DETERMINANTS ACCOUNTABILITY OF GOVERNMENT AGENCIES PERFORMANCE

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Abstract

Accountability of government agencies performance is an important as public needs to measure the district government agencies responsibility on resource management and the government agencies improvement on public sector management to create a good government governance. Lack of good from accountability of the government agencies performance in Indonesia to be a problem that needs serious attention in order to avoid inefficient use of budget. This study aims to examine and obtain empirical evidence about the effect of budget goal clarity, accounting control, reporting systems, and functional supervision on accountability of government agencies performance. Data used are primary by using questionnaires which distributed to 92 officials from echelon IV.A and IV.B which running one or more functions to preparation the financial reports, performance reports, planning and programming as well as the technical implementation of activities in agencies of West Sumbawa District government. The sampling technique using non-probability sampling by means purposive sampling. Data analysis using Partial Least Square (PLS). The result showed that accountability of government agencies performance affected by budget goal clarity, accounting control and functional supervision but not influenced by reporting systems. That is means, the budget goal which prepared more clearly, accounting control and functional supervision more effective will increase accountability of government agencies performance. The implications of this research leads on improved the accountability of government agencies performance can be realized through the establishment of a clear budget goals, improving the effectiveness of accounting control and internal functional supervision the local government.

Keywords: Accountability of government agencies performance, budget goal clarity, accounting controls, reporting systems, functional supervision

1. Introduction

Good government governance be a significant challenge for the government to meet the demands of public sector management changes for the better. Implementation of good government governance as described Mardiasmo (2009:18-21) is that the government should be able to account for the management of regional resources least by promoting the creation of transparency, value for money (economy, efficiency and effectiveness) and public accountability with more emphasis on horizontal accountability is not only vertical accountability.

The phenomenon can be observed in the development of the public sector today is the strengthening of the implementation of the demands of public accountability by public sector organizations associated with the need for transparency and provision of information to the public in order to fulfill the rights of the public (Mardiasmo, 2009:20). People are increasingly aware of its role as a social control the governance. Their demonstrations in various regions as has been widely reported in various media, electronic media and other social media, is a form of community dissatisfaction with the accountability of government agencies performance on the authority of the implementation of resource management policy areas entrusted to it.

The accountability evaluation results of District /City government agencies performance in 2012 to District /City government agency performance reports for the year 2011 issued by the Minister of Administrative Reform and Bureaucratic Reform indicate that the average predicate obtained from 438 District /City in Indonesia is C, including West Sumbawa District Government also received the title C (http: //www.menpan.go.id.informasi/akuntabiltas/lhe-akip-kab/kota). But based on the evaluation report Inspectorate of West Nusa Tenggara Province, accountability of West Sumbawa Government agencies performance increasingly decreasing. Evaluation results of government agency performance reports for fiscal year 2013 until 2014 West Sumbawa District Government persist in predicate D. Indications are that the systems and arrangements for the implementation of performance management which implemented by the government of West Sumbawa District unreliable and still needs a lot of improvements, some very fundamental changes. Important factors that cause poor accountability of West Sumbawa Government agencies performance is the lack of good planning,

performance measurement and reporting, internal evaluation as well as the low achievement of targets/performance of the organization.

One focus of attention in the accountability of government agencies performance are budgeting problems. Public sector budget is an instrument of accountability for public funds management and implementation of programs funded with public budget (Mardiasmo, 2009: 61). Kenis (1979) in Kaltsum and Rohman (2012) says there are several characteristics of the budgeting system, one of them is the budget goal clarity. Their clear budget goals will allow individuals to develop programs and activities that are able to realize the goals and objectives to be achieved organization. In addition to budget goal clarity, accounting control also become crucial in improving the accountability of government agencies performance. Control as an essential part of good management is mutually supportive with accountability. Control can't be run efficiently and effectively if it is not supported with good accountability mechanisms, and vice versa (LAN and BPKP, 2000).

Improvement of accountability of government agencies performance are also related to the reporting systems who implemented by the local government. Government agency performance reports as media accountability also be an evaluation to assess the performance of government agencies (LAN, 2003). Triuriana (2013) also explains that good reporting systems is needed in order to monitor and control managerial performance in implementing the budget that has been set. In addition, to ensure that the implementation of the management of regional resources have been according to plan predetermined (based on the principles of economical, effective and efficient) and the provisions of the legislation in force, the role of supervision by Internal Supervision Apparatus of Government is also a very important thing (Indonesian Republic Government Ordinance No. 79, 2005). Ulum (2009:129) explained that one purpose of the surveillance is to keep the implementation of the budget can actually be accounted for.

Several studies about accountability of government agencies performance have been done by previous researchers, but there are differences in the results of these studies. Research conducted by Kusumaningrum (2010), Nuraini and Indudewi (2010) and Triuriana (2013) found that the accountability improvement of government agencies performance affected by optimizing the budget

goal clarity, accounting control and reporting systems. Other research on accountability of government agencies performance are also carried out by Wulandari (2013) and Dharma (2014) with research findings that functional supervision positive effect on accountability of government agencies performance . In contrast to the results of research conducted by Wahyuni et al. (2013) and Susilowati (2014) who found that the accounting control does not affect the accountability of government agencies performance, while Setiawan (2013) and Susilowati (2014) found that the reporting systems does not affect the accountability of government agencies performance. Laksana and Handayani (2014) found that the improvement of accountability of government agencies performance can't be realized through a clear budget goals and improved functional supervision applied by local governments.

Embodiments of accountability of government agencies performance is a reflection of the Stewardship Theory and Goal Setting Theory. In connection with the Stewardship Theory, this research argue that local governments (the stewards) in managing regional resources should give priority to the principle of economical, efficient and effective so it is easy to achieve organizational goals and be accountable to the people as the principal (grantor trust). Goal Setting Theory in this study, argues the complexity of the organizational target to be achieved, aspects budget goal clarity, accounting control and functional supervision balanced with improved performance. The achievement of performance targets will simplify and improve accountability for performance.

Public accountability is one manifestation of good government governance. In fact until the fiscal year 2014 the Government of West Sumbawa District has not been able to realize good governance, which can be seen from the government agencies performance reports for fiscal year 2014 still predicate D. In addition, the research gap about relationship of the budget goal clarity, accounting control, reporting systems, and functional supervision on accountability of government agencies performance as previously described, to motivate researchers to conduct research development of previous studies on accountability of government agencies performance. By using PLS analysis, this study will look more broadly whether the budget goal clarity, accounting control, reporting systems, and functional supervision effected on accountability of government agencies performance. The

purpose of this study was to test and obtain empirical evidence about the effect of budget goal clarity, accounting control, reporting systems, and functional supervision on accountability of government agencies performance. The implications are expected from this research is leading to the accountability improvement of government agencies performance through setting clear budget goals, a good reporting systems, improving the effectiveness of accounting control and internal functional supervision of the local government.

2. Theoretical Framework and Hypothesis Development

Accountability of government agencies performance that good requires a clear budget goal clarity to facilitate the implementation of the success or failure to account for organizational tasks. In addition, an effective accounting control performed to ensure the activities have been implemented according to the Budget Implementation Document each Work Unit based on the principles of economical, effective and efficient. Good reporting systems also needed to be able to assess performance in implementing predetermined budget. Meanwhile, to ensure the implementation of governmental tasks in accordance with the legislation in force is necessary to effective fungsional supervision by internal local government on the management of regional resources. Based on the above arguments schematically the theoretical framework of this study, as presented in Figure 1.

Figure 1. Theoretical Framework
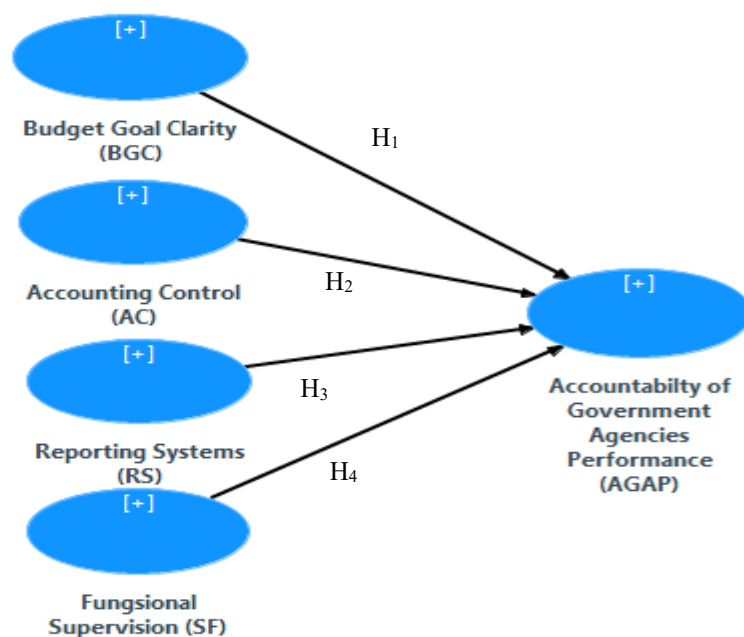
2.1. Effect of Budget Goal Clarity on Accountability of Government Agencies Performance

The purpose and objectives of the budget in the Medium Term Development Plan drawn up by the local government (steward) should be stated specifically, clearly and easily understood by those who will implement it (Nuraini and Indudewi, 2010). Clear budget goals will facilitate the planning process of programs and activities so that these programs and activities can encourage the realization of organizational goals to be achieved. This will have an impact on the successful implementation of budget management for performance increase and in line with a organisation budget goal (goal setting). The success of budget management by local governments will facilitate the Local Government (the stewards) in the budget management responsibilities to the people (principal). Studies of Kusumaningrum (2010), Nuraini and Indudewi (2010), Triuriana (2013), Setiawan (2013), Wahyu et al. (2013), and Susilowati (2014) revealed that the budget goal clarity have positive effect on accountability of government agencies performance.

Planning budgeting with clear goals as a management policy results of regional resources is expected can facilitate the Local Government to accountable for the performance of the organization. Based on the arguments mentioned above, the proposed hypothesis is as follows:

H_1 :   *Budget goal clarity affects positively on accountability of government agencies performance .*

2.2. Effect of Accounting control on Accountability of Government Agencies Performance

Accounting control in an organization aims to ensure that the steps for preparing and recording has been done and created the financial integrity of the organization's activities (Hansen et al. 1999, in Nuraini and Indudewi, 2010). Local Government as steward who has the authority to control all the activities of the management of regional resources should make adjustments to the standards of implementation of budget management that had been predetermined. Standards implementation of the budget management should be implemented in an orderly manner so that the purpose of accounting control can be achieved. Accounting control, organized by the local government is expected to be a means of control to avoid deviations on towards the achievement of organizational goals. Goal setting of accounting control will improve the effectiveness of financial management and their implications to easier the performance accountability to the people (principal). Study findings Kusumaningrum

(2010), Nuraini and Indudewi (2010), Triuriana (2013) and Setiawan (2013) also states that the accounting control will have implications for the improvement to accountability of government agencies performance.

Accounting control is a control device so that the financial management activities to organizational objectives can be more focused and simplify the process of accountability. Based on the arguments mentioned above, the proposed hypothesis is as follows:

H_2 : *Accounting control affects positively on accountability of government agencies performance.*

2.3. Effect of Reporting Systems on Accountability of Government Agencies Performance

Performance reporting systems is a system that is structured as a reflection of the obligation to represent and report the performance of all activities and resources that need to be accounted for (Bastian 2006: 303). Submission of information through the Financial Statements, and Government Agency Performance Reports is a accountability form of local government (the stewards) to the people (principal) for the management of regional resources. Good reporting systems is expected to be able to control managerial performance and provide feedback to local governments which can lead to the best decisions that can improve organizational performance (goal setting). Improved performance of local government organizations (the stewards) will facilitate the implementation of the accountability for the management of regional resources to the public (principal). Studies of Kusumaningrum (2010), Nuraini and Indudewi (2010) Triuriana (2013) and Wahyuni et al. (2013) found that the reporting system has a positive effect on accountability of government agencies performance.

Good reporting systems capable of controlling the performance of the organization that leads the organization in making the best decision that has implications for improved performance and ease of the performance accountability. Based on the arguments mentioned above, the proposed hypothesis is as follows:

H_3 : *Reporting systems affects positively on accountability of government agencies performance .*

2.4. Effect of Functional Supervision on Accountability of Government Agencies Performance

In order to realize the accountability of government agencies performance, the implementation of the management of regional resources by the Local Government (the stewards) should not be

concerned with his self-interest but will put the interests of the organization in making policy. It requires an effective and systematic supervision by Internal Supervision Apparatus of Government towards organizing Regional Government as mandated by Indonesian Republic Government Ordinance No. 79 of 2005. Such supervision is intended to ensure the regional administration compliance with the legislation in force. Goal setting and objectives of functional supervision by Internal Supervision Apparatus of Government expected to improve the performance of the apparatus. In addition, the functional supervision is intended to provide reasonable assurance that the management of regional resources have been implemented in accordance on a predetermined plan and based on the principle of effective and efficient. It eventually will have implications on the ease of performance accountability process for the regional resources management to the people (principal). Wulandari (2013) found that functional supervision had positive effect on accountability of government agencies performance . The same study by Dharma (2014) also revealed that functional supervision performed by Internal Supervision Apparatus of Government have effect on the improvement of accountability of government agencies performance.

To ensure compliance in the management of regional resources to the legislation in force is indispensable supervision mainly from internal local government so that it can improve the performance and ease in accountability for performance. Based on the arguments mentioned above, the proposed hypothesis is as follows:ollows:

H_4 : *Functional supervision affects positively on accountability of government agencies performance.*

3. Research Methods

3.1. Population and Sample

The population of this study is all officials of echelon IV.A and IV.B at 39 unit work of West Sumbawa District government. All structural was chosen because they have an important position in the planning, implementation, and accountability of the budget management. Total population is as much as 437 people.

The sampling technique used in this research is non probability sampling with purposive sampling. Criteria for the sample in this study were officials from echelon IV.A and IV.B who running

one or more functions of financial reports, preparation of government agency performance reports, planning and programming as well as the technical implementation of the activities. The number of samples in this study was as many as 92 respondents. From 39 unit work, each consisted 1 subpart head of programming coordination as planner and organizer programs as well as the government agency performance report composers; 1 subpart head of Finance as financial statement redactor; and 1 head other part as the technical implementation activities officer. There are several unit work wich running functions of financial reports, preparation of government agency performance reports, as well as planning and programming implemented by 1 head of subpart.

3.2. Data Collection Technique

Data collection techniques in this study conducted by distributing questionnaires that use semantic difference scale. Scale semantic differences in this study consisted of 7 points. Meanwhile, for the study of literature obtained from books, journals, web sites, reports and regulations related to the research.

3.3. Measurement And Operational Definitions Variable

Measurement and operational definitions variable as presented in table 1.

Table 1. Measurement and Operational Definitions Variable

Variable	Definition Variable	Indicator	Scale
Budget Goal Clarity	The extent to which the budget objectives set out clearly and specifically with the aim that the budget can be understood by those responsible for the achievement of the budgetary targets (Kenis, 1979 Kaltsum and Rohman, 2012)	1 Knowledge of interest Budget Plan - Work Units 2 The state will be of interest Budget Plan - Work Units is important and should be prioritized 3 Unclear objectives of Budget Plan - Work Units 4 Understanding fully the purpose Budget Plan - Work Units 5 Compatibility between objectives Budget Plan - Work Units with Draft Revenue and Expenditure Budget State (Istiyani, 2009)	Semantic Differential Scale 7 poin
Accounting control	Includes the organization plans, procedures and records relating to the security of assets/wealth and reliability of financial records (Cushing, 1995: 79).	1 The indicators and accounting procedures 2 Authorization 3 Forms / documents and records 4 Separation of duties (Winindyaningrum, 2009 and Government Ordinance No. 58, 2005)	Semantic Differential Scale 7 poin

Reporting Systems	A system that is structured as a reflection of the obligation to represent and report the performance of all activities and resources that need to be accounted for (Bastian 2006:303).	1 Cause of the deviation 2 The actions taken 3 The length of time correction (Herawaty, 2011)	Semantic Differential Scale 7 poin
Functional supervision	Supervision carried out by an apparatus/unit organization established or assigned to supervise the environmental limits specified authority (Ulum, 2009:113).	1 Monitoring 2 Assessment 3 Investigation 4 Research (Primadeka, 2014)	Semantic Differential Scale 7 poin
Accountability of government agencies performance	The embodiment of the obligations of a government agency to take responsibility for the success/failure of the implementation of programs and activities that have been mandated by the stakeholders in order to achieve the mission of the organization as measured the performance target set through performance reports of government agencies that are prepared periodically. (Indonesian Republic Presidential Ordinance No. 29, 2014)	1 Honesty and legal accountability 2 Process Accountability, 3 Program Accountability 4 Policies accountability (Putra, 2013)	Semantic Differential Scale 7 poin

3.4. Data Analysis Method

Methods of data analysis used in this study uses PLS SmartPLS program of version 3.0. The research model is presented in Figure 1.

Figure 1. Research Model
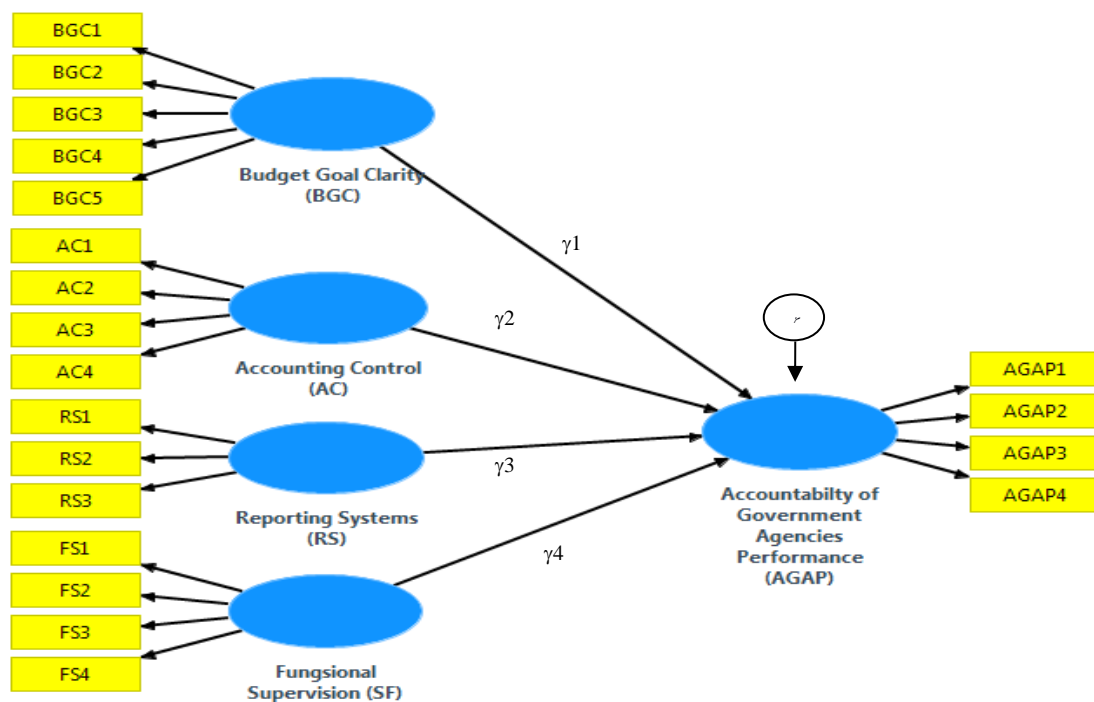
Measurement Model Equations (outer model) this study are as follows:
To construct a variable BGC (reflexive)
$BGC1 = \lambda 1.1\ BGC + \varepsilon 1.1$
$BGC2 = \lambda 1.2\ BGC + \varepsilon 1.2$
$BGC3 = \lambda 1.3\ BGC + \varepsilon 1.3$
$BGC4 = \lambda 1.4\ BGC + \varepsilon 1.4$
$BGC5 = \lambda 1.5\ BGC + \varepsilon 1.5$

To construct a variable AC (reflexive)
$AC1 = \lambda 2.1\ AC + \varepsilon 2.1$
$AC2 = \lambda 2.2\ AC + \varepsilon 2.1$
$AC3 = \lambda 2.3\ AC + \varepsilon 2.3$
$AC4 = \lambda 2.4\ AC + \varepsilon 2.4$

To construct variables RS (reflexive)
$RS1 = \lambda 3.1\ RS + \varepsilon 3.1$
$RS2 = \lambda 3.2\ RS + \varepsilon 3.2$
$RS3 = \lambda 3.3\ RS + \varepsilon 3.3$

To construct a variable FS (reflexive)
$FS1 = \lambda 4.1\ FS + \varepsilon 4.1$
$FS2 = \lambda 4.2\ FS + \varepsilon 4.2$
$FS3 = \lambda 4.3\ FS + \varepsilon 4.3$
$FS4 = \lambda 4.4\ FS + \varepsilon 4.4$

To construct a variable AGAP (reflexive)
$AGAP1 = \lambda 5.1\ AGAP + \varepsilon 5.1$
$AGAP2 = \lambda 5.2\ AGAP + \varepsilon 5.2$
$AGAP3 = \lambda 5.3\ AGAP + \varepsilon 5.3$
$AGAP4 = \lambda 5.4\ AGAP + \varepsilon 5.4$

Structural equation models (inner model) this study is as follows:

$$AGAP = \gamma_1 BGC + \gamma_2 AC + \gamma_3 RS + \gamma_4 FS + \zeta$$

Information :

BGC	=	Variable budget goal clarity
BGC1 - BGC5	=	Indicator variable budget goal clarity 1-5
AC	=	Variable accounting control
AC1 - AC4	=	Indicator variable accounting control 1-4
RS	=	Variable reporting system
RS 1 - RS3	=	Indicator variable reporting systems 1-3
FS	=	Variable functional supervision
FS1 - FS4	=	Indicator variable functional supervision 1-4
AGAP	=	Variable accountability of government agencies performance
AGAP1 - AGAP4	=	Indicator variable accountability of government agencies performance 1-4
λ	=	Loading factor each indicator
ε	=	Measurement error models each indicator
γ	=	Coefficient of influence of each exogenous variables on endogenous variables
ζ	=	Error terms or error structural model

4. Results

Primary data was collected by distributing questionnaires to 92 respondents. Questionnaires were returned as much as 85 questionnaire with details of which can be processed by 83 questionnaire and can not be processed as much as 2 questionnaires. It can be concluded that the rate of return on a questionnaire that can be processed as research data is equal to 90.22%. Data were analyzed by PLS method with the help of Smart PLS program version 3.0. Analysis of the PLS is done through:

4.1 Evaluation of Measurement Model (Outer Model)

Outer model in this study using reflexive indicators. Outer models are evaluated through convergent and discriminant validity of the indicators forming latent constructs and composite reliability for the block indicator. Convergent validity test relates to the principle that the gauges of a construct should have a high correlation. Convergent validity test reflexive indicators are met if the value of the loading factor more than 0.7 (Ghozali and Latan, 2015:74). Loading factor value in this study as presented in Table 2.

Table 2 Loading Factor Value

| Indicator | Loading Factor Value | | | |
	Phase I	Convergent validity	Phase II	Convergent validity
AGAP1	0.749	Valid	0.753	Valid
AGAP2	0.846	Valid	0.845	Valid
AGAP3	0.881	Valid	0.881	Valid
AGAP4	0.755	Valid	0.752	Valid
BGC1	0.881	Valid	0.882	Valid
BGC2	0.787	Valid	0.787	Valid
BGC3	0.713	Valid	0.712	Valid
BGC4	0.799	Valid	0.799	Valid
BGC5	0.832	Valid	0,833	Valid
AC1	0.495	invalid, dropping	-	-
AC2	0.733	Valid	0.724	Valid
AC3	0.834	Valid	0.852	Valid
AC4	0.801	Valid	0.837	Valid
FS1	0.861	Valid	0.861	Valid
FS2	0.730	Valid	0,729	Valid
FS3	0.894	Valid	0.894	Valid
FS 4	0.793	Valid	0.794	Valid
RS1	0.887	Valid	0.887	Valid
RS2	0.870	Valid	0.870	Valid
RS3	0.867	Valid	0.867	Valid

Based on Table 2, the results of the phase I of algorithm analysis can be seen that there is one indicator of the accounting control variables having a loading factor value less than 0.7. The indicator is a AC1, with loading factor value is 0,495. AC1 indicator should be discarded (dropping) because it does not meet the convergent validity criteria so do the phase II algorithm analysis . The analysis showed that all indicators of budget goal clarity, accounting control, reporting systems, functional supervision, and accountability of government agencies performance variabels have loading factor value more than 0.7. It can be concluded that these indicators have met the convergent validity criteria or indicators declared invalid.

Discriminant validity according Ghozali and Latan (2015:74) associated with the principle that gauges the different constructs should not correlated with height. How to test the discriminant validity with a reflexive indicators in this research is to see the value of cross loading between the constructs with the indicator. If the construct correlation with their indicator is greater than the correlation of indicators with other constructs then constructs predict indicators on the block they are better than the indicators on other blocks, thus meeting the requirements of discriminant validity (Ghozali and Latan, 2015:39). Cross Loading value as presented in Table 3.

Table 3 Cross Loading Value

	AGAP	BGC	AC	FS	RS
AGAP1	**0.753**	0.574	0.685	0.543	0.388
AGAP2	**0.845**	0.569	0.480	0.580	0.393
AGAP3	**0.881**	0.551	0.483	0.603	0.381
AGAP4	**0.752**	0.450	0.401	0.610	0.372
BGC1	0.600	**0.882**	0.494	0.464	0.370
BGC2	0.508	**0.787**	0.479	0,348	0.305
BGC3	0.452	**0.712**	0.233	0.294	0,388
BGC4	0.491	**0.799**	0.356	0.420	0.409
BGC5	0.605	**0.833**	0.508	0.532	0.456
AC2	0.310	0.357	**0.724**	0.097	0.157
AC3	0.514	0.403	**0.852**	0.365	0.304
AC4	0.636	0.486	**0.837**	0.606	0.530
FS1	0.609	0.539	0.492	**0.861**	0.473
FS2	0.431	0.280	0.272	**0.729**	0.328
FS3	0.682	0.431	0.444	**0.894**	0.431
FS4	0.610	0.430	0.421	**0.794**	0.294
RS1	0.455	0.461	0,375	0.339	**0.887**
RS2	0.401	0.463	0.390	0.373	**0.870**
RS3	0.386	0.327	0.430	0.528	**0.867**

Based on Table 3 that the correlation constructs with their indicator has a cross loading value greater than the correlation with other indicators. This shows that a construct capable of predicting the indicators in their block is better than the indicators on the other block. It can be concluded that these indicators have met the discriminant validity criteria or indicators declared valid.

Reliability test used to measure the reliability of a construct with reflexive indicators in this study conducted by looking at the value of composite reliability that must be greater than 0.7 (Ghozali and Latan, 2015:75). The results of phase II algorithm analysis to see the value of composite reliability in this study, as presented in Table 4.

Table 4 Composite Reliability Value

| Variables | Rule of thumb | | Composite Reliability |
	Value	Requirement	
AGAP	0.883	> 0.7	Reliable
BGC	0.901	> 0.7	Reliable
AC	0.847	> 0.7	Reliable
FS	.892	> 0.7	Reliable
RS	0.907	> 0.7	Reliable

Based on Table 4, it is known that the construct of budget goal clarity, accounting control, reporting systems, functional supervision, and accountability of government agencies performance have composite reliability values greater than 0.7. It can be concluded that the indicators in the study met the criteria of composite reliability or otherwise reliable indicator.

4.2 Evaluation of Structural Model (Inner Model)

Evaluation of structural models (inner model) can be viewed from R^2 value, Q^2 predictive relevance and significant value. R^2 value is used to explain the influence of certain exogenous construct to construct endogenous does have influence subtantive. R^2 value of 0.75, 0:50 and 0:25 can be concluded that the model is strong, moderate and weak (Ghozali and Latan, 2015:78). R^2 value of the results of the analysis using method resampling bootstrap, at sigifikansi level 5% obtained that the R^2 value of the relationship between the variables of budget goal clarity, accounting control, reporting systems, and functional supervision to accountability of government agencies performance is 0.682 and it can be concluded that the model including moderate category. These results indicate that 68.2% the accountability of government agencies performance variables can be explained by the budget goal

clarity, accounting control, reporting systems, and functional supervision variable. The remaining portion of 31.8% is explained by other variables outside the model built in this study.

Value of Q^2 predictive relevance to represent the synthesis of cross-validation and function fitting with the predictions of the observed variables and estimates of constructs (Ghozali et al. 2015:79). Value $Q^2 > 0$ indicates that the model has predictive relevance, while the value of $Q^2 < 0$ shows that the model lacks predictive relevance. Value Q^2 predictive relevance 0:02, 0:15 and 0:35 shows that the model is weak, moderate and strong. Value Q^2 predictive relevance obtained from the following calculation:

$$Q^2 = 1 - (1 - R^2) = 1 - (1 - 0.682) = 1 - 0.318 = 0.682$$

Based on the above calculation results obtained Q^2 predictive value relevance is 0.682 or Q^2 predictive value relevance > 0. This indicates that the model has a powerful predictive relevance.

Significant value to determine the effect of inter-constructs (hypothesis) by comparing the value of t-statistic values with t-table generated from the PLS bootstrapping process. The hypothesis is accepted if the value of t-statistic is higher than t-table value (t-statistic > 1.66 for at the 5% significance level). PLS bootstrapping analysis results for the t-statistic values in this study, as presented in Table 5.

Table 5 Test the hypothesis based on Path Coefficients

Hypothesis	Path Coefficients	t-statistic	t-table	Conclusion
H₁: budget goal clarity affects positively on accountability of government agencies performance	0.301	3.749	1.66	Be accepted
H₂: accounting control affects positively on accountability of government agencies performance	0.261	2.981	1.66	Be accepted
H₃: reporting systems affects positively on accountability of government agencies performance	0,427	0.183	1.66	Rejected
H₄: functional supervision affects positively on accountability of government agencies performance	0,013	5.076	1.66	Be accepted

Table 5 it can be concluded based on the analysis to test the hypothesis with the following explanation:

Effect of Budget Goal Clarity influence on Accountability of Government Agencies Performance

In Stewardship Theory, contractual relationship between the principal by the stewards based on the confidence (trust). Society as the principal entrust the management of regional resources to the management of local government (the stewards) in order to achieve the objectives and targets to be achieved organization/government. On the basis of these beliefs, the local government is required to

provide the best performance in the preparation of the budget so that the target budget targets can be realized through programs and activities planned through Budget Plan - Work Units. This requires goal setting management of budget goal clarity so that the target can be realized as explained in the Goal Setting Theory.

Stewardship Theory and Goal Setting Theory is supported by the results of this study, in which the first hypothesis (H_1) of this study stated that the budget goal clarity affects positively on accountability of government agencies performance. Of testing using the PLS was found that the budget goal clarity affects positively on accountability of government agencies performance . The path coefficients as presented in table 5 is equal to 0.301 and the value of t-statistic of 3.749 (greater than t-table 1.66, the level of significance at $\alpha=5\%$). H_1 accepted, research results means that the budget goal which compiled clearly then the accountability of government agencies performance will be better. This can occur because of a clear budget goals will facilitate the process making programs and activities that can encourage the establishment of targets to be achieved that organization. The achievement of targets in line with the improved performance which leads to the improvement of accountability of government agencies performance.

This research results are consistent with the results of research conducted by Kusumaningrum (2010), Nuraini and Indudewi (2010), Triuriana (2013), Setiawan (2013), Wahyuni et al. (2013) and Susilowati (2014), which revealed that the budget goal clarity has a positive effect on accountability of government agencies performance . This results contrast with the results of research Laksana and Handayani (2014), in which the budget goal clarity does not affect the accountability of government agencies performance.

Effect of Accounting Control on Accountability of Government Agencies Performance

The effectiveness of accounting control as part of the internal control systems is one of the requirements to obtain an unqualified predicate in addition to compliance with government accounting standards, the adequacy of disclosure, and compliance with laws and regulations. This is in line with the Stewardship Theory where the local government (the stewards) do effective accounting control for the management of resources in order to achieve organizational objectives by providing a reasonable

financial information through financial statements and performance reports in full as a form of accountability to the community (principal). Goal settings management of an effective accounting control will impact on the successful achievement of performance (goal setting). Target which is seen as the performance level would be properly accounted for by the local government (the stewards) to communities (principal).

This research results support the Stewardship Theory and Goal Setting Theory through the second hypothesis (H$_2$) which states that the accounting control affects positively on accountability of government agencies performance. Of testing using the PLS was found that accounting control, affects positively on accountability of government agencies performance. The path coefficients as presented in table 4 is equal to 0.261 and the value of the t statistic of 2.981 (greater than t-table 1.66, at significance level α = 5%). H$_2$ received, the results of research means that more effective controls which adopted by the local Government then accountability of government agencies performance will be better. Effective accounting control may be a means of control to avoid deviations on the direction to organizational objectives so as to improve the effectiveness of financial management and implications for the ease of account for the performance of government agencies.

This research results are consistent with the results of research conducted by Kusumaningrum (2010), Nuraini and Indudewi (2010), Triuriana (2013) and Setiawan (2013) who found that the effectiveness of accounting control will be refining the accountability of government agencies performance . The results of this study different from the results of research conducted by Wahyuni et al. (2013) and Susilowati (2014) who found that the accounting control does not affect the accountability of government agencies performance.

Effect of Reporting Systems on Accountability of Government Agencies Performance

The third hypothesis (H$_3$) states that the reporting systems affects positively on accountability of government agencies performance. Of testing using the PLS was found that the reporting systems does not significantly influence the accountability of government agencies performance even though the value of the path coefficients as presented in table 5 is equal to 0.013 but the value of t-statistic of 0.183 is smaller than t-table (1.66, at significance level α=5%). H$_3$ rejected, the results of research

means that good reporting systems has not been able to improve accountability of government agencies performance . It can be concluded that the West Sumbawa District Government has not been able to optimize the quality of the reporting systems which expected to provide feedback to improve accountability of government agencies performance .

A report and a reporting mechanism is the implementation of management functions. In the Goal Setting Theory, goal setting management of the reporting systems would ideally reduce the dysfunctional behavior of the apparatus so that the expected performance is achieved. With the good reporting systems developed by the local government (the stewards), the information presented in government agency performance reports expected to be feedback to the organization so that it can monitor and control managerial performance in implementing the budget that has been set. In addition, a good government agency performance reports media should be accountable to the community (principal) linked the success/failure of the management of resources in order to achieve organizational goals.

This research results are consistent with the results of research conducted by Setiawan (2013) and Susilowati (2014) who found that the reporting system does not affect the accountability of government agencies performance . The results of this study contrast with the Stewardship Theory and Goal Setting Theory as described above. It is also not in line with the results of research conducted by Kusumaningrum (2010), Nuraini and Indudewi (2010), Triuriana (2013) and Wahyuni et al. (2013) who found a good reporting systems able to improve the accountability of government agencies performance.

Effect of Functional Supervision on Accountability of Government Agencies Performance

Good government governance can be realized one of them through a good accountability of government agencies performance to the community (principal). To realize these goals, the local government as the steward must be able to ensure that the management of regional resources have been implemented based on the principle of effective and efficient and in accordance with the legislation in force through effective functional supervision. This is consistent with the Stewardship

Theory which local governments as a steward should act as the principal wishes of the people and seek to achieve its organizational goals.

Good management includes setting goals and objectives accuracy of the functional supervision is done will affect the performance of both individuals and organizations (Gool Setting Theory). The more effective of functional supervision conducted by internal local government will further improve the performance and improve the performance accountability. In line with the fourth hypothesis (H_4) from this study that states that the functional supervision affects positively on accountability of government agencies performance. Of testing using the PLS was found that functional supervision affects positively on accountability of government agencies performance. The path coefficients as presented in table 5 is equal to 0.427 and the value of t-statistic of 5.076 (greater than t-table 1.66, the level of significance at $\alpha = 5\%$). H_4 accepted, research results mean that the more effective the accounting control then accountability of government agencies performance will be better. Functional supervision can provide reasonable assurance that the management of the resources has been implemented in accordance with a predetermined plan and based on the principle of effective and efficient. It eventually will have implications on the ease of performance accountability process for the management of these resources.

The results are consistent with the results of research conducted by Wulandari (2013) and Dharma (2014) found that functional supervision had positive effect on accountability of government agencies performance. The different studies results presented by Laksana and Handayani (2014), which revealed that the functional supervision had no effect on the improvement on accountability of government agencies performance.

5. Conclusions, Implications and Limitations

5.1. Conclusions

The results of this study indicate that accountability of government agencies performance affected by the budget goal clarity, accounting control, and functional supervision, but is not affected by the reporting systems. These results support the importance of improving the accountability of

government agencies performance by setting clear budget goal and optimize effectiveness of accounting control, and functional supervision.

Other findings from the study revealed that the improvement of reporting systems as a form of accountability for resource management was not able to improve the accountability of government agencies performance. This is due to the optimization of the quality of the reporting system has not been able to provide feedback to improve accountability of government agencies performance.

5.2. Implications

From the theoretical aspects, the results of this study support the Stewardship Theory where their clear budget goals, accounting control and functional supervision that effective applied by local governments (the stewards) was able to improve accountability of government agencies performance to the public (principal) as a form of responsibility for the management of regional resources. The results also support the Goal Setting Theory, where the complexity of the objectives organizational from the aspects of budget goal clarity, accounting control, and functional supervision balanced with improved performance. The achievement of the expected level of performance in line will simplify and improve accountability of government agencies performance.

The practical aspect to be achieved, *first* that all Work Units which is a reporting and accounting entity shall submit government agencies performance reports by observing and evaluate the factor of budget goal clarity, accounting control and functional supervision to improve accountability of government agencies performance. *Second*, the Ministry of Administrative Reform and Bureaucratic Reform should be more assertive in evaluating the accountability of government agencies performance by look the budget goal clarity, effectiveness of accounting control and functional supervision so that does not happen efficiently use of the budget. *Third*, the public can judge the performance of the local government directly, related to the success/failure in managing the regional resources entrusted to it. This will increase public confidence that the regional resources have been managed effectively and efficiently. It also can increase the confidence of investors to invest in local government which would have implications for the improvement of the welfare of society.

From the aspect of policy, local governments should undertake an evaluation of the policies and regulations that apply. The policies in question related to the preparation of Medium Term Local Development Plan, The Strategic Plan, Work Plan of Government, Budget Plan-Budget Implementation Document and Government Agencies Performance Reports. Local Regulation or decree that can be made/repaired, among others on the evaluation of the implementation of Performance Accountability System of Government Agencies, manual implementation of performance agreements, reporting, and procedures performance for the Review government agencies performance reports, guidance, and supervision of local governance and internal control systems of government.

5.3. Limitations

This research use only four exogenous variables that budget goal clarity, accounting control, reporting systems, and functional supervision for analysis the factors affecting the accountability of government agencies performance with a value of R^2 of 68.2%. Thats mean, there are 31.8% of accountability of government agencies performance is explained by other variables so that our model is still less appropriate to solve the problem of accountability of government agencies performance. In a second study in order to add other exogenous variables to be the right model to be able to solve the problem of performance accountability in Indonesia.

The scope of this research is only in the West Sumbawa District Government so that the findings and recommendations of this study is less than optimal to generalize the area outside the West Sumbawa District Government. This limitation can be overcome by expanding the sample areas so that research results can be generalized and give the real picture of the accountability of government agencies performance.

In this study, exogenous variables is reporting systems does not affect the accountability of government agencies performance. This is probably due to the indicator (statement) used to measure variables reporting systems is limited to details of irregularities achievement of the performance, actions taken to address irregularities and time effective to address such irregularities. Besides the possibility of respondents still don't understand the statement in the questionnaire. Going forward

indicator (statement) in the variable reporting systems may add other indicators so as to reflect properly construct the reporting systems. Additionally necessary to evaluate the items of the statement to be more clear and understandable.

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