

CHAPTER III

RESEARCH METHOD

A. RESEARCH OBJECT AND RESEARCH SUBJECT

The research object is the location of the research. The research was carried out in Ciamis Regency. The research subjects consisted of population and sample. The research population includes an internal stakeholders from the local government of Ciamis Regency. The research sample consisted of employees of the Apparatus Regional Organization (OPD) in Ciamis.

B. DATA TYPE

The type of data used in this study was primary data. Primary data is a type of research obtained directly from the original source. Primary data is specifically collected to answer research question. Primary data through questionnaire and interview methods taken and collected directly from the respondents using questionnaire techniques/questionnaires containing questions that has been arranged systematically and logically.

C. SAMPLE MAKING TECHNIQUES

The sampling method used in this study was a purposive sampling method with judgment sampling technique in the form of sampling with certain criteria. The considerations used in selecting respondents to be sampled in this study were as follows:

1. The chief or staff of financial sub-division or the chief or staff of planning sub-division.

2. Have work experience of at least one year in the institution where he/she worked

D. DATA COLLECTION TECHNIQUES

Data collection techniques used in this study was closed questionnaire/questionnaire technique. Questionnaires are a number of questions about factual data or opinions of respondents, which are considered facts and need to be answered by respondents (Sutoyo, 2009). Data retrieval is done in one time/period that involves many samples (cross sectional) in the real environment (no contrived settings).

E. OPERATIONAL DEFINITION OF RESEARCH VARIABLES

1. Independent Variable

The independent variable is a variable that can affect the emergence of the dependent variable. The independent variables in this study consisted of 4 independent variables. The independent variable were Budgeting Participation, Accessibility of Financial Statement, Internal Control and Transformational Leadership. The research variables was measured using a Likert scale 1-5 with type of interval scale, with a score of 1 as the lowest value and a score of 5 as the highest value. The operational definition of each of these variables is explained as follows:

a. Budgetary participation

Budgeting participation is the involvement of lower-level management in preparing the budget. The research instrument was developed based on the research instrument by Irfan, Santoso, Effendi

(2017), Hayuwati and Halim (2018). Variables were measured using 8 questions that reflect variable indicators. Indicators of budgeting participation in these instruments were:

- 1) The portion of involvement in determining the budget
- 2) The frequency of discussions with superiors related to the budget
- 3) The desire to ensure budget involvement
- 4) The influence in determining the final budget.

b. Accessibility of financial reports

Accessibility of financial reports is the convenience for users in getting information contained in financial statements. The research instrument was borrowed from the research instrument developed by Hayuwati and Halim (2018). The measurement used 8 questions. Indicators of financial statement accessibility to the instrument are:

- 1) Accessible of data
- 2) The openness to financial reports and
- 3) The easiness access to financial reports.

c. Transformational Leadership

Transformational Leadership is the ability of leaders to change the work environment, work motivation, and work patterns, work values perceived by subordinates so that they are better to optimize performance in achieving the organizational goals. In this research, the instrument was based on research developed by Halid (2007) and

Zulfitrianti (2017) using 13 questions as measurements. There were four dimensions in this research instrument, namely:

- 1) The influence of idealism with the indicators of trust and respect in leadership
- 2) Inspirational motivation with the indicators of how a leader motivated and inspired subordinates
- 3) Intellectual stimulation with the indicators of leaders' efforts to encourage subordinates to think innovatively and creatively.
- 4) Individual consideration with the indicators of leaders' attention to the development and achievements of subordinates.

d. Internal Control

Internal control is a plan, method, procedure and policy designed by management to provide adequate guarantees for the achievement of operational efficiency and effectiveness, financial reporting reliability, security of assets, compliance with laws. The research instrument is the development of the research instrument conducted by Hayuwati and Halim (2018). The measurement uses 12 questions. There were several dimensions in this research instrument, namely:

- 1) Dimension of the control environment with the indicators are enforcement of integrity and ethical values, commitment to competence, effectiveness of the role of the apparatus, and good working relations.

- 2) Risk assessment with indicators of assessing risks to operations, finance and compliance that may occur.
- 3) Control activities are seen from the separation of tasks between divisions, authorization in each transaction, completeness of documents and transactions.
- 4) Information and communication have indicators in the form of use and quality of information and communication systems.
- 5) The last dimension is monitoring, with indicators in the form of monitoring mechanisms.

2. Dependent Variable

In this study the dependent variable is Regional Financial Accountability, which was measured using a questionnaire developed by Krina (2003) with a 1-5 point Likert scale for 8 questions. The dependent variable were measure by the indicators of Performance accountability system of government agencie from the Ministry of Administrative Reform and Bureaucracy Reform. There were several indicators in this research instrsument, namely:

- a. Dimensions of reporting compliance with indicators; the performance report has been prepared and submitted at the time, the report is uploaded to the website and has presented the achievement information.
- b. Dimension presentation of performance information with indicators; presents information on achievement of outcome-oriented targets, presents analysis and evaluation of achievements, presents an adequate comparison of data between the realization of this year and the

realization of the previous year and other comparisons needed. Information is reliable.

- c. Dimension of strategic planning with indicators; the strategic plan contains the objectives, the objectives set have been completed with measures of success, the goals have been accompanied by success targets.
- d. Dimensions utilization of performance information with indicators; performance information has been used in conducting performance accountability evaluations.
- e. Dimensions of fulfillment of evaluation with indicators; there is monitoring of the progress in achieving performance and its obstacles, evaluation of the program has been carried out, evaluation of the implementation of the action plan has been carried out, the results of the evaluation have been submitted and communicated to the parties concerned.

F. INSTRUMENT AND DATA QUALITY TESTING

1. Data Quality Test

a. Descriptive Statistics

Descriptive statistics are used to analyze data by describing the data that has been collected without intending to make conclusions that apply to the public or generalization (Sugiyono, 2012). Analysis technique used to describe the data is a description of the research variables in order to inform the absolute frequency distribution at

minimum, maximum, mean, standard deviation and variance of the data.

b. Validity Test

Validity test is the degree to which a measuring instrument can perform its function precisely and carefully. Validity test is used in order to know whether a research questionnaire is valid or not. A questionnaire can be said to be valid if the questionnaire questions can be really appropriate to measure what is to be measured (Nazaruddin and Basuki, 2019). The validity of this research instrument was determined using the Pearson Product Moment correlation test, a type of test that measures the strength and direction of the relationship of two variables. Items can be said to be valid if the value of r -score $>$ r -table at a significance level of 5%.

c. Reliability Test

Reliability test is the level of consistency of a test, which is a measuring tool used to measure the same symptoms with consistent measurement results even if done repeatedly or under different conditions (Sugiyono, 2012). If a measuring instrument is used to measure the same symptoms and the results of several measurements are consistent, then the gauge is said to be reliable. The instrument in this study was tested for reliability using cronbach's coefficient alpha statistical test techniques. This study used cronbach's coefficient Alpha with a significance level of 5%. Each statement

item in the questionnaire is said to be reliable if the value of cronbach's alpha is greater than or equal to 0.70 (Nazaruddin and Basuki, 2019).

2. Classic Assumption Test

a. Normality Test

Normality test aims to determine or assess the distribution of data in a group of data or variables show normal distribution or not normally distributed. Normally distributed data is one of the characteristics of a good regression model. Residuals are considered to spread normally if they meet the sig value greater than 5%. If the sig value is less than 5%, then the residual is considered to be spread abnormally (Nazaruddin and Basuki, 2019).

b. Multicollinearity Test

Multicollinearity test is a test conducted to ascertain whether in a regression model there are intercorrelations or colinearities between independent variables. A good regression model does not show a correlation between independent variables. This test is done by looking at the value of Variance Inflation Factors (VIF). If the VIF value in the table shows less than 10, it can be concluded that there is no multicollinearity among the independent variables. Conversely, if the VIF value is greater than 10 it is assumed that the model contain multicollinearity.

c. Heteroscedasticity test

Heteroscedasticity test aims to assess whether there is inequality variants of residuals for all observations in a multiple regression model. This test is one of the classic assumption tests that must be performed in multiple regression. If the heteroscedasticity assumption is not met, then the regression model is declared invalid. Regression models are considered eligible if there is an equal variance in all observations. This is called homoscedasticity. Basic decision making in heteroscedasticity test are:

- 1) If the significance value is more than 0.05 means there is no heteroscedasticity.
- 2) If the significance value is less means 0.05 then heteroscedasticity is considered.

G. HYPOTHESIS TESTING AND DATA ANALYSIS

1. Multiple Regression Analysis

According to Ghozali (2011), multiple regressions analysis is used to find out whether there is influence between independent variables on dependent variable. In multiple regression analysis, there is more than one independent variable to be tested. The relationship between the independent variable and the dependent variable is formulated in the equation model as follows:

$$\text{RFA} = \beta_0 + \beta_1\text{BP} + \beta_2\text{AFR} + \beta_3\text{TL} + \beta_4\text{IC} + e$$

Information:

$$\beta_0 = \text{Constant}$$

$\beta_1\beta_2\beta_3\beta_4$	= Coefficient Regression
BP	= Budgetary Participation
AFR	= Accessibility of Financial Report
TL	= Transformational Leadership
IC	= Internal Control
e	= Error
RFA	= Regional Financial Accountability

2. Coefficient of Determination (R^2)

According to Ghozali (2011), coefficient of determination (R^2) test is used to determine the percentage of the influence of independent variables towards the dependent variable. The coefficient of determination can be seen from the adjusted R^2 value where to interpret the magnitude of the coefficient of determination that must be converted into percentages. The rest of the total (100%) is explained by using other variables that not included in the research model. The coefficient of determination aims to measure how much the ability of the models in explaining the variation of the dependent variable. Value of the coefficient of determination is $0 < R^2 < 1$. If the coefficient of determination (R^2) getting closer to 1, then the regression model is considered getting better because of the independent variables used in this study is able to explain the dependent variable.

3. Simultaneous Test (F Test)

Simultaneous test is performed to determine the effect of all independent variables or simultaneously on the dependent variable. Significant means the relationship that occurs can be applied to the population. If the significance value at the SPSS output shows a greater

value than 0.05 it can be concluded that the independent variable simultaneously does not significantly influence the dependent variable. Conversely, if the significance value indicates less than 0.05 it is concluded that the dependent variable significantly influences the dependent variable.

4. Partial Test (T Test)

Partial test is used to determine whether there is each or partially significant influence between the independent variables towards the dependent variable (Ghozali, 2011).

- a. The hypothesis is accepted, if the value of $p < \alpha$ (0.05). The conclusion is that there is a significant influence between the independent variables towards the dependent variable.
- b. The hypothesis is rejected, if the value of $p > \alpha$ (0.05). Meaning that there is no significant effect between the independent variables towards the dependent variable.

To find out the direction of its influence can be seen by the value of unstandardized coefficient B, if the value is positive then the variable independent stated has a positive effect on the dependent variable.