy (X4) has a significant negative effect to the Action variable Continued Examination Results (Y). So that it could be concluded that hypotheses to four H 4 rejected H 0 accepted.

5   Discussion

5.1   Influence Communication to Follow Continue Results Inspection

Communication could bridge every OPD can working on the TLHP earned, based on Regulation of the Minister of State for Empowerment State Apparatus number 9 of 2009, monitoring carried out by APIP carried out with method to communicate verbally (mechanism meeting or visits) and communication written (mechanism reporting/reprimand) with responsible official _ answer for doing act continued. However, Thing the no happens in research this, because is known that communication no take effect against TLHP.

Communication that doesn't effective based on the distribution of employee data at the Provincial OPD in Indonesia which does not equally with susceptible age young, middle and old, leisure for ask or give instruction Among employee aged younger to employee with susceptible age on it give distance lack of communication good. Not only that, no happening influence caused by less good connection between superior to subordinate. That thing contrary with one function management in the process of completing the TLHP, namely function briefing, In the process of completing the TLHP, the function

necessary direction carried out by the leadership among other things, explain to subordinate how doing assigned tasks, give guidance or consultation if needed, explain obligation implementation regulation legislation and benefit implementation recommendation inspection, and provide motivation to subordinates [3].

In study this It is also known that the Communication variable (X1) does not take effect significant to Follow Carry on Results Inspection (Y). Caused by less clear the directions given, so that occur a number of errors at time processing act carry on results inspection as well as. That thing in accordance with results research found by [20] which states: that TLHP settlement by SKPD only could held with good when the communication media served by clear, complete, accurate, objective and easily understood.

5.2   Influence Disposition to Follow Continue Results Inspection

In study this is known that Disposition take effect against TLHP. While the value of significance Disposition take effect positive and significant against TLHP. Disposition become a pillar in implementation of TLHP in Provinces in Indonesia, p it is based on the mechanism and producer implementation of TLHP. Before TLHP is done first formerly an OPD gets an LHP accompanied by with disposition for be prosecuted continue made letter notification to the head of the OPD who will checked then study and identify condition criteria and recommendations on the new BPK LHP make letter order Team task [21].

In carry out the appropriate TLHP instructions given through disposition, employees at Provincial OPD in Indonesia can understand assigned task as well as have a high spirit in complete results check on report finance that. Disposition conveyed to the intended OPD be a good liaison in complete the TLHP. That thing in accordance with what was delivered [22] that Disposition could also use as a medium of communication and coordination.

5.3   Influence HR Competence Against Follow Continued Examination Results

In distribution of employment data is known that employee woman dominates several OPD in provinces in Indonesia. Female HR Competencies influence solution the TLHP cases. Role of women in administrative process rated capable contribute as something the efforts that appear in Refounding public administration proposed by Barth (1996) states: that administration public must create a new program for lead effort promote women and groups minority other. There are three things to be identity new administration related public with effort Gender justice. 1). The patriarch, that is attempted reduce moral patriarchal in develop internal administration public, 2). The Victim, that is administration public must orient to the young become political victims, including women, 3). Humane bureaucracy, namely focus to all Public without difference in make public police [23].

In study this is known that HR is influential positive and significant against TLHP. That thing influenced by ability employee every OPD in a province in Indonesia that applies SIMDA with good and way work employee complete every existing finding could solved with fast. That thing in accordance with that expressed by [2] that speed up

solution act carry on with maximizing source power. Education, knowledge and skills in the field of owned accounting and administrative _ make the HR of Provincial OPD employees in Indonesia able to make it easy work the findings obtained from results inspection, p the in accordance with research conducted by [5] states that quality source power man already adequate if seen from Education level.

5.4 Influence Structure Bureaucracy to Follow Continued Examination Results

Often mutations made by the governor really influence act carry on from results inspection. Consequence from mutations carried out by the Governor effect on Action Continued Examination Results (TLHP) on several Affected OPD mutation, can be seen in research this, is known structure bureaucracy significant negative effect to TLHP.

Placement position administration finance on some Provincial OPD in Indonesia is also very influential, mutations should be seen qualification appropriate education. However, with working hours still not enough in same position, rated not enough effective and nimble in complete the TLHP, while several OPDs in provinces in Indonesia are still have TLHP cases that have not been completed by staff beforehand.

Operate Duty new from Duty before, as well as accumulation leftover tasks from employee previously make employee difficult adapt. What happened to the structure bureaucracy in accordance with results a survey of Political and Economic Risk Consultancy (2010) shows that quality bureaucracy in Indonesia is among the worst with Vietnam and India. This picture becomes a main priority from government. Impact from attitude that reflected from Indonesia's inability to go out from the crisis that hit, and Indonesia even be the slowest country, even up to moment this not yet able, out from adversity [24].

6   Discussion

Based on results study could concluded that Communication does not affect the Follow-up of Examination Results in Regional Apparatus Organizations (OPD), due to the lack of good relations between superiors and subordinates and the lack of clear directions given in completing the TLHP. Disposition affects the Follow-up of Examination Results in Regional Apparatus Organizations (OPD). HR competencies affect the Follow-up of Examination Results in Regional Apparatus Organizations (OPD). Meanwhile, the Bureaucratic Structure has a negative effect on the Follow-up of Examination Results in Regional Apparatus Organizations (OPD), due to mutations that occur on the scope of OPD conducted by the governor of West Sulawesi.

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Analysis of Green Marketing and Performance of Environmentally Friendly Based SMEs in South Sulawesi

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Abstract. Strategy of green marketing has an important role in improving the marketing performance of SMEs. The specific objectives of the study are to analyze the effect of green marketing on marketing performance of SMEs in South Sulawesi. The population was all SMEs registered at the Department of Cooperatives and SMEs in Makassar and Pare-Pare. The sample is SME entrepreneurs who are selected according to the research objectives and meet certain criteria (Purposive Sampling). The respondents were micro and small business actors/entrepreneurs who were selected to represent their businesses with a total of 100 people. Descriptive analysis and Structural Equation modeling (SEM) with SmartPLS tools were used to solve research problems. The results show that the implementation of green marketing on marketing performance of SMEs in South Sulawesi has a positive and significant effect. Also, research shows that promotion is most important indicator in shaping green marketing, while consistency is indicator that contributes the most to marketing performance.

Keywords: Green marketing · Marketing performance · SMEs

1 Introduction

Since the last few decades, the world community's awareness of the importance of environmental preservation has increased, waste is now a big problem and a lot of waste is difficult to recycle [1]. *Green consumerism* emerged as a global movement to show awareness for consumers of their rights to obtain products that are appropriate, safe, and environmentally friendly (*environmentally friendly*).

With this awareness, companies are expected to apply environmental issues as a strategy in their marketing and it is known as *green marketing*. Green marketing is a new focus in business ventures, namely a strategic marketing approach that has received attention since the late 20th century [2]. Green marketing is efforts to design, promote and distribute products that do not damage the environment and are safe for consumption. Conditions like these require marketers to be careful when making decisions involving the environment [3]. ISO-14000 is an environmental management system that can provide assurance to producers and consumers that by implementing this system the

products produced go through a process that takes into account environmental management principles. The elements that support *green marketing* include: product, price, place or channel of distribution and promotion [4]. Marketing performance is a variable that can be used to measure marketing achievement [5]. According to [6], indicators measuring marketing performance are: 1) Customer growth, 2) Price, 3) Quality, and 4) Consistency.

SMEs in South Sulawesi play an important strategy in supporting marketing performance with an emphasis on *green marketing*. SMEs also care about and are responsible for the environment and will maintain and increase their market share. Overall, the actions of UKM actors who participate in environmentally friendly behavior in the production process can increase the profits of businesses owned by UKM.

2   Method

The location of research was South Sulawesi Province, precisely in Makassar City, and Pare-Pare City. The population is all MSMEs in Makassar and Pare-Pare City. The sample was SMEs that were selected according to the research objectives and met certain criteria (*purposive sampling*). In this study, 100 people were selected. Data analysis techniques used *Structural Equation modeling* (SEM) with SPSS and SmartPLS analysis tools.

3   Results

3.1   Descriptive Statistical

Descriptive statistical analysis in this study is an analysis used to describe respondents' perceptions of the items or statement items submitted in the questionnaire, as well as methods related to data collection and presentation so as to assess data quality.

Green marketing variables are supported by indicators: X.1; product, X.2; price, X.3; place or distribution channel and X.4; promotion (Stanton in Swastha and Handoko, 2000). In general, a description of the research results for this variable can be shown in Table 1.

Based on the descriptive analysis, the indicator of Green Marketing (X) which is perceived as the strongest by respondents is X.4 with a mean of 4.21. Furthermore, the indicator that is perceived the lowest by respondents is X.2 with a mean of 4.12.

Marketing performance variables are supported by indicators: Z.1; Customer growth, Z.2; Price, Z.3; Quality, and Z.4; Consistent. In general, a description of the research results for this variable can be shown in Table 2.

Based on descriptive analysis, the indicator of marketing performance (Z) which is perceived as the strongest by respondents is Z.4 with a mean value of 4.41. Furthermore, the indicator that is perceived the lowest by respondents is Z.2 with a mean value of 4.02.

Table 1. Descriptive Analysis of Green Marketing (X).

No	Indicators	Percentage of Respondents' Answers					Amount	Mean
		SDA	DA	N	A	SA		
		1	2	3	4	5		
1.	X.1	0	5	17	33	45	418	4.18
2	X.2	0	6	12	46	36	412	4.12
3	X.3	0	7	10	44	39	415	4.15
4	X.4	0	4	7	53	36	421	4.21
	Variable Means							4.17

Source: Results of data processing, 2022

Table 2. Descriptive Analysis of Marketing Performances (Z).

No	Indicators	Percentage of Respondents' Answers					Amount	Mean
		STS	TS	RG	S	SS		
		1	2	3	4	5		
1.	Z. 1	0	3	9	51	37	422	4.22
2	Z. 2	0	4	13	60	23	402	4.02
3	Z. 3	0	1	5	50	44	437	4.37
4	Z. 4	0	1	4	48	47	441	4.41
	Variable Means							4.26

Source: Results of data processing, 2022

3.2 Hypothesis Test

Model fit evaluation was carried out to see whether the model used in this study was appropriate or not. In measuring the fit model, it is done with the Standardized Root Mean Square Residual (SRMR) value. SRMR is the level of difference between the model and the data, and a small value close to zero is expected. The results of the evaluation of the model fit with PLS show an SRMR value of 0.09, this value is greater than 0.08 but still within the limits of 0.12, so it is concluded that the model in this study has a marginal model fit.

For effect analysis was conducted using the inner weight table. On the 2-tailed test. The following is the path coefficient value (original sample estimate), the calculated t value (t-statistic), and the p value in the PLS inner model:

Table 3, shows that the contribution of green marketing in improving marketing performance for SMEs in South Sulawesi is positive and significant.

Table 3. Relationship of variable.

	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistics (| O/STDEV |)	P Values
Green Marketing_X -> Performance Marketing_Z	0.404	0.413	0.099	4,091	0.000

Source: Results of data processing, 2022

4 Discussion

The results show that in the descriptive analysis, the indicator that has the greatest contribution in shaping and explaining the green marketing variable is promotion (X.4) with a mean of 4.21. Therefore, the ability of SMEs in implementing green marketing is closely related to promotion, green marketing is better through promotion for understanding and knowledge about green marketing, while on marketing performance consistency is much more demonstrable through green marketing. Companies that sell their products will of course also consider their target market, where from the target market the company can find out how much the purchase transaction was made at the company [7]. Marketing performance receives a good impact on green marketing, that producers are demanded not only to generate profits economically but also to consider environmental factors as demanded by consumers [3, 8], so from the research process, processing, waste disposal, even to distribution must follow environmentally friendly criteria [9].

5 Conclusion

Based on the results of the research, it can be concluded that the factors that contribute most in supporting green marketing are promotion, promotion maximizes the understanding and knowledge of many business actors about green marketing, while in terms of marketing performance the most contributing indicator in shaping marketing performance is consistency, consistency plays an important role in realizing something in a sustainable manner for the benefits obtained.

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