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Determinants of Budget Absorption with Accountability as a Moderating Variable in the Islamic-Based Government of Southeast Aceh District

Gundahara[1], Eka Nurmalasari[2], Zulia Hanum[3]
Prodi Akuntansi, Universitas Gunung Leuse Aceh, Indonesia
Prodi Akuntansi, Universitas Muhamadiyah Sumatra Utara, Indonesia
Coresponding author e-mail: gunkobun@gmail.com

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Abstract
The aim of this research is to examine and analyze the influence of budget participation and human resource competency on budget absorption moderated by accountability. The approach used in this research is an associative approach. The population in this study was all regional apparatus organizations (OPD) in Southeast Aceh district, totaling 33 OPDs. The sample in this study was taken from 3 people from each regional apparatus organization (OPD), consisting of the head of department or secretary, authorized budget user and head of program sub-division, so that the number of respondents was 99 people. Data collection techniques in this research used documentation studies and questionnaires. The data analysis technique in this research uses a quantitative approach using statistical analysis using Auter Model Analysis, Inner Model Analysis and Hypothesis Testing. Data processing in this research uses the PLS (Partial Least Square) software program. The results of this research prove that budget participation and human resource competency have a significant effect on budget absorption, accountability moderates the influence of budget participation and human resource competency on budget absorption in Southeast Aceh Regency.

1. Intoduction

The success of public sector organizations cannot be assessed solely from the surplus or deficit in financial reports, because the main purpose of public organizations is not to seek profit but to provide optimal services The development of public sector accounting, especially in Indonesia, is increasingly rapid with the era of reform in the implementation of regional autonomy and fiscal decentralization policies that emphasize local governments. Government performance has recently been in the public spotlight because people are starting to question the value they get from government services themselves. The government is required to be responsible for public institutions, both central and regional, which causes all government agencies to prepare strategic plans, namely measuring performance and reporting it (Haryani & Julita, 2021). The increasing demands of the community for good governance have encouraged the development and implementation of a clear and effective accountability system. One of the efforts to realize good governance is the implementation of

accountability for the performance of government agencies in the management of central and regional governments which is believed to be able to change the condition of the government which is still lacking in providing good public services and is free from corruption, collusion, and nepotism (Haryani & Julita, 2021).

The problem faced by the Southeast Aceh government is regarding budget allocation. Budget allocation is the amount of funds allocated for each program activity. With limited resources, the Regional Government must be able to allocate the revenue obtained for productive regional spending. Regional spending is an estimate of the burden of regional spending that is allocated fairly and evenly so that it can be enjoyed by all groups of society without discrimination, especially in the provision of public services (Kawedar et al., 2008). The following is a report on the realization of the regional spending budget for Southeast Aceh Regency for the 2018-2022 fiscal year.

Table 1. Data on Realization of Regional Budget Expenditure of Southeast Aceh District Government 2018-2022

Year	Regional Budget	Regional Budget Realization	Percentage
2018	1.257,65 M	1.183,21 M	94.08
2019	1.301,28 M	1.350,62 M	103.79
2020	1.480,84 M	1.326,68 M	89.59
2021	1.398,46 M	1.274,69 M	91.15
2022	1.288,16 M	849,54 M	65.95

Source: https://djpk.kemenkeu.go.id/

Based on the data in the table above, it can be seen that the realization of regional spending in the Southeast Aceh Regency Government has not yet met the planned budget target, resulting in a fairly large budget surplus. This condition shows that the level of budget absorption in Southeast Aceh Regency is not optimal. In the context of government, public accountability is an obligation for the party given the mandate (agent) to be responsible for, present, report, and disclose all activities and responsibilities to the party giving the mandate (principal) who has the authority to request such accountability (Mardiasmo, 2013). Various factors can influence the level of absorption of the regional government budget, one of which is the extent to which participation in the budget preparation process is carried out. This participation is interpreted as a process that involves elements in the organization to jointly formulate plans to achieve common goals. Good participation will open up space for interaction, cooperation, and acceptance of suggestions, so that all members of the organization can support common goals (Pradana & Supadmi, 2018). The performance of the regional government apparatus can also be evaluated through the implementation of the budget. With the realization of optimal participation in budget preparation, the performance of government officials is expected to increase because organizational goals can be achieved more effectively.

However, in Southeast Aceh Regency, problems are still found related to the low involvement of stakeholders in the final budget determination stage. Budget determination is often only determined through council member meetings and often undergoes repeated revisions, so that the effectiveness of budget absorption is low. In fact, according to PP No. 24 of 2005, the budget functions as a guideline for government actions, including planning revenues, expenditures, transfers, and financing which are systematically arranged in rupiah units. Participation in budget preparation reflects the extent to which regional government officials understand their work unit's budget proposals, while also showing the influence of responsibility for the objectives of the central budget (Ramadhania & Novianty, 2020).

In addition, the competence of the apparatus is also an important factor influencing budget absorption. Based on the provisions of the State Civil Service Agency Number 46A of 2003, the competence of civil servants includes abilities and characteristics in the form of knowledge, skills, and behavior that support the implementation of job duties professionally, effectively, and efficiently.

Improving employee competency will contribute to strengthening the performance accountability of government agencies (Biworotomo, 2016; Putri, 2015). Unfortunately, there is still a mismatch between positions and educational backgrounds of employees in Southeast Aceh Regency, which has the potential to weaken the competence of human resources that should support performance accountability (Wibowo, 2010; Mubaraq, 2017). Performance accountability itself is closely related to budget absorption that is oriented towards achieving performance targets. The better the management of regional finances, the higher its contribution to improving organizational performance (Suryana et al., 2017; Edowati et al., 2021). The Regional Financial Accounting System implemented has also been shown to have a significant effect on local government performance (Mardiasmo, 2018).

2. Research method

This study uses a quantitative method with a causal survey design, oriented to proving the causal relationship between variables through statistical hypothesis testing. This study is associative and verification, taking saturated samples from all regional apparatus organizations (OPD) in Southeast Aceh Regency, with a total of 99 respondents consisting of heads of departments, budget user authorities, and program sub-division heads in each OPD. The research location is centered at the Southeast Aceh Regency Government Office, Jalan Iskandar Muda No. 04 Kutacane, and was carried out from December 2023 to May 2024. Data were collected using a Likert-scale closed questionnaire, accompanied by a documentation method, then tested for validity and reliability with SPSS version 24 to ensure the accuracy of the instrument.

Data processing was carried out using the Partial Least Square - Structural Equation Modeling (PLS-SEM) approach using SmartPLS software version 3. The analysis includes a measurement model test (outer model) including convergent validity, discriminant validity, and composite reliability, as well as a structural model test (inner model) with an assessment of the coefficient of determination (R-square), predictive Q-square, and testing the hypothesis of the causal path. The instrument is declared valid if t-hit> t-table or sig <0.05 and reliable if Cronbach's Alpha> 0.7. The results of the path analysis are used to identify direct and indirect influences between variables and the role of accountability as a moderating variable in increasing local government budget absorption.

3. Results and Discussion

Results

This study used a questionnaire as the main instrument to collect data related to four variables, namely budget participation (X1) with six statements, human resource competence (X2) with six statements, accountability (Z) with ten statements, and budget absorption (Y) with eight statements. The questionnaire was distributed to 33 regional apparatus organizations (OPD) in Southeast Aceh Regency, with three respondents in each OPD the head of the department or secretary, the authorized budget user, and the head of the program sub-section so that the total number of respondents was 99 people. However, of the 99 questionnaires distributed, only 85 were returned, and 5 of them were incomplete, so that the total number of questionnaires that could be processed was 80. The characteristics of the 80 respondents whose data were successfully processed showed that the majority were male (85%) with a bachelor's degree (88.75%) and most were aged between 40–50 years (56.25%). This profile shows that the respondents already have adequate education and work experience that supports the quality of the questionnaire answers. The data from the respondents' responses were then categorized using a score range guideline, ranging from 1.00–1.80 (Very Poor) to 4.21–5.00 (Very Good), to facilitate the interpretation of each research variable.

The tabulation results show that the average budget absorption scored 3.86 or was categorized as good, with the indicator of the timeliness of budget realization implementation each month occupying the highest score (3.70) and the indicator of quarterly absorption evaluation obtaining the

lowest score (3.13). For the budget participation variable, the average respondent score reached 3.72 (good), with the highest score on the indicator of the influence of budget proposals on final results (3.86) and the lowest score on statements related to the influence in determining the final amount of the budget for the area of responsibility (3.51).

In the human resource competency variable, the average respondent answer score was 3.71, also classified as good, with the highest value on the indicator of employee physical health (3.81) and the lowest on the spiritual aspect in the form of fighting spirit (3.54). Meanwhile, the accountability variable obtained an average score of 3.76, with the highest score appearing in the financial accountability aspect, especially in the use of public funds which was considered efficient (4.15), while the lowest score was in program accountability, especially the preparation of programs according to procedures (3.55). This finding illustrates that financial accountability in the Aceh Tenggara OPD environment is relatively good, although program evaluation still needs to be improved.

Outer Model Analysis

Evaluation of the indicator measurement model includes checking individual item reliability, internal consistency or composite reliability, average variance extracted, and discriminant validity. The first three measurements are grouped into convergent validity. Outer Model Analysis is the initial stage in PLS-SEM analysis that aims to assess the relationship between indicators (question items) and the latent variables (constructs) that they measure. The outer model explains how indicators represent constructs, and is used to test the quality of research instruments, especially in terms of validity and reliability.

Convergent Validity

Convergent validity consists of three tests, namely item reliability (validity of each indicator), composite reliability, and average variance extracted (AVE). Convergent validity is used to measure how much the existing indicators can explain the dimensions. This means that the greater the convergent validity, the greater the ability of the dimension to apply its latent variables. Convergent Validity or convergent validity is the extent to which several indicators (items) used to measure a construct (latent variable) are highly correlated with each other and truly represent the same construct. In other words, convergent validity indicates that items in one variable should gather or converge to one measurement objective, namely the construct being tested.

Item Reliability

Item reliability or what we usually call indicator validity. Testing of item reliability (indicator validity) can be seen from the loading factor value (standardized loading). The loading factor value is the magnitude of the correlation between each indicator and its construct. A loading factor value above 0.7 can be said to be ideal, meaning that the indicator can be said to be valid as an indicator to measure the construct. Item Reliability is a measure of the extent to which an item (question or statement in a questionnaire) consistently measures what it is supposed to measure. Item reliability is very important in testing research instruments because it ensures that each item in the scale provides stable and reliable results when used under similar conditions. Assessing internal consistency between items in one variable or construct. Knowing whether the items in the questionnaire support each other to measure the same concept. Identifying items that need to be revised or deleted because they are not reliable. Generally, item reliability is measured using Cronbach's Alpha. The Cronbach's Alpha value shows how much correlation there is between items in a construct. Item reliability is a measure that shows the extent to which each item or question in an instrument (usually a questionnaire) can provide consistent and stable results over time. This means that if the same instrument is given to the same respondents in the same situation, the results will be relatively the same. Item reliability also shows the extent to which the items in a construct are correlated with each other, or in other words, whether the items actually measure the same concept.

The function of item reliability is to ensure that each item in the questionnaire has good quality and does not deviate from the construct to be measured. Avoid bias or inconsistency in measurement results. Filter out weak or irrelevant items. However, a standardized loading factor value above 0.5 is acceptable. While the standardized loading factor value below 0.5 can be removed from the Chin (1998) model. The following are the item reliability values that can be seen in the standardized loading column.

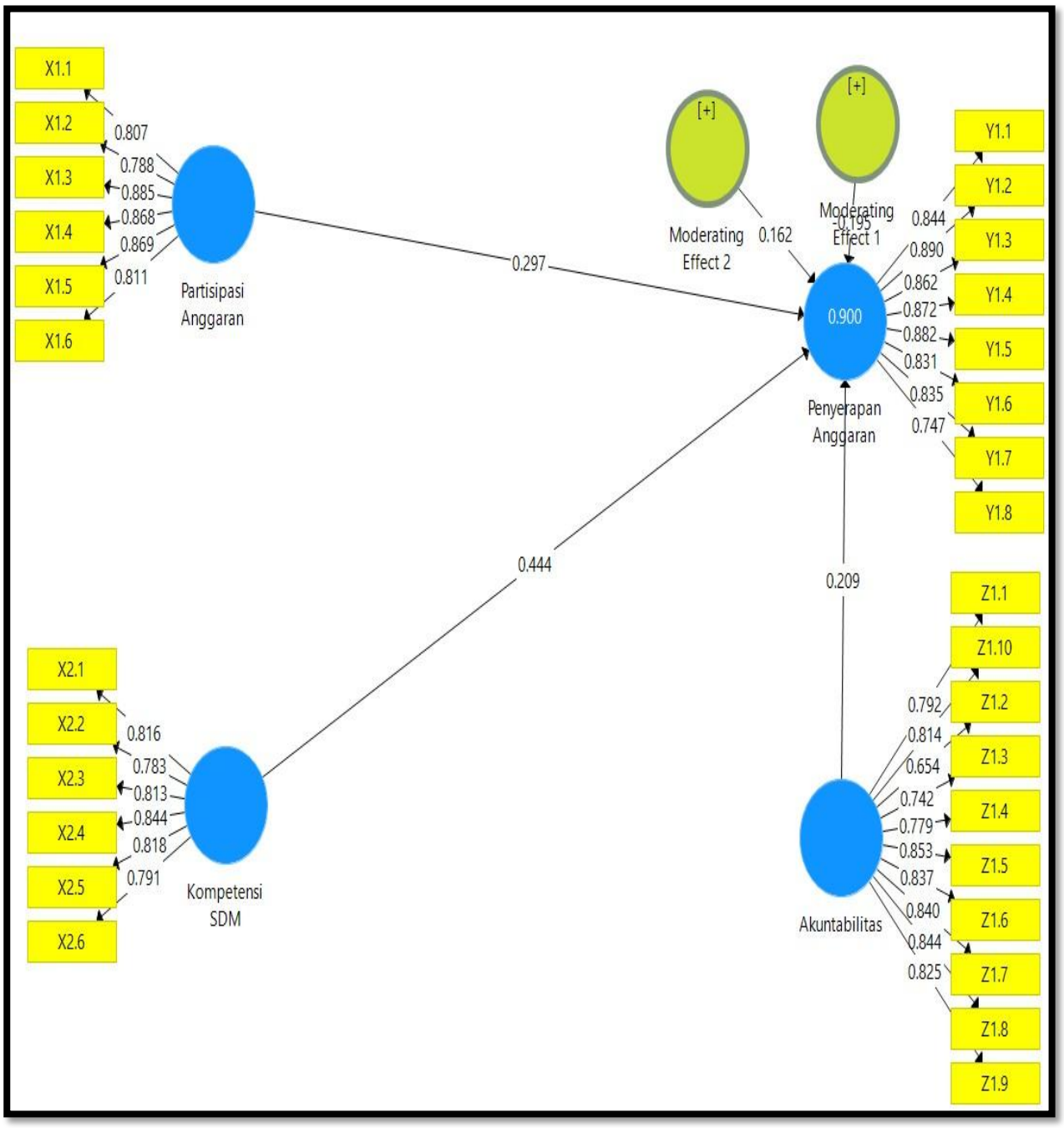

Figure1. Standardized Loading Factor Inner and Outer Model

From the image above, it can be seen that all loadings are worth more than 0.5 so they do not need to be set aside. Thus, each indicator has been valid to explain each of its latent variables, namely budget participation, HR competence, budget absorption and accountability. The following are the reliability item values that can be seen in the outer loading column

Table 2. Result of Outer Loading Table

	Accountability	HR Competence	Budget Participation	Budget Absorption
X1.1			0.807	
X1.2			0.788	
X1.3			0.885	
X1.4			0.868	
X1.5			0.869	
X1.6			0.811	
X2.1		0.816		
X2.2		0.783		
X2.3		0.813		
X2.4		0.844		
X2.5		0.818		
X2.6		0.791		
Y1.1				0.844
Y1.2				0.890
Y1.3				0.862
Y1.4				0.872
Y1.5				0.882
Y1.6				0.831
Y1.7				0.835
Y1.8				0.747
Z1.1	0.792			
Z1.10	0.814			
Z1.2	0.654			
Z1.3	0.742			
Z1.4	0.779			
Z1.5	0.853			
Z1.6	0.837			
Z1.7	0.840			
Z1.8	0.844			
Z1.9	0.825			

Source: Data Processing Results 2024

The calculation results can be seen that the outer loading for budget participation includes X1.1 of 0.807; X1.2 of 0.788; and X1.3 of 0.885 and so on. For Variable X2 (HR competency), it can be seen that the loading factor for X2.1 is 0.816; X2.2 of 0.783; X2.3 of 0.813 and so on. All loadings are worth more than 0.5 so they do not need to be set aside. In addition to showing the validity of the items from each indicator, the loading factor also shows the magnitude of the contribution of each indicator to its factor. For budget participation, the indicator with the largest loading is X1.3 or My budget proposal has an effect on the final budget. While for HR competency, the largest loading factor is X2.4 or Having a level of variety and quality of education and relevant skills by considering the dynamics of the job market, both those available at the local level. Indicators on accountability, the largest loading factor is Z5 or Every employee in working is able to be responsible for the implementation of programs in accordance with the vision, mission and objectives that have been set. Indicators on budget absorption, the largest loading factor is Y2 or the level of fluctuating budget absorption from the previous year.

Composite Reliability

The statistics used in composite reliability or construct reliability are Cronbach's alpha and D.G rho (PCA). Cronbach's alpha measures the lower limit of the reliability value of a construct while composite reliability measures the actual value of the reliability of a construct. The rule of thumb used for composite reliability values is greater than 0.6 and Cronbach's alpha values are greater than 0.6. With these measurements, if the value achieved is > 0.60, it can be said that the construct has high reliability.

Table 3. Composite Reliability Result

t	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Accountability	0.937	0.938	0.947	0.640
HR Competence	0.896	0.897	0.920	0.658
Budget Participation	0.915	0.915	0.934	0.703
Budget Absorption	0.943	0.945	0.953	0.716

Source: Data Processing Results 2024

Based on the table above, it shows that the composite reliability value for accountability is 0.947; HR competency is 0.920; budget participation is 0.934; budget absorption is 0.953;. Furthermore, Cronbach's alpha for accountability is 0.937; HR competency is 0.896; budget participation is 0.915; budget absorption is 0.943;. The four variables obtained Cronbach's alpha and composite reliability values above 0.6 so that it can be said that all items have good reliability or reliability as measuring instruments. Furthermore, the Average Variance Extracted (AVE) describes the amount of variance that can be explained by the items compared to the variance caused by measurement errors. The standard is if the AVE value is above 0.5, it can be said that the construct has good convergent validity. This means that the latent variable can explain an average of more than half of the variance of its indicators. Based on table 4.9 above, it shows that the AVE value for accountability is 0.640; HR competence is 0.658; budget participation is 0.703; budget absorption is 0.716; the variables have AVE above 0.5 so that the construct has good convergent validity where the latent variables can explain an average of more than half of the variance of its indicators.

Discriminant Validity

Discriminant validity examination of the reflective measurement model is assessed based on cross loading and comparing the AVE value with the square of the correlation between constructs. The measure of cross loading is comparing the correlation of the indicator with its construct and the construct from another block. Good discriminant validity will be able to explain the indicator variable higher than explaining the variance of the other construct indicators. The following are the discriminant validity values for each indicator.

Table 4. Discriminant Validity

	Accountability	HR Competence	Budget Participation	Budget Absorption
X1.1	0.628	0.740	**0.807**	0.752
X1.2	0.644	0.771	**0.788**	0.779
X1.3	0.617	0.709	**0.885**	0.749
X1.4	0.586	0.689	**0.868**	0.713
X1.5	0.610	0.768	**0.869**	0.781
X1.6	0.685	0.746	**0.811**	0.736
X2.1	0.701	**0.816**	0.656	0.712
X2.2	0.775	**0.783**	0.726	0.761
X2.3	0.738	**0.813**	0.674	0.698
X2.4	0.692	**0.844**	0.743	0.793
X2.5	0.692	**0.818**	0.769	0.780

X2.6	0.647	**0.791**	0.711	0.702
Y1.1	0.692	0.766	0.699	**0.844**
Y1.2	0.762	0.806	0.831	**0.890**
Y1.3	0.702	0.798	0.709	**0.862**
Y1.4	0.768	0.784	0.799	**0.872**
Y1.5	0.715	0.783	0.794	**0.882**
Y1.6	0.750	0.774	0.762	**0.831**
Y1.7	0.696	0.824	0.758	**0.835**
Y1.8	0.613	0.658	0.722	**0.747**
Z1.1	**0.792**	0.720	0.698	0.727
Z1.10	**0.814**	0.637	0.498	0.613
Z1.2	**0.654**	0.646	0.643	0.619
Z1.3	**0.742**	0.685	0.679	0.681
Z1.4	**0.779**	0.736	0.568	0.708
Z1.5	**0.853**	0.707	0.573	0.665
Z1.6	**0.837**	0.694	0.597	0.694
Z1.7	**0.840**	0.738	0.639	0.719
Z1.8	**0.844**	0.699	0.553	0.686
Z1.9	**0.825**	0.650	0.523	0.599

Source: Data Processing Results 2024

Based on the table above, it shows that the discriminant validity or loading factor value for X1.1 on budget participation is 0.807. The correlation of indicator X1.1 is higher on budget participation than on HR competency, which is 0.740; especially on accountability (0.628), and on budget absorption of 0.752. The correlation of indicator X2.1 is higher on HR competency (0.816) than on budget participation, which is 0.656; especially on accountability (0.701) and on budget absorption of 0.712. All loading factor values for each variable have a higher correlation with the variable compared to other variables. Likewise with the indicators of each variable. This shows that the placement of indicators on each variable is correct. Another measurement criterion is to look at the Heretroit-Monotrait Ratio (HTMT) value. If the HTMT value < 0.90 then a construct has good discriminant validity (Azuar Juliandi, 2018).

Table 5. Heretroit-Monotoroit Ratio (HTMT)

	Accountability	**HR Competence**	**Moderating Effect 1**	**Moderating Effect 2**	**Budget Participation**
Accountability					
HR Competence	0.851				
Moderating Effect 1	0.673	0.691			
Moderating Effect 2	0.720	0.723	0.897		
Budget Participation	0.808	0.870	0.761	0.697	
Budget Absorption	0.894	0.894	0.743	0.690	0.865

Source: Data Processing Results 2024

Based on the table above, it shows that the discriminant validity value or Heretroit-Monotrait Ratio (HTMT) for each variable has a correlation that is smaller than 0.90. Likewise with the indicators of each variable. This shows that the placement of indicators on each variable is correct.

Inner Model Test

Goodness of Fit Test

To validate the overall structural model, Goodness of Fit (GoF) is used. The GoF index is a single measure to validate the combined performance of the measurement model and the structural model. The GoF value is obtained from the square root of the average communalities index (AVE)

value multiplied by the R2 value of the model. The GoF value ranges from 0 to 1 with the interpretation of the values: 0.1 (small GoF), 0.25 (moderate GoF), and 0.36 (large GoF) (Hair, Hult, Ringle, & Sarstedt, 2014). The higher the GoF value, the better or more fit the model can be said to be with the data. The following are the results of the calculation of the goodness of fit model.

Table 6. Result of *Average Communalities Index*

Variabel	AVE	R Square
Accountability	0.640	
HR Competence	0.658	
Budget Participation	0.703	
Budget Absorption	0.716	
Average	0.679	0.900
GOF	0.782	

Source: Processed Data, 2024

Based on the table above, the average communalities result is 0.679. This value is then multiplied by R2 and rooted. The calculation results show that the GoF value of 0.782 is more than 0.36 so it is categorized as a large GoF, meaning that the model is very good (has high ability) in explaining empirical data.

Determination Coefficient Test (R-Square)

R-square is a measure of the proportion of variation in values that are influenced (endogenous) that can be explained by the variables that influence them (exogenous). This is useful for predicting whether the model is good/bad. The r-square result for the endogenous latent variable of 0.75 indicates that the model is substantial (good); 0.50 indicates that the model is moderate (moderate) and 0.25 indicates that the model is weak (bad) (Juliandi, 2018). Based on the data processing that has been carried out using the smartPLS 3.0 program, the R-Square value is obtained which can be seen in the following image and table.

Table 7. Result Uji R-Square

	R Square	R Square Adjusted
Budget Absorption	0.900	0.895

Source: Processed Data, 2024

From the table above, it is known that the influence of budget participation and HR budget competency on budget absorption with an r-square value of 0.900 indicates that the variation in budget absorption value can be explained by the variation in budget participation and HR competency values by 90% or in other words that the model is substantial (good), and 10% is influenced by other variables.

F^2 Test (*Size Effect* / *F-Square)*

F-Square is a measure used to assess the relative impact of an influencing variable (exogenous) on the influenced variable (endogenous). The conclusion drawing criteria are if the F2 value is 0.02 then there is a small (weak) effect of the exogenous variable on the endogenous, the F2 value is 0.15 then there is a moderate (medium) effect of the exogenous variable on the endogenous, the F2 value is 0.35 then there is a large (good) effect of the exogenous variable on the endogenous (Juliandi, 2018). Based on the data processing that has been carried out using the smartPLS 3.0 program, the F-Square value is obtained which can be seen in the following image and table.

Table 8. F-Square Value

	Budget Participation
Accountability	0.094
HR Competence	0.222
Moderating Effect 1	0.125
Moderating Effect 2	0.090
Budget Participation	0.145
Budget Absorption	

Source: 2024 Data Processing Results

Based on the table above, it is known that:

1. The influence of budget participation on budget absorption has an F2 value of 0.145 indicating that there is a small (weak) effect.
2. The influence of HR competence on budget absorption has an F2 value of 0.222 indicating that there is a moderate (moderate) effect.
3. The influence of budget participation on budget absorption is moderated by accountability has an F2 value of 0.125 indicating that there is a small (weak) effect.
4. The influence of HR competence on budget absorption is moderated by leadership support has an F2 value of 0.090 indicating that there is a small (weak) effect.

Hypothesis Testing

This test is to determine the path coefficient of the structural model. The aim is to test the significance of all relationships or hypothesis testing. Hypothesis testing in this study is divided into direct influence and indirect influence. The results of the direct influence hypothesis test can be seen in the following path coefficient table:

Table 9. Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Budget Participation-> Budget Absorption	0.297	0.297	0.097	3.054	0.002
HR Competence-> Budget Absorption	0.444	0.437	0.116	3.822	0.000
Moderating Effect 1 -> Budget Absorption	0.195	0.185	0.072	2.694	0.007
Moderating Effect 2 -> Budget Absorption	0.162	0.149	0.067	2.437	0.015

Source: 2024 Data Processing Results

Based on Table abouve, it can be stated that the hypothesis testing is as follows:

1. The effect of budget participation on budget absorption has a path coefficient of 0.297. This effect has a probability value (p-value) of 0.002 <0.05, meaning that budget participation has a significant effect on budget absorption in Southeast Aceh district.
2. The effect of HR competence on budget absorption has a path coefficient of 0.444. This effect has a probability value (p-value) of 0.000 <0.05, meaning that HR competence has a significant effect on budget absorption in Southeast Aceh district.
3. The effect of budget participation on budget absorption is moderated by accountability, has a path coefficient of 0.195. This effect has a probability value (p-value) of 0.007 <0.05, meaning that accountability moderates the effect of budget participation on budget absorption in Southeast Aceh district.
4. The effect of HR competence on budget absorption is moderated by accountability, has a path coefficient of 0.162. This influence has a probability value (p-value) of 0.015 < 0.05, meaning

that accountability moderates the influence of HR competence on budget absorption in Southeast Aceh district.

Discussion

The results of this study discuss the relationship between findings with theory, expert opinion, and previous research, as well as formulating the action patterns needed to overcome the identified problems. There are four main topics, namely.

The Effect of Budget Participation on Budget Absorption

Hypothesis analysis shows that budget participation has a significant effect on budget absorption in Southeast Aceh Regency. This is evidenced by the path coefficient of 0.297, a probability value of 0.002 (<0.05), and a calculated t of 3.054 which is greater than the t_table of 1.96. This means that the involvement of leaders in budget preparation supports more effective budget realization. Budget participation is measured through participation, influence, and commitment. The highest outer loading is in the influence indicator (0.885), while the lowest is in participation (0.788). The data also shows that the majority of respondents have a bachelor's degree (88.75%). This indicates that there are still limitations in capacity in participation, because OPD proposals are often not fully approved by the local government. Therefore, it is necessary to set a more careful budget and have more meaningful participation. Participation allows leaders and staff to interact, communicate, and have a sense of shared responsibility for organizational targets (Hansen & Mowen, 2013; Pradana, 2002). This finding is in line with research by Handayati & Safitri (2020), Kewo (2014), Hidayat (2014), and Kamilah (2013), but differs from Septanti et al. (2023) who found that the effect of participation was not significant.

The Effect of HR Competence on Budget Absorption

The test results show that HR competence also has a significant effect with a path coefficient of 0.444, a probability of 0.000, and a t_count of 3.822 (> 1.96). This means that good employee quality facilitates budget implementation. Competence is measured through indicators of physical and health, intellectual, and spiritual quality. The highest indicator is in intellectual quality (0.844), while the lowest is in physical and health (0.783). Some respondents considered their technical skills to be suboptimal, in line with the dominance of undergraduate education levels. Lack of training and placement of employees who are not in accordance with their fields also affect performance. Therefore, it is necessary to strengthen training and improve employee education so that budget absorption is maximized. According to human capital theory, employee knowledge, ideas, and skills support the achievement of organizational goals (Yumiati, 2016). This study supports the findings of Yumiati & Nadirsyah (2016) and Ulandari, Akram, & Santoso (2021).

The Effect of Budget Participation on Budget Absorption Moderated by Accountability

Accountability has been shown to strengthen the effect of budget participation on budget absorption, with a path coefficient of 0.195, probability of 0.007, and t_count of 2.694 (> 1.96). This means that participation supported by good accountability increases the effectiveness of budget absorption. The highest outer loading on participation remains on the influence indicator (0.885), while the highest accountability is on program accountability (0.853). These results indicate that employee responsibility for program implementation is good, but budget absorption is sometimes not optimal because OPD proposals are not fully accepted, so employees are less motivated. Leadership commitment and budget preparation that is in accordance with real needs are needed so that budget absorption is right on target. Participation requires discussions across managerial levels with leadership support that can encourage employees to actively contribute (Triseptya et al., 2017).

The Influence of HR Competence on Budget Absorption Moderated by Accountability

HR competence also has an increasing influence on budget absorption when supported by accountability. The moderation path coefficient is 0.162, probability 0.015, and t_count 2.437 (> 1.96). This shows that quality HR with high accountability will support the achievement of work targets. The highest HR competency indicator is in intellectual quality (0.844), while the highest accountability remains in the program (0.853). This means that budget absorption does not only depend on the realization of spending, but also on managerial performance. If employees are honest, competent, and have a common goal, then collective performance will increase. On the other hand, a lack of quality human resources and inappropriate placement can hinder budget absorption. Therefore, improving employee competence and fostering accountability need to be a priority to support budget effectiveness in Southeast Aceh.

Conclusion

Based on the results of the study and discussion, it can be concluded that budget participation and human resource competence have a significant effect on budget absorption in Southeast Aceh Regency, while accountability has been proven to strengthen or moderate the influence of both so that it can increase the effectiveness of budget absorption. Based on this conclusion, it is recommended that the district government be more careful in determining the final budget so that it is in accordance with the OPD proposal, paying attention to the quality of human resources by providing training, placing employees according to their fields and educational backgrounds, and encouraging an increase in education levels. In addition, each regional apparatus organization is expected to be able to utilize the existing budget allocation according to needs so that it is in accordance with planning targets, and leaders in each OPD must have a strong commitment in the process of preparing and realizing the budget so that the budget that has been prepared is truly allocated appropriately and does not cause obstacles in the implementation of government work for the welfare of the people of Southeast Aceh Regency.

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