A. Research Background

Along with the demands of good corporate governance and reform of the budget management system in the public sector, Indonesia then made changes from the traditional method or Old Public Management to become New Public Management. This is because in the current budgeting system with traditional methods is no longer appropriate to be implemented because it has several weaknesses, such as the absence of performance indicators or measures in the preparation or absorption of budgets to achieve public service goals and objectives and less emphasis on outputs and outcomes that want to be achieved.

The new system in public management is a system in which the use of funds or budgets is no longer focused on input, but on its output by emphasizing three main principles, namely professionalism, transparency and accountability.

The main concern for the public sector regarding performance begins with the United States government which makes it a top priority to develop new strategies or concepts regarding performance measurement systems, which were agreed in Government Performance Results and 1993 Results (Atkinson et al., 1997). One manifestation of budget preparation reform is the existence of a performance based budgeting system. This system is an effort to improve the budgeting process in the public sector, because this approach can clarify the goals
and indicators of performance, budget preparation and management to be more oriented towards achieving performance results (outputs and outcomes) of each fund that has been spent so that it can be accounted for its usefulness. Performance-based budgeting is a budgeting system that combines performance planning with an annual budget where in this case it will be seen regarding the linkages between available funds and expected outcomes (Izzaty, 2011). The budget can comprehensively reflect all plans and efforts of the government while also playing an important role in national economic development because the government carries out all financial operations including obtaining and paying the costs of implementing several plans within the budget legal framework (Jafarniya and Jahed, 2015).

The law no. 17 of 2003 concerning State Finance. Describes work planning and budgeting based on the achievement of performance or achievement to be achieved (performance oriented). Besides the issuance of Law No. 17 of 2003, a law has also been issued which encourages the implementation of a performance-based budget system in regional governments. The law is Law No. 32 of 2004 concerning Regional Government and Law No. 33 of 2005 concerning Financial Balance between Central and Regional Governments. These regulations then form the basis for implementing performance-based budgets that require local governments to change their budget systems from traditional approaches to performance-based approaches.

Before the performance-based budgeting method was applied in 2005, Indonesia adopted a budgeting method with a traditional approach. In its
implementation, this traditional budgeting was dominated by line item budgeting and incrementalism based on budgeting in previous years (Nalarreason et al., 2014). These results in budgets that are not needed or are not in accordance with the real needs and the interests of the public in the budget compiled by the government and related agencies. Performance-based budgets are structured with the aim of overcoming various weaknesses in the traditional budget. The use of performance-based budgets is able to change the direction of the use of funds from the government, which was originally oriented towards input, but now has been oriented towards output. The performance-based budgets that are supported by good governance and competent implementers are considered capable of reducing acts of corruption, and increasing the trust of the people who have disappeared.

The traditional budgeting system based on line-items brings several problems that do not only occur in Indonesia, but also in countries that have left the budgeting system. The main problems caused by the line-item budget system in Indonesia are (Rasul, 2003).

1. Orientation on expenditure control (expenditure control oriented) which results in very limited accountability, i.e. only on the size and manner of expenditure in accordance with the allocated, not on the results of overseeing result.

2. Unclear ambiguity on distinction between capital and revenue expenditure which results in budgetary sifting, known as "projected routine" and financial sustainability issues.
3. The allocation base is not clear where the target of increasing the budget is based on the percentage of realization of the previous year budget or, in other words, only based on the ability of each government agency to absorb the budget, not based on the level of performance achieved.

4. Tend to be inflexible (rigid) where in certain types of expenditures there is limited authority on the leadership of agencies to make shifts in certain budget lines that indicate weaknesses in the implementation of accountability, namely agency leaders that only have accountability for the amount of money spent in accordance with available budgets, not against the results achieved.

5. Orientation is only a short-term perspective so that the annual financing plan set forth in the Repelita (five-year planning document) is not linked to the budgeting system that is implemented.

   Budgeting with a performance approach focuses on the efficiency of organizing an activity. Efficiency itself is a comparison between output and input. An activity is said to be efficient when output can be produced larger with the same input, or the output produced is the same as fewer inputs. The use of the budget with this system is oriented towards clear outputs and outcomes so that all budgets issued can be accounted for transparency to the public. This responsibility has been explained in the Qur'an Al-Muddassair verse 38 which means:

   كُلُّ نَفْسٍ بِمَا كَسَبَتْ رَهِينَةً

   “Everyone is responsible for what he has done.”
In Indonesia, various regulations and guidelines have been issued related to the implementation of performance-based budgeting for performance indicators in planning and budgeting documents and the use of these performance indicators in the process of government budgeting. The document contains a medium-term development plan of the region/ Rencana Pembangunan Jangka Menengah Daerah (RPJMD), Regional Government work plan/ Rencana Kerja Pemerintah Daerah (RKPD), Public Policy budget/ Kebijakan Umum Anggaran (KUA) as well as the priorities and Budgetary Ceiling while/ Prioritas dan Plafon Anggaran Sementara (PPAS) at the level of local governments (provinces/ district/city). Then on the organization level Devices/ Organisasi Perangkat Daerah (OPD) Areas include Strategic Plan/ Rencana Stratejik (Renstra) OPD, a work Plan/ Rencana Kerja (Renja) OPD and budget/ Anggaran (RKA) OPD.

According to (Kawedar et al., 2008), there are conditions that must be prepared as a trigger factor for the successful implementation of the use of performance-based budgets, namely:

1. Leadership and commitment from all organizational components.
2. Focus on improving administration continuously.
3. Sufficient resources for the improvement effort (money, time, people).
4. Clear rewards (reward) and sanctions (punishment).
5. A strong desire to succeed.

In government in Indonesia, performance has not been used as a reference for discussing the budget and allocation basis. The old pattern is still used in the discussion, which is still using allocations in the previous period. There are not
many members of the DPR who are concerned about performance-based budgeting because when discussing the budget they are still questioning about some performance issues. This is due to information imbalances (asymmetry information) and the limited capacity of DPR members. Information gaps other than those caused by data on performance planning (Renja) and performance reporting (LAKIP) are not submitted to the DPR. Other than that, in the format of Ministry / Institution Work Plan and Budget Arrangements (RKA-KL) discussed with the DPR, they cannot explain the performance that will be achieved. Unclear performance planning, preparation of RKA-KL and discussions on budgets do not refer to performance (Pratama, 2016).

In fact, there is often an excess in budgeting for every Indonesian SKPD so that the surplus budget must be spent with activities that are not in the planning of each SKPD. The reason DPR to approve the budget allocation in accordance with the budget prepared by the regional government work unit. If each regional government work unit reports on the absorption of the budget in accordance with the realization, then the allocation of the budget for each regional government work unit in the following period will be reduced according to the realization of the absorption of the budget compared to the allocation of each regional government work unit in the previous year. This is contrary to the effectiveness and efficiency of the preparation and achievement of budget absorption.

Province of D.I Yogyakarta consists of 1 city, namely Yogyakarta and 4 other districts, namely Sleman, Bantul, Kulonprogo and Gunung Kidul Regencies. The researcher chose Sleman Regency as the research sample. The researcher is
interested in conducting research in Sleman Regency because Sleman Regency has the most Regional Organization (OPD) in Province D.I.Y and has problems that occur regarding OPD performance. From the results of the examination, there are problems as follows: there are 3 problems (5.17%) in main tasks and functions, there are 14 problems (24.13%) in financial aspects, there are 40 problems (68.96%) in aspects of facilities and there is 1 problem (1.74%) in methods work. (www.slemankab.go.id).

From these problems, it can be concluded that the performance of the Sleman Regency OPD is not optimal. Factors that can influence the performance of the DPO can be seen in implementing the budget. In implementing the budget in Sleman Regency, the employee budget is far higher than the budget for the public interest. In calculating and analyzing the performance of the Sleman Regency Government, it can be done by comparing the performance plan with the level of realization. The result shows that the level of performance achieved by the activities and targets set by the Sleman Regency Government is lower (87.85%) than the target (95%). This is because the Annual Performance Plan (RKT) is carried out in conjunction with the Performance Measurement Preparation (PKK), so that the level of tendency in conducting performance assessments / measurements becomes biased or less objective.

From this case, there is a lack of supervision and budget control for government entities. There are several factors that can increase the effectiveness of performance-based budgets such as information factors, organizational
commitment, transformational leadership, quality of human resources, and good governance.

Information is a message that can be delivered in a certain way that can be accepted and understood by the recipient of the message. Information is very important for increasing the effectiveness of the implementation of performance-based budgets because the availability of sufficient and adequate information can lead to an understanding of government apparatus and clearly what they must do. (Achyani and Cahya, 2011), (Nawastri, 2015), and (Albab, 2015) found empirical evidence that information can positively influence the effectiveness of performance-based budgeting.

In organizations, every employee must have a commitment to the organization where he works. Organizational commitment is a belief, support, and a person's loyalty to the values and objectives of the organization. Having a strong organizational commitment can make individuals always try to achieve organizational goals. A research conducted by (Fitria, 2018) and (Handayani, 2017) prove that organizational commitment has a positive effect on performance-based budgets.

Leadership factors within an organization greatly influence the success of the organization in order to achieve its stated vision, mission and goals. The success of an organization or each group in an organization is very dependent on the quality of leadership (Izzaty, 2011). In a leadership organization, it is needed to provide guidance on the efforts of all workers in achieving organizational goals. Therefore, leadership is very necessary if an organization wants success.
Changes in the budgeting system from traditional budgeting to performance-based budgeting require systematic changes in the overall components of the organization, especially the role of leaders in managing these changes so that the implementation of performance-based budgeting can run in accordance with applicable regulations and ultimately can be economical, efficient, and effective in effectiveness application of performance-based budgets (Nawastri, 2015).

The most important thing in facing the implementation of changes in the budgeting system is the problem of readiness of human resources. Human Resources must continue to be addressed so that they are always ready to face changes, especially in the budgeting process in order to improve the performance of government agencies. Increased competence in the field of budgeting can also be carried out in coordination in one roof so that it is efficient and effective (Mauritz, 2008). Human Resources is one of the internal factors that plays an important role in the success or failure of an organization in achieving its objectives so that it needs to be directed through effective and efficient human resource management. In order for human resources to have a high work ethic, skills, education, and guidance for human resources. It is just that to produce high performance and work performance, an employee does not only need to have skills, but also must have the desire and enthusiasm for high achievement due to the development of an organization, largely determined by members or personnel of the organization itself (Nawastri, S 2015). Moreover, if an organization has reliable resources in the analysis of performance and allocation of funds, it will
facilitate the success of the implementation of performance-based budgeting (Julnes and Hozer, 2001).

The reform of the budget management system must be conducted with the demands of good corporate governance. Good governance is a good governance in the use of authority, administration, economy, politics to manage state problems at all levels based on aspects of transparency, accountability, community participation, efficiency and effectiveness, and responsive to the needs problems of the community in a legal framework clear. The application of the concept of good governance is considered capable of overcoming various complaints from the public, so that the implementation of performance-based budgets is carried out optimally.

Several studies regarding the implementation of performance-based budgets have been carried out by many previous researchers. The study by (Nalarreason et al., 2014) about of the effect of good governance and human resource competencies on the implementation of performance-based budgets in the Buleleng regency revenue service shows that good governance and human resource competencies have a positive effect on the implementation of performance-based budgets. A research by (Fitri et al., 2013) which examines the influence of leadership style, organizational commitment, human resources, reward and punishment on the effectiveness of performance-based budgets has shown that leadership style, human resources and rewards have a positive effect on the effectiveness of performance-based budgets, while commitment organization and punishment do not affect the effectiveness of performance-based budgets.
This research is a development from Yanuar's research (2018). This researcher added other variables, namely commitment organization and information. The researcher took the object of research on the DIY Government because it had established a performance-based budget system in the DIY Government. This system should work well so that it can be in line with the improvement of government performance. The difference with the previous research is on the sample and also the time the research was conducted. The previous research took sample in Magelang Regency, while this research was in Sleman Regency.

This research was conducted to reduce cases that occurred in Sleman Regency Government and could improve the effectiveness of performance-based budgets in the Sleman Regency Government. From the background above, this study is entitled: "THE EFFECT OF INFORMATION, ORGANIZATIONAL COMMITMENT, TRANSFORMATIONAL LEADERSHIP, QUALITY OF HUMAN RESOURCES, AND GOOD GOVERNANCE ON THE EFFECTIVENESS OF PERFORMANCE BASED BUDGET (Empirical Study in Sleman District Organizations)"
B. Research Question

Based on the background above, the formulation of the problems in the study are:

1. Does information have a positive effect on the effectiveness of performance-based budget?
2. Does commitment have a positive effect on the effectiveness of performance-based budget?
3. Does the transformational leadership have a positive effect on the effectiveness of performance-based budget?
4. Does the competence of human resources have a positive effect on the effectiveness of performance-based budget?
5. Does good governance have a positive effect on the effectiveness of performance-based budget?

C. Research Objective

Based on the formulation of the problem above, the objectives of this study are as follows:

1. To test the positive effect of information on the effectiveness of performance-based budget.
2. To test the positive effect of commitment organization on the effectiveness of performance-based budget.
3. To test the positive effect of transformational leadership style on the effectiveness of performance-based budget.
4. To test the positive effect of competence of human resources on the effectiveness of performance-based budget.

5. To test the positive effect of good governance on the effectiveness of performance-based budget.

D. Research Contribution

1. Benefits in the theoretical field

The results in the study are expected to increase knowledge about the effectiveness of the implementation of performance-based budgets in Regional Device Organizations. The results of this study can also be used as a reference for subsequent research as well as additional information for academics for the development of public sector accounting science, especially in the effectiveness of the implementation of performance-based budgets.

2. Benefits in the practical field

The results of this study can be used as input by the DIY Provincial Regional Organizations to increase the effectiveness of the implementation of performance-based budgets so as to increase the value of performance accountability with implementation in accordance with the vision, mission of the DIY Government.