CHAPTER III

RESEARCH METHODS

A. **Object and Subject Research**

The object of this study is Organizational of local government (OPD) at Bantul Regency. While the subjects in this studies are head of department/OPD, head of finance, and financial staff at some OPD in Bantul Regency. The data will distribute to agencies and department which is consist of 25 OPD.

B. **Data Type**

The data sources used in this study is primary data. The primary data related to the perceptions or opinions of respondents about the variables studied and data related to the characteristics of respondents. Primary data is one technique of data retrieval directly by using the media questionnaire by way of the delivery of questionnaires directly to the respondent.

C. **Sampling Technique**

The method used in this research is the method of selecting nonprobability samples by purposive sampling, ie the selection of samples based on the considerations made by the selection of non-random samples whose information is sensed by certain considerations (Indriantoro and Bambang, 2002).

D. **Data Collection Technique**

Data collection techniques in this study using questionnaires. Questionnaires will be distributed to respondents directly and request the questionnaire back on a predetermined date to the respondent. List of questions in questionnaires related to the government apparatus competencies, legislation compliance, accounting controls, Utilization of information technology and performance accountability of local government institutions.

E. **Operational Definition of Research Variable**

This study uses one dependent variable that is performance accountability of local government institutions and four independent variables namely government apparatus competencies, accounting control, legislation compliance, and utilization of information technology.

1. **Dependent Variable**

   a. **Performance Accountability of Local Government Institutions**

   According to the Presidential Instruction of the Republic of Indonesia Number 29 Year 2014, Accountability of the performance of government agencies is the realization of the obligation of a government agency to account for the success / failure in the implementation of the mission of the organization in achieving the goals and objectives which have been determined through periodical accountability tools. The performance accountability variables of government agencies use questionnaires developed by Pratolo et al. (2016) consists of nine items

of questions. The scale used to measure this variable is the Likert scale 1-5 which begins from the notion strongly disagree to strongly agree.

2. **Independent Variable**

   a. **Government Apparatus Competencies**

   According to Law Number 13 Year 2003 on Manpower, work competence is the ability of every individual work that includes aspects of knowledge, skills, and work attitude in accordance with established standards. Variable competence of government apparatus using questionnaire developed by Wardhana et al. (2015) and consists of 11 question items. The scale used to measure this variable is the Likert scale 1-5 which begins from the notion strongly disagree to strongly agree.

   b. **Accounting Control**

   Accounting controls are the procedures and related documentation for securing assets, executing and recording financial transactions and ensuring the reliability of financial records (Mulyadi, 2008). The accounting control variable uses a questionnaire developed by Apriyani (2015) and consists of 6 question items. The scale used to measure this variable is the Likert scale 1-5 which begins from the notion strongly disagree to strongly agree.

   c. **Legislation Compliance**

   Legislation compliance is a person's compliance with regulations made by the competent authority to enact legislation in which the law is binding (Setyawan, 2017). Variables of obedience to legislation use

questionnaires developed by Pratolo et al. (2016) and consists of five question items. The scale used to measure this variable is the Likert scale 1-5 which begins from the notion strongly disagree to strongly agree.

d. Utilization of Information Technology

Information technology can be interpreted as a technology used to process data, including processing, obtaining, compiling, storing, manipulating data in various ways to produce quality information, namely relevant, accurate and timely information, which is used for personal, business purposes and government and is strategic information for decision making (Nurillah, 2014). The variable regional financial accounting system (SAKD) was measured using a questionnaire with 6 questions with a 1-5 Likert scale.

F. Descriptive Statistics

Descriptive statistics show about the main picture about the condition of each variable in the study. This study uses three parameters in describing the condition. The three parameters are, the range of scores (maximum and minimum), mean, and median.

G. Data Instrument Quality testing

1. Validity Test

Validity test is done to ensure that each item in the research instrument is able to measure the variables specified in this study. An instrument is said

to be valid, if it is capable of measuring what is desired and revealing data from the variables studied appropriately (Ghozali, 2009). These items are expressed as valid items when the magnitude of r counts over r table and is positive (with a 0.05 or 5% significance level) and vice versa.

2. **Reability test**

Reliability test is intended to find out how far the measurement results remain consistent when measured twice or more against the same statement using the same measuring tool as well. Test reliability in this study using Cronbach Alpha (α), where an instrument can be said reliable, if have cronbach alpha ≥ 0.6 (Ghozali, 2009).

H. **Classic Assumption Test**

1. **Normality Test**

Normality test aims to test whether in the regression model, dependent variables and independent variables both have a normal distribution or not. A good regression model is to have normal or near-normal data distribution. To test whether the distribution of data is normal or not, a graph analysis can be performed or by looking at a normal probability plot that compares the cumulative distribution of the actual data with the cumulative distribution of the normal distribution. If the data distribution is normal, then the line representing the real data will follow its diagonal line (Ghozali, 2009).

2. Multicolinearity Test

Multicolinearity is a phenomena of a perfect correlation between one independent variable with other independent variables. The practical consequences that arise as a result This multicolinearity is the standard error of increasingly large estimates. Testing of presence or absence of multicollinearite as carried out by observing: The amount of Variance Inflation Factor (VIF) and tolerance, the model is said to be multicollinearity free if VIF is around 10 and has a tolerance value approaching 0,10.

3. Heteroscedasticity Test

Heteroscedasticity test was conducted to find out whether in a regression model there was a variance inequality of residual observation to another observation (Sekaran, 2007). If the variance of a residual observation to another observation is still called homoscedasticity, meanwhile for different variance it is called heteroscedasticity. A data is said there is no symptoms of heteroscedasticity if significant value of the data is processed > 0.05.

I. Hypothesis Testing

1. Multiple Linear Regression

This research uses multiple regression analysis which aims to examine the effect of government apparatus competencies, accounting control, legislation compliance, and utilization of information technology towards

performance accountability of local government institution. Equation model in this research are:

Equation 3.1

$$PALGI = \alpha + \beta1\ GAC + \beta2\ AC + \beta3\ LC + \beta3\ UIT + e$$

Information:

PALGI	: Performance Accountability of Local Government Institutions
α	: Constants
$\beta1\beta2\beta3\beta4$	: Regression coefficient
GAC	: Government Apparatus Competencies
AC	: Accounting Control
LC	: Legislations Compliance
UIT	: Utilization of Information Technology
e	: Error tolerance (residual 5%)

2. Coefficient of Determination (R^2)

The determinant coefficient (R^2) is a coefficient showing the percentage of all independent variable influences on the dependent variable. The percentage indicates how much independent variable can explain the dependent variable. The bigger the coefficient of determination the better the independent variable will explain the dependent variable.

3. Simultaneous Significance Test (F Test)

Test F is basically used to indicate whether all independent variables simultaneously affect the dependent variable. If sig < alpha, then the independent variable can affect the dependent variable together.

4. Partial Test (T test)

      This test is to find out whether all independent variables partially significant effect on the dependent variable. It is therefore necessary to test the t test statistic. The test is done in two ways (two tails) with 95% confidence level and tested a significant level of influence of independent variables on the dependent variable. Level significance is determined at < 5% then the hypothesis is accepted. If the coefficient regression value is negative, then the hypothesis is rejected.