

DETERMINANTS OF BUDGET ABSORPTION IN REGIONAL APPARATUS THROUGHOUT EAST NUSA TENGGARA

Ardini Hartarti Ngongo^{1*} Henny Rahyuda²

Faculty of Economics and Business, Udayana University, Indonesia^{1,2}

*Email: ardardini@gmail.com

Abstract

Budget absorption targets that are not properly absorbed will trigger idle funds and eliminate the benefits of spending, so attention is needed from each regional apparatus. This research aims to determine the determinants of budget absorption in regional apparatus throughout East Nusa Tenggara. The samples in this research are financial management officials who are directly related to budget planning, budget implementation and budget absorption, namely: Budget Users (PA), Technical Implementing Officials (PPTK), and Expenditure Treasurer. The sample selection technique was purposive sampling, totaling 207 respondents. This research uses a quantitative approach, with primary data in the form of a questionnaire in the form of a Google Form platform. The analytical method used in this research is Structural Equation Modeling Partial Least Square (SEM) using the Partial Least Square (PLS) approach using SmartPLS 4.0 software. The research results show that budget planning, budget implementation, procurement of goods and services, and management commitment have a positive effect on budget absorption. While human resource competency has a negative effect on budget absorption. The results of the respondents' descriptions found that the most prominent budget absorption problem in Regional Devices throughout East Nusa Tenggara was the placement of financial management officials who did not match their competencies. Although the competencies they have are high, the placement of financial management officials who do not match their competencies has an impact on low communication skills so that there is no effective coordination between fields, which has an impact on low budget absorption.

Keywords: Budget absorption, budget planning, budget implementation, procurement of goods and services, human resource competency, and management commitment.

INTRODUCTION

Absorption of regional budgets with transparent and accountable financial reports is a form of government accountability as a steward to the community as principal. The Regional Revenue and Expenditure Budget (APBD) is in the spotlight of the public to see that the results of the government's performance in realizing the APBD are in accordance with what the community expects.

The condition in Figure 1 regarding the percentage of realization of provincial APBD expenditures throughout Indonesia for the 2022 Fiscal Year, places the Province of East Nusa Tenggara (NTT) in last place for the realization of provincial APBD expenditures throughout Indonesia for the 2022 Fiscal Year, with a percentage of

expenditure realization of 24.16% from 50% Ideally, budget absorption should be in the first semester.

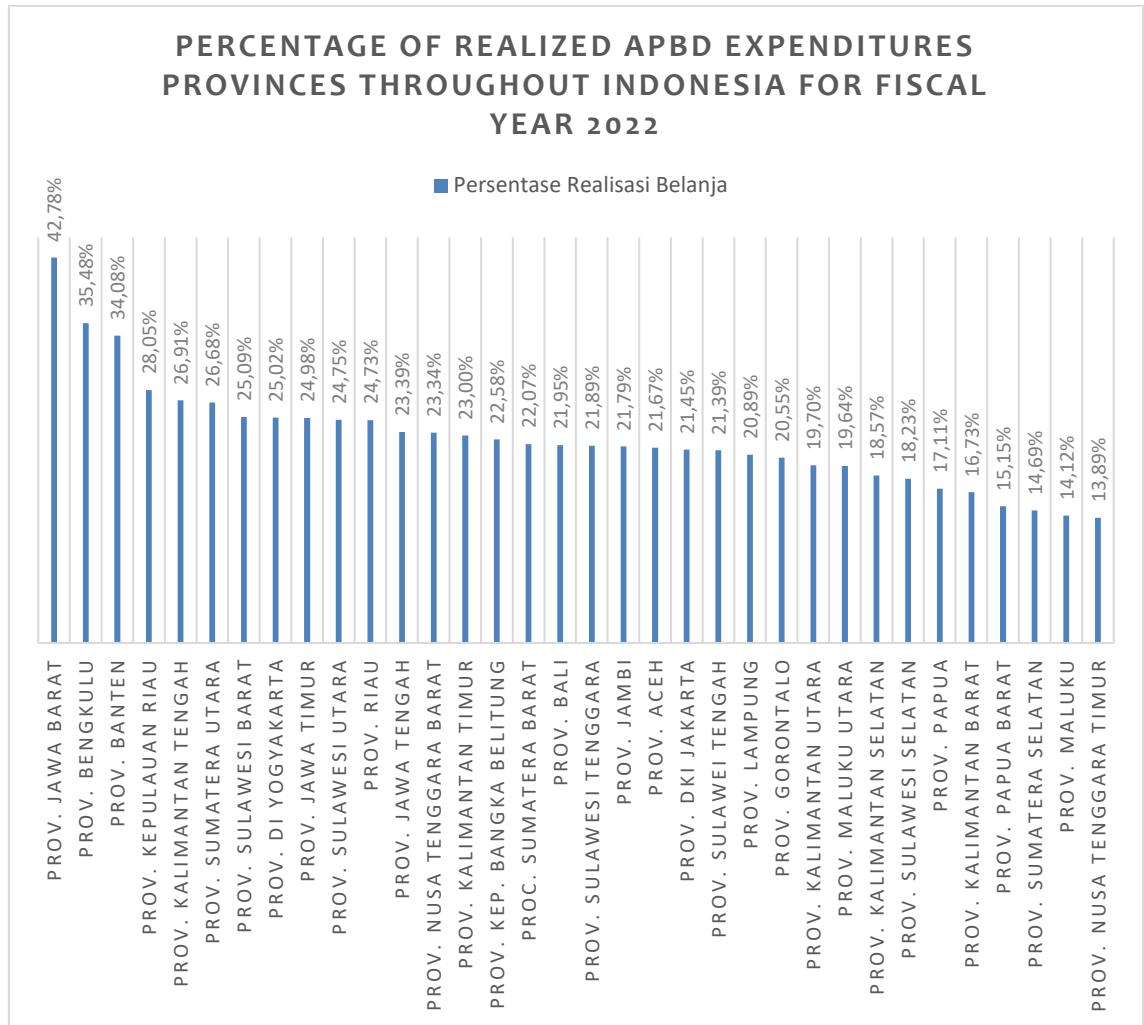


Figure 1. Percentage of Realized APBD Expenditures Provinces throughout Indonesia for Fiscal Year 2022

Source: Ditjen Bina Keuangan Daerah, Kemendagri RI – 18 Juni 2022

This condition is certainly very unfavorable, because the APBN/APBD is actually expected to be a stimulus for national economic growth. Moreover, the role of the APBN/APBD is also as a shock absorber amidst the increasing impact of global risks, through state spending it seeks to reach and protect the entire community and encourage economic recovery. The phenomenon of low budget absorption in the East Nusa Tenggara (NTT) Provincial Government can also be seen in terms of spending ceilings and actual government spending in table 1.

Table 1. Budget and Realization of Government Expenditures in NTT Province for 2018-2022

Year	APBN/APBD Expenditure Ceiling (Rp Billion)	Realization of APBN/APBD Expenditures (Rp Billion)	Realization of Budget (%)	Realized Growth (%)
2018	45.56	41.01	90,02	4,91
2019	47.69	43.44	91,09	4,68
2020	47.86	42.70	89,24	0,34
2021	51.38	44.50	86,60	4,2
2022	51.26	45.55	88,85	2,36

Source: Kanwil DJPb Province NTT and Badan Keuangan Daerah NTT, 2023

Based on the phenomenon in figure 1 which places the Province of East Nusa Tenggara (NTT) in last place for the realization of provincial APBD expenditures throughout Indonesia for the 2022 Fiscal Year and the conditions in table 1 show that the level of realization of the NTT Province budget has fluctuated from 2018-2022, and tends to decrease in the last three years, this research aims to identify the determinants of budget absorption, especially in the East Nusa Tenggara (NTT) Provincial Government.

Several determining factors for budget absorption that have been identified by Suyono (2020) are budget planning, budget implementation, procurement of goods and services, management commitment, bureaucratic environment and human resource competence. In accordance with the budget implementation performance indicators (IKPA), budget absorption is influenced by a number of factors, namely budget planning, budget implementation, human resource competency, procurement of goods and services, and management commitment. Research by Nursela et al. (2022) identified that budget planning, human resource quality, budget implementation, and organizational commitment have an influence on OPD APBD absorption in Pelalawan Regency. Identification carried out by Andriani & Biduri (2023) shows that budget planning, human resources, budget implementation, and procurement of goods and services have an influence on budget absorption. Research by Tofani et al. (2020) obtained results that budget planning, human resources, procurement of goods and services, and organizational commitment have an influence on budget absorption. This identification is not supported by research from Anggita & Budi (2023) which reveals that budget planning and procurement of goods and services have no effect on budget absorption. Research conducted by Puluala (2021) revealed that budget implementation and procurement of goods and services had no effect on the level of regional budget absorption. Research by (Nugroho & Alfarisi, 2017) also revealed that the procurement

of goods and services and human resources did not have a significant effect on budget absorption.

The delay in budget absorption is thought to be influenced by several factors including the readiness of regional apparatus (PD) in implementing programs and activities, understanding of regional apparatus (PD) in the mechanism for implementing budget disbursement, human resource competence, management commitment, processes in procuring goods and services, and budget planning which is defined as a process for determining appropriate future actions, through a sequence of choices, taking into account available resources so it is important to do this before carrying out an activity (Suyono, 2020). Referring to previous research, in this study the researcher finally drew conclusions to identify the determinants of budget absorption with the variables budget planning, budget implementation, procurement of goods and services, human resource competency, and organizational commitment to budget absorption with differences in the sample, area, year of research and statistical test tools used. The selection of these variables is in accordance with the problems that occur in the LAKIP of the East Nusa Tenggara Provincial Government in 2022, namely the lack of quality human resources in the areas of planning, budget implementation, procurement of goods and services, as well as the low commitment of financial managers in carrying out their duties and the impact on less than optimal budget implementation which can result in minimal budget and physical absorption targets for the East Nusa Tenggara (NTT) Provincial Government.

Stewardship theory is a theory that explains the relationship between stewards (managers) and principals (capital owners) where stewards act to achieve common goals (Donaldson & Davis, 1991). Stewardship theory describes a situation where management is not motivated by individual goals but is more focused on the main target results, namely for the interests of the organization, which emphasizes that stewards (managers) are expected to act in accordance with the interests of principals (capital owners), so that there is a strong relationship between satisfaction society and organizational success (Anton, 2010).

The implications of Stewardship theory for this research can explain the existence of Regional Government as an institution that can be trusted to act in accordance with the public interest by carrying out its duties and functions appropriately, making financial accountability entrusted to it, so that public services, economic needs and community welfare can be achieved. achieved to the maximum. In order to carry out this responsibility, stewards mobilize all their abilities and expertise to make their performance more effective in budget absorption. The stewards referred to in this research are financial management officials and the principals are the community. Budgets as a driving force for carrying out transactions are moving towards increasingly sophisticated ones and are accompanied by growing deepening in accounting and transformation of public sector organizations. A budget that is

managed optimally is the steward's responsibility, in this case the government, for the benefit of the principals (community) and reported to the public transparently.

The results of previous research show that the influence of these variables on budget absorption is not consistent, there is a research gap between the variables of budget planning, budget implementation, human resource competence, procurement of goods and services, and management commitment to budget absorption. Apart from that, in the Government Agency Performance Accountability Report (LAKIP), budget absorption is one component of financial accountability. The low level of budget absorption is considered as one of the parameters of bureaucratic failure (BPKP, 2011). Problems arise that require further research into what the actual determinants of budget absorption are in District/City/Provincial Apparatus (PD) throughout East Nusa Tenggara (NTT) in 2024 with research subjects namely officials who manage regional finances, including budget users (PA), activity technical implementation official (PPTK), and expenditure treasurer at Regional Apparatus (PD).

Based on the theoretical basis and literature review as well as previous research, a conceptual framework can be prepared. This research is aimed at identifying budget planning, budget implementation, procurement of goods and services, human resource competence, and management commitment to budget absorption in East Nusa Tenggara Province. Then a conceptual framework is developed to see the relationships between research variables as shown in Figure 2.

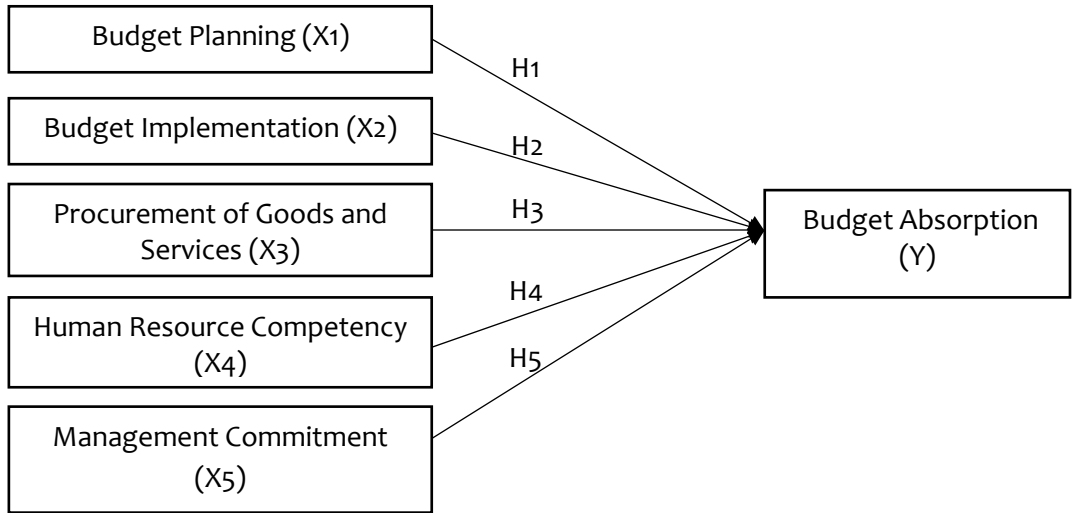


Figure 2. Research Concept
Source: Data analysis (2024)

RESEARCH METHOD

This research is research using quantitative methods to test hypotheses, so data analysis in this research uses hypothesis testing which emphasizes testing theory and empirical evidence through measuring research variables in the form of numbers and analyzing data using statistical procedures. This research uses primary data obtained through questionnaires distributed to respondents, then the data will be analyzed using statistical analysis of structural equation modeling with the help of SmartPLS 4.0 software. The following are the variables used in this research and the operational definition of each variable, which can be seen in table 3.

Table 3. Research Variables and Indicators

Variables Identification	Variables		Indicators	Source
Dependent Variable (Y1)	Budget	Y _{1.1}	Quarterly Realization	Syarifuddin et al. (2022)
	Absorption	Y _{1.2}	The level of budget absorption is as expected	
	(Y1)	Y _{1.3}	Budget absorption is on time	
Independent Variables (X)	Budget Planning (X1)	X _{1.1}	Conformity between planning and organizational needs	Syarifuddin et al. (2022)
		X _{1.2}	Preparation of programs/activities	
		X _{1.3}	Evaluation of previous year's activities	
		X _{1.4}	Time to determine the budget	
	Budget Implementation (X2)	X _{2.1}	The process is based on the DPA and budget mechanism	Andriani & Biduri (2023)
		X _{2.2}	Implementation in accordance with applicable regulations/rules	
		X _{2.3}	Force Majeure	
		X _{2.4}	Budget execution time	
		X _{2.5}	Budget realization report	
	Procurement of Goods and Services (X3)	X _{3.1}	Planning for procurement of goods and services	Andriani & Biduri (2023)
		X _{3.2}	Preparation for procurement of goods and services	
		X _{3.3}	Procedures for procurement of goods and services	
	Human Resource Competency (X4)	X _{4.1}	Skill	Syarifuddin et al. (2022)
		X _{4.2}	Attitude	
		X _{4.3}	Knowledge	
		X _{4.4}	Education	
	Management Commitment (X5)	X _{5.1}	Affective commitment	Nursela et al. (2022)
		X _{5.2}	Continuance commitment	
		X _{5.3}	Normative commitment	

Source: Data is processed (2024)

This research was conducted at the Regional Government Apparatus of East Nusa Tenggara Province by taking samples from State Civil Apparatus (ASN) who are financial management officials in Regional Apparatus (PD) within the scope of the District/City/Provincial Government throughout East Nusa Tenggara. This object was chosen with the aim of identifying the determinants of budget absorption in the East Nusa Tenggara Provincial Government. The research will be carried out in early 2024.

The population in this research is all State Civil Apparatus (ASN) who are financial management officials for the 2023-2024 budget year in Regional Apparatus (PD) within the District/City/Provincial Government throughout East Nusa Tenggara. The sample in this research is the State Civil Apparatus (ASN) who are financial management officials who are directly related to budget planning, budget implementation and budget absorption, namely: Budget Users (PA), namely Head of Service/Agency (1 person), Technical Implementation Officer of Activities (PPTK), namely the Head of Division (1 person), and the Expenditure Treasurer (1 person). The sampling method used was non-probability sampling with purposive sampling technique. The criteria used in selecting samples as research respondents were the three Regional Apparatuses (PD) with the highest budgets in 2023 in 23 District/City/Provincial Governments throughout East Nusa Tenggara.

The inferential statistics used in this research are Partial Least Square with the Structural Equation Modeling method. Two things are done in analyzing data with PLS. First, assessing the outer model is an assessment of the reliability and validity of the research variables. Second, assess the inner model or structural model. Several tests that can be used to evaluate the outer model are indicator loadings, composite reliability, convergent validity, and the final step of discriminant validity. The assessment of the inner model results is based on its ability to predict endogenous constructs and/or their indicators. Next, look at the R^2 value, the R^2 value ranges from 0 to 1, with 0 indicating there is no relationship and 1 indicating a perfect relationship. The higher the R^2 value, the greater the explanatory power of the PLS structural model, and therefore the better the prediction of the endogenous construct. Hypothesis testing is carried out using the bootstrapping method to determine the magnitude of the T-statistic and p-value. Testing was carried out with a significance level of 0.05 ($\alpha = 5\%$), with a t-table value of 1.65 in accordance with Hair et al. (2019).

RESULT AND DISCUSSION

Findings (may be subtitles) (1500-2500 words)

General Description of the Research Area

The characteristics of respondents in this study include gender, age, education, rank/class, position, name of current working agency, and name of Regency/City/Provincial Government. The number of questionnaires received was 215 respondents, there were 8 respondents' data that could not be processed because they

did not meet the sample criteria in this study, so that the questionnaires processed were 207. Table 4.1 contains information on the proportion of gender, education and position of respondents. The number of male respondents was greater than female respondents as shown by the percentage of scores between men and women, namely 68.1% and 31.9%.

It is known that 79.7% of respondents had a bachelor's degree, then 16.9% of respondents had a master's degree, 2.4% had a diploma, 0.5% had a doctoral degree and the remaining 0.5% had a high school education. These results explain that as ASN financial managers who are responsible for the budget process from planning to budget absorption, they have been equipped with good education with an average bachelor's and master's degree.

The distribution of questionnaires was carried out to state civil servants (ASN) who work within the Regency/City/Provincial Government of East Nusa Tenggara with the position of Budget User as much as 33.3%, Technical Implementation Officer for Activities (PPTK) as much as 33.3%, and Expenditure Treasurer as much as 33.3% who are responsible for financial management of budget planning, budget implementation, procurement of goods and services, and budget absorption in each agency.

Table 4. Respondent Profile

Gender	Number of Respondents	Percentage (%)
Male	141	68,1%
Female	66	31,9%
Total	207	100%
Education		
Senior High School	1	0,5%
Diploma	5	2,4%
S1	165	79,7%
S2	35	16,9%
S3	1	0,5%
Total	207	100%
Position		
Budget users	69	33,3%
Technical Implementation Officer (PPTK)	69	33,3%
Treasurer Expenditures	69	33,3%
Total	207	100%

Source: Data processing results (2024)

Inferential Statistical Analysis

Two things are done in analyzing data with PLS. First, assessing the outer model is an assessment of the reliability and validity of the research variables. Several criteria for assessing the outer model or measurement model are: convergent validity and discriminant validity. Second, assess the inner model or structural model. Inner model or structural model testing is carried out to see the relationship between constructs, significance values and R-square of the research model.

1. Assess the Outer Model or Measurement Model

a) Convergent Validity

This test aims to measure the validity of indicators as construct measures that can be reviewed based on the outer loading value. Indicators were retained if the bivariate correlation (loading) was 0.50 or higher. This value confirms that the indicator shows acceptable reliability of the item. The Partial Least Square (PLS) output results regarding convergent validity are presented in table 5.

Table 5. Outer Loading Value Output

Research Variabel	Indicator	Outer Loading	Info
Budget Absorption (Y1)	Y1.1	0.580	Valid
	Y1.2	0.569	Valid
	Y1.3	0.659	Valid
	Y1.4	0.825	Valid
	Y1.5	0.835	Valid
	Y1.6	0.838	Valid
Budget Planning (X1)	X1.1	0.768	Valid
	X1.2	0.831	Valid
	X1.3	0.897	Valid
	X1.4	0.914	Valid
Budget Implementation (X2)	X2.1	0.827	Valid
	X2.2	0.832	Valid
	X2.3	0.818	Valid
	X2.4	0.823	Valid
	X2.5	0.841	Valid
Procurement of Goods and Services (X3)	X3.1	0.879	Valid
	X3.2	0.829	Valid
	X3.3	0.816	Valid
Human Resource Competence (X4)	X4.1	0.681	Valid
	X4.2	0.647	Valid
	X4.3	0.848	Valid
	X4.4	0.796	Valid
Mangement Commitment (X5)	X5.1	0.772	Valid
	X5.2	0.883	Valid
	X5.3	0.884	Valid

Source: Primary and Processed Data (2024)

Based on table 5, it can be seen that the 25 indicators that measure the variables of budget absorption, budget planning, budget implementation, procurement of goods and services, human resource competency, and management commitment have an outer loading greater than 0.5, thus proving that all indicators are valid as measuring variables in this research.

b) Discriminant Validity

This test evaluates the extent to which a construct is different from other constructs. Average Variance Extracted (AVE) is used to determine whether discriminant validity requirements are achieved. To ensure adequate reliability, the minimum value required is 0.50. AVE provides an overview of the extent to which the construct measured by a person is considered empirically valid.

Table 6. Output Nilai AVE

Variable	<i>Average variance extracted (AVE)</i>	Info
Budget Absorption (Y1)	0.529	Valid
Budget Planning (X1)	0.731	Valid
Budget Implementation (X2)	0.686	Valid
Procurement of Goods and Services (X3)	0.708	Valid
Human Resource Competency (X4)	0.559	Valid
Management Commitment (X5)	0.719	Valid

Source: Primary and Processed Data (2024)

Information from table 6 shows that the AVE value for each variable in this study is more than 0.5, which means it meets the requirements for testing discriminant validity. Furthermore, discriminant validity testing can be evaluated based on the cross loading value of each indicator on the relevant variables. Discriminant validity can be seen from the comparison of cross loading values between indicators related to the same construct and indicators from other constructs.

Table 7. Output Nilai Cross Loading

	X1	X2	X3	X4	X5	Y
X1.1	0,768	0,524	0,536	0,469	0,364	0,464
X1.2	0,831	0,524	0,536	0,410	0,447	0,541
X1.3	0,897	0,613	0,585	0,468	0,465	0,564
X1.4	0,914	0,630	0,578	0,485	0,513	0,590
X2.1	0,579	0,827	0,547	0,358	0,257	0,543
X2.2	0,542	0,832	0,563	0,392	0,394	0,500
X2.3	0,661	0,818	0,663	0,466	0,454	0,505
X2.4	0,445	0,823	0,629	0,383	0,271	0,411
X2.5	0,533	0,841	0,706	0,449	0,353	0,512
X3.1	0,599	0,699	0,879	0,393	0,364	0,532
X3.2	0,554	0,677	0,829	0,529	0,398	0,483
X3.3	0,499	0,526	0,816	0,479	0,454	0,571
X4.1	0,549	0,519	0,532	0,681	0,276	0,294
X4.2	0,391	0,429	0,401	0,647	0,214	0,155
X4.3	0,384	0,337	0,420	0,848	0,675	0,381
X4.4	0,288	0,241	0,309	0,796	0,579	0,250
X5.1	0,429	0,414	0,436	0,496	0,772	0,349
X5.2	0,478	0,317	0,410	0,566	0,883	0,428
X5.3	0,440	0,353	0,399	0,537	0,884	0,500
Y1.1	0,240	0,223	0,235	0,156	0,180	0,569
Y1.2	0,280	0,309	0,298	0,143	0,302	0,659
Y1.3	0,607	0,587	0,656	0,420	0,408	0,825
Y1.4	0,607	0,507	0,539	0,337	0,516	0,835
Y1.5	0,532	0,531	0,506	0,300	0,379	0,838
Y1.6	0,302	0,306	0,345	0,213	0,338	0,580

Source: Primary and Processed Data (2024)

Based on table 7, it can be observed that the cross loading value of the indicators of one construct is greater than the cross loading value of these indicators on other constructs, indicating that the discriminant validity of each indicator on the variable has been confirmed.

c) Composite Reliability

Higher values indicate a higher level of reliability when interpreting internal consistency reliability results. For example, values between 0.60 and 0.70 are “acceptable in exploratory research,” while results between 0.70 and 0.95 represent a “satisfactory very good” level of reliability.

Table 8. Output Nilai Composite Reliability

Variable	Composite Reliability (rho_c)	Info
Budget Absorption (Y1)	0.868	Reliable
Budget Planning (X1)	0.915	Reliable
Budget Implementation (X2)	0.916	Reliable
Procurement of Goods and Services (X3)	0.879	Reliable
Human Resource Competency (X4)	0.834	Reliable
Management Commitment (X5)	0.885	Reliable

Source: Primary and Processed Data (2024)

Based on table 8, the composite reliability values of the five are visible variables are above 0.7 so it can be concluded that all variables have a very good level of reliability. From the results of evaluating the validity of the measurement model through convergent validity, discriminant validity and composite reliability, it can be concluded that the indicators as measures of each variable are valid and reliable measures.

2. Assess the Inner Model or Structural Model

The inner model describes the relationship between latent variables based on substantive theory. In assessing the model with PLS, start by looking at the R-square for each dependent latent variable. The results of the inner model test see the relationship between constructs by comparing the significance and R-square values of the research model. The R^2 value also ranges from 0 to 1, with 0 indicating no relationship and 1 indicating a perfect relationship. The higher the R^2 value, the greater the explanatory power of the PLS structural model, and therefore the better the prediction of the dependent construct.

Table 9. Goodness of Fit Model Evaluation Results

Structural Model	Dependent Variable	R-square	R-square Adjusted
1	Budget Absorption	0.530	0.519

Source: Primary and Processed Data (2024)

Based on the calculation results in table 9, it can be stated that the R-square value of the budget absorption variable is 0.530. It is interpreted that 53 percent of the budget absorption construct variable can be explained by the variables budget planning, budget implementation, procurement of goods and services, human resource competence, and management commitment, whereas 47 percent of the budget absorption variable is explained by variables outside the model.

3. Summary of Outer Model and Inner Model Assessment

The results of the outer model evaluation in this research show that the constructs used in this research are valid and reliable so that the inner model evaluation can be continued. From the results of the inner model evaluation, it is also known that the proposed research model is in accordance with the testing so that the hypothesis can be carried out.

4. Hypothesis Testing

Hypothesis testing in this research was carried out using the bootstrapping method on the relationship between the variables budget planning (X1), budget implementation (X2), procurement of goods and services (X3), human resource competency (X4), management commitment (X5) and budget absorption (Y1). Based on the research conceptual framework and the results of data analysis using SmartPLS 4.0, the relationship between each research variable can be seen in Figure 3.

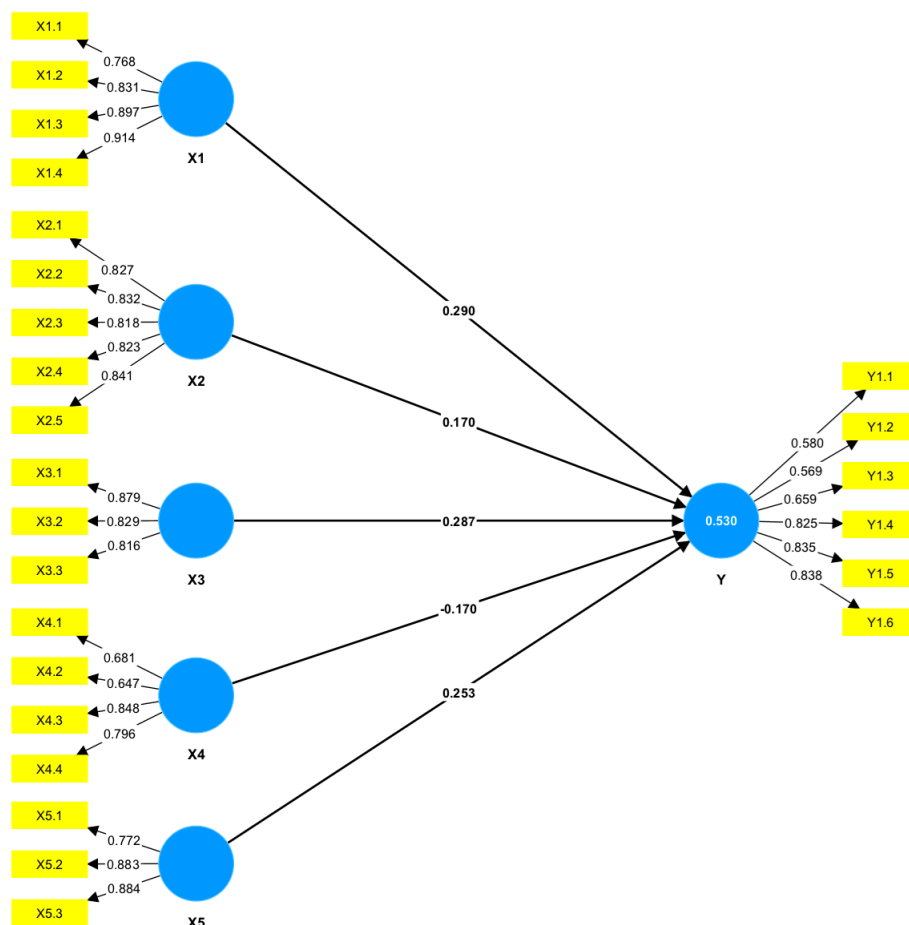


Figure 3. PLS Test Model

Source: Primary and Processed Data (2024)

Figure 3 explains each relationship between variables along with their path coefficients and P values. The magnitude of the direct effect value (Direct Effect) and the total influence of the variables budget planning (X1), budget implementation (X2), procurement of goods and services (X3), human resource competency (X4), management commitment (X5), and budget planning (Y1) is presented in table 10. Based on the resulting data processing output, a summary of the hypothesis test results can then be made as presented in table 10.

Table 10. Summary of Hypothesis Test Results (Path Coefficient)

Hypothesis	Correlation	Original Sample (β)	T Statistic	P Values	Info
H1	X1 -> Y	0.290	3.003	0.003	Significant
H2	X2 -> Y	0.170	1.966	0.049	Significant
H3	X3 -> Y	0.287	2.947	0.003	Significant
H4	X4 -> Y	-0.170	2.292	0.022	Significant
H5	X5 -> Y	0.253	3.590	0.000	Significant

Source: Primary and Processed Data (2024)

The results of the hypothesis test in table 10 show five significant direct relationships between the five variables because they have a t statistics value greater than the t-table ($207; 0.05$) = 1.65. The p value results show that there are five direct relationships accepted from the five variables because the p value is greater than alpha = 0.05. Thus, of the five hypotheses that have been formulated, there is only one direction of negative relationship in this research, namely H4, the relationship between X4 (human resource competency) and Y (budget absorption). The remaining four relationships produced relationships that had a significant positive effect, namely H1, H2, H3, and H5.

Discussion

The Influence of Budget Planning on Budget Absorption

The results of the statistical test show that the budget planning variable (X1) has a positive effect on budget absorption, it can be concluded that the first hypothesis (H1) is accepted. Based on these results, it can be interpreted that the better the budget planning implemented by financial management officials, the higher the budget absorption in the Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara.

Stewardship theory assumes a strong relationship between community (principal) satisfaction and the success of district/city/provincial governments throughout East Nusa Tenggara as stewards who are trustworthy, responsible, have integrity, apply innovative approaches in the budget planning process, consider the absorption of the previous year's budget to ensure efficiency planning and continuous improvement in

the effectiveness of budget absorption for the following year. These results are in line with the implementation of stewardship theory which describes that the government as a steward is responsible for planning the budget by accommodating the needs of the community as the principal to manage resources and allocate the budget appropriately based on accurate data so that it can provide satisfactory services to the community.

According to financial management officials as respondents, the most prominent budget planning problem in the Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara is the indicator of program/activity preparation. The lack of coordination and collaboration between regional apparatuses and various stakeholders, such as ministries/institutions, and civil society, in designing RKA-SKPD in accordance with Renstra, Renja, RKPD, and RPJMD has an impact on inappropriate budget allocation and the non-accommodation of community and organizational needs comprehensively. The results of this study are consistent with the findings Damayanti (2017), Tofani et al. (2020), Oktaliza et al. (2020), Suyono (2020), Puluala (2021), Ananda et al. (2022), Safpremi et al. (2022), Andriani & Biduri (2023).

The Influence of Budget Implementation on Budget Absorption

The results of the statistical test show that the budget implementation variable (X₂) has a positive effect on budget absorption, it can be concluded that the second hypothesis (H₂) is accepted. Based on these results, it can be interpreted that the better the budget implementation carried out by financial management officials, the higher the budget absorption in the Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara.

The problem in budget implementation in the District/City/Provincial Government Agencies throughout East Nusa Tenggara is the fulfillment of complete documents not on time and the delay in the payment administration process so that the budget disbursement process is hampered. The relationship between budget implementation and stewardship theory describes a situation where the government as a steward is not motivated by individual goals when implementing the budget, but rather is directed at the interests of the regional government, which is trusted to act in the best interests of the community (principal). Although the use of technology in the form of the Regional Development Information System (SIPD) application has been utilized to enable real-time monitoring of budget implementation times, the budget implementation team is less than optimal in utilizing the SIPD application, thus hampering efficient budget absorption in the District/City/Provincial Government Agencies throughout East Nusa Tenggara. These results are in line with research Nugroho & Alfarisi (2017), Elim et al. (2018), Suyono (2020), Putri et al. (2021), Handayani et al. (2022), Syarifuddin et al. (2022), Nursela et al. (2022), Andriani & Biduri (2023).

The Influence of Procurement of Goods and Services on Budget Absorption

The results of data processing show that the third hypothesis (H3) is accepted or the procurement of goods and services has a positive effect on budget absorption. This means that the better the procurement of goods and services by the appropriate financial management officials, the higher the budget absorption in the Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara.

In accordance with the Stewardship theory, where the government as a steward must prioritize the interests of the community (principal) by obtaining high-quality goods and services at competitive prices and timely procurement. Based on the results of the respondent's description, the lowest indicator of the goods and services procurement procedure of the other 3 indicators, namely the delay in completing official documents for the procurement of goods and services such as transaction receipts, contracts, and agreements is a potential problem, thus disrupting the disbursement process which has an impact on the hampering of budget absorption. These results are consistent with research Tofani et al. (2020), Ani et al. (2020), Suyono (2020), Imelda et al. (2022), Safpremi et al. (2022), Wardayani et al. (2022), and Rasnah et al. (2023).

The Influence of Human Resource Competency on Budget Absorption

The results of data processing show that the fourth hypothesis (H4) is rejected or human resource competence has a negative effect on budget absorption. This means that the more competent the human resources, the lower the level of budget absorption. This is due to the placement of competent financial management officials in inappropriate positions, causing reduced interest in working and low quality of work resulting in decreased budget absorption.

Based on the results of the respondents' descriptions, financial management officials already have good education and competence, but the main duties and functions (tupoksi) or job descriptions of financial management officials are far different from the competence of financial management officials in each Regional Apparatus. Competent financial management officials, if placed not in accordance with their duties, can hinder the realization of budget absorption in the District/City/Provincial Regional Apparatus throughout East Nusa Tenggara.

The results of this study are not in line with the stewardship theory. The stewardship theory illustrates that the better the competence of human resources owned by the Government (steward) in carrying out tasks for the community (principal), the level of budget absorption will increase. Frequent mutations or changes of officials, especially ASN who serve as financial management officials in the District/City/Provincial Regional Apparatus throughout East Nusa Tenggara and the placement of competent ASN not in accordance with needs, cause double work assignments.

This study shows that financial management officials as stewards may have other motives, such as meeting budget absorption targets without looking at the effectiveness of budget use, avoiding criticism or maximizing resources due to frequent transfers or changes in officials and the placement of ASN not in accordance with basic education and competition which has an impact on low quality work. These results are in line with research Suyono (2020), Delia et al. (2021), Syarifuddin et al. (2022), Handayani et al. (2022), Hartono & Pohan, (2023), and Heniwati (2023).

The Influence of Management Commitment on Budget Absorption

The results of the statistical test show that the management commitment variable (X5) has a positive effect on budget absorption, it can be concluded that the fifth hypothesis (H5) is accepted. This positive effect shows that the better the management commitment in each Regional Apparatus, the higher the budget absorption in the scope of the Regency/City/Provincial Government throughout East Nusa Tenggara. The results of this study are in line with the stewardship theory. Based on the stewardship theory, management commitment is the role of the head of the Regional Apparatus (steward) as a budget user who seeks to implement various strategies to achieve maximum budget absorption targets. A wholehearted management commitment to providing quality services will create harmony in satisfaction between the community (principal) and the government (steward).

Management commitment problems that occur in District/City/Provincial Apparatus throughout East Nusa Tenggara are based on the continuance commitment indicator. This means that financial management officials have loyalty to the organization by choosing to stay for a long time, but are not given opportunities in the form of promotions and taking part in training according to their interests and main tasks in order to hone ASN's ability to work.

Based on the results of the respondents' descriptions, financial management officials strongly agree with the existence of measurable performance indicators and systematic evaluation of program/activity output achievements, so that ASN can be actively involved in carrying out their duties and work productively to support the target of achieving budget absorption. The results of this study are in line with the findings Elim et al. (2018), Yanuriza et al. (2019), Oktaliza et al. (2020), Suyono (2020), Delia et al. (2021), and Nursela et al. (2022).

CONCLUSION

This research aims to examine the determinants of budget absorption, namely the influence of budget planning, budget implementation, procurement of goods and services, human resource competency, and management commitment on budget absorption in regional apparatus throughout East Nusa Tenggara. Based on the results of the analysis and discussion, the following conclusions are obtained:

Budget planning has a positive effect on budget absorption in Regional Apparatus throughout East Nusa Tenggara. Research on Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara found that the most prominent budget planning problem in Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara is the lack of coordination and collaboration between regional apparatus and various stakeholders, such as ministries/institutions, and civil society, in designing RKA-SKPD in accordance with Renstra, Renja, RKPD, and RPJMD, which has an impact on inappropriate budget allocation and the non-accommodation of community and organizational needs comprehensively.

Budget implementation has a positive effect on budget absorption. Based on the results of observations in the Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara, the weaknesses in budget implementation are problems in budget implementation in the Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara, namely the fulfillment of complete documents not on time and delays in the payment administration process so that the budget disbursement process is hampered.

The results of the analysis show that procurement of goods and services has a positive effect on budget absorption in Regional Apparatus throughout East Nusa Tenggara. The problem of procurement of goods and services in Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara, namely, the delay in completing official documents for procurement of goods and services such as transaction receipts, contracts, and agreements is a potential problem, thus disrupting the disbursement process which has an impact on the hampering of budget absorption.

Human resource competency has a negative effect on budget absorption in Regional Apparatus throughout East Nusa Tenggara. The results of the study found that financial management officials already have good education and competence, but the main tasks and functions (tupoksi) or job descriptions of financial management officials are far different from the competence of financial management officials in each Regional Apparatus. Although the competence is high, the placement of financial management officials who do not match their competence has an impact on low communication skills so that there is no effective coordination between fields, affecting low budget absorption.

The results of the analysis show that management commitment has a positive effect on budget absorption in Regional Apparatus throughout East Nusa Tenggara. The problem that occurs in Regional Apparatus of Regency/City/Province throughout East Nusa Tenggara is that financial management officials have loyalty to the organization, but are not given the same opportunities in the form of promotion and participating in training according to their interests and duties in order to hone ASN's abilities in work.

Theoretical Implications

These findings convince the public as principals that the government as stewards manages the budget efficiently, transparently and openly. This research shows that stewards may have other motives, such as meeting budget absorption targets without looking at the effectiveness of budget use, avoiding criticism or maximizing resources due to frequent transfers or changes in officials and the placement of ASN not in accordance with basic education and competition which has an impact on low quality work. It is proven from the results of statistical tests that the human resource competency variable has a negative effect on budget absorption. This can be an important contribution in the development of stewardship theory and related concepts assessing the effectiveness and efficiency of public sector budget absorption, carrying out strategic planning, evaluating public sector accounting policies, risk management in public budget implementation, making appropriate decisions to assess the determinants of public sector budget absorption, it is necessary to consider the more complex and diverse motives of stewards.

Practical Implications

The results of this research can be used as management implications and suggestions for state civil servants (ASN) as financial management officials, especially in the context of the APBD. It is hoped that they can provide solutions in preparing better financial planning and management. Thus, the regulations used by District/City/Provincial Apparatus throughout East Nusa Tenggara regarding budget absorption, ultimately contribute to the operationalization of the APBD and contribute to improving the regional economy.

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