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INFLUENCE LEADERSHIP ROLE AND COMPETENCES BUDGET ADMINISTRATOR ON THE IMPLEMENTATION OF PERFORMANCE-BASED BUDGET MANAGEMENT AT THE DEPARTMENT OF REVENUE, FINANCE AND ASSET MANAGEMENT AREA (DPPKAD) KARAWANG

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Abstract

The study investigates phenomenon that is in the investing public, financial management and assets in districts of Karawang in terms of leadership and competence to the implementation of the management of budget management resurrects the performance.

The purpose of this research to study and analyze: 1 leadership; 2) budget managements competence; 3) the implementation of the management of the performance; 4) a relation leadership and competence; 5) the influence budget managements partial leadership and competence to the implementation of the management of budget management resurrects the performance; 6) the influence of simultaneous leadership and competence to the implementation of the management of budget management resurrects the performance.

The research was done by using the method and explanatory descriptive,: gather, presents, analyze, and do the testing of hypotheses, as well as making conclusion and recommendations.

Introduction

Background Research

Currently, Indonesia has changed its public sector budget system by using performance budgeting system. Through performance-based budgets, it is hoped that government-led development can promote the bottom-up process in its implementation. Ultimately, it will provide wider space for government agencies to master or relocate resources to achieve higher budget productivity.

Government agencies are ready to be mandated in the law, required a change in the mindset to arrange its programs, and designing its budget activities is really based on orientation to achieve a goal. In the management of state money in accordance with the Law No.17 of 2003 mandates in preparing the budget for government agencies. This is reinforced by Mardiasmo (2001) which states that in the form of the desired regional budget is: (a) The Regional Budget must rely on public interest; (b) Local Budgets must be managed with good results and low cost (work better and lower cost); (c) The Regional Budget must be able to provide rational transparency and accountability; (d) The Regional Budget shall be adjusted to performance (performance) for all types of costs or revenues; (e) Local Budgets should be able to foster professionalism of work in each related organization; (f) Local Budgets should be able to provide flexibility for its executors to maximize their funds with a principled value for money.

The achievement of revenue targets managed by the Office of Revenue, Financial Management and Regional Assets Karawang regency in 2013 reached 123.20%, while the realization of SKPD expenditure both from indirect spending and direct expenditure reached 92.12%, with the same average output activity 77, 58%. The data has not shown the level of efficiency, effectiveness and frugality of. Can not be realized properly.

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Karawang regency still has human resource managers who lack understanding and knowledge about performance-based budget management, this can be seen from the number of employees as many as 120 people, 46, 7% high school graduates and scholars as much as 40% with the suitability of education with tupokasinya only 30%. In addition, education and training and technical guidance in the field of budget and finance are rarely implemented.

Based on the main tasks and functions of DPPKAD that there are very many structural positions as shown in table 1.3 below:

Table 1.3 Number of Structural Positions of the Office of Revenue, Financial Management and Regional Assets Karawang regency

No.	Structural Position	Amount	Percentage (%)
1	Head of office	1 Person	3,8
2	Secretary	1 Person	3,8
3	Head of Field	6 people	23,2
4	Section Head	18 people	69,2
Jumlah		26 people	100

Source: DPPKAD Karawang regency, processed 2015.

Based on the above data shows each sub section and head section only has a maximum of five staff while the main tasks and functions of each is very large because managing the financial and asset area Karawang regency with the amount of Regional Revenue Budget Year 2013 of Rp. 2.69 Trilyun (Source: Lakip DPPKAD Karawang Distric 2013).

In managerial role function variables there are dimensions of leaders as designers, leaders as teachers and leaders as servants when compared with the analysis of effectiveness and efficiency of managerial function has not run well. Because based on observations indicate that rarely do coordination meetings, briefings, or leaders provide time to assist subordinates in carrying out tasks.

The result of Sabri's research in the journal Economics 2013 shows that the leadership and financial management resources partially or simultaneously affect the implementation of performance-based budget management.

Starting from the phenomenon mentioned above, not yet optimal implementation of budget management based on the performance of Karawang regency is influenced by the managerial function and human resources manager. Therefore, in order to improve the implementation of performance-based budget management, the authors to further examine the influence of leadership roles and the competence of budget managers on the implementation of performance-based budget management at the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang regency.

Problem Formulation
1. How is the correlation between the leadership role and the competence of budget managers in Revenue Service, Financial Management and Regional Assets (DPPKAD) Karawang Distric
2. How partially influence the role of leadership and competence of budget managers on the implementation of performance-based budgeting at the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang Distric
3. How influence simultaneously the role of leadership and competence of budget managers on the implementation of performance-based budgeting on the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang Distric

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Research Objectives
The purpose of this research is to know, analyze and discuss as follows:
1. The correlational scale between the leadership roles and the competence of budget managers in the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang Distric.
2. Magnitude of influence partially the role of leadership and competence of budget managers on the implementation of performance-based budgeting on the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang Distric
3. Magnitude of influence simultaneously the role of leadership and competence of budget managers on the implementation of performance-based budgeting on the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang Distric

Review of literature, framework for thinking and hypotheses

Definition of Regional Finance
Halim (2008: 25) states that regional finance has a scope consisting of directly managed finances and separated regional wealth. Including directly administered regional finances are the Regional Revenue and Expenditure Budget (APBD) and regional inventory items. On the other hand, regional finances that are separated include Regional Owned Enterprises (BUMD). Regional finance can be defined as rights and obligations that can be assessed with money, as well as everything in the form of money or goods that can be used as regional wealth as long as not owned or controlled by the state. Regional finance plays an important role in regional autonomy because from regional finance it reflects the ability of regions to regulate and manage their own governmental affairs based on the principle of autonomy.

The general principle of regional financial management as stipulated in Government Regulation No. 58/2005 on Regional Financial Management in accordance with the contents of Article 4, namely:
1. Regional finances are managed in an orderly, law-abiding, efficient, effective, transparent and accountable manner by taking into account the principles of fairness, compliance and benefits for the community.
2. Regional financial management is implemented in an integrated system embodied in APBD which is annually determined by regional regulations

Understanding leaders
A. Dale Timple (2000: 58) defines Leadership is a process of social influence in which managers seek voluntary participation from subordinates in an effort to achieve organizational goals. With the leadership of a leader also describes the direction and goals to be achieved from an organization. So it can be said leadership is very influential for big names organization.

Sedarmayanti (2009: 119) states that leadership (leadership), are:
a. The process of influencing others to do or not to do something that a leader wants.
b. The relationship of interaction between followers with leaders in achieving the goals set.
c. The process of influencing the activities / group behaviors that are organized towards the achievement of goals.
d. The process of directing means to the collective effort and leads to a willingness to perform the desired activity / behavior for the achievement of the goal.
e. The process of influencing the activities of individuals / groups in an effort to achieve the purpose of a particular situation.

Based on the understanding, leadership, leadership type and leadership functions then in this study using dimensions of leadership based on opinions Sedarmayanti (2009: 121), namely: 1). leaders as designers; 2). leader as teacher; 3). leader as a servant

Financial Management Competence

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According to the Decision of the Head of the State Personnel Agency Number 46A of 2003, the definition of competence is: the capabilities and characteristics possessed by a Civil Servant in the form of knowledge, skills, and behavioral attitude required in the performance of duties, so that Civil Servants can perform their duties professionally, effectively and efficiently.

Competence by Spencer & Spencer in Palan (2007) is as a basic characteristic possessed by an individual who deals causally in fulfilling the necessary criteria for occupying a position. Competence consists of 5 types of characteristics, ie motives (consistent willingness as well as the cause of action), innate factors (character and consistent response), self-concept (self-image), knowledge (information in a particular field) and skills (ability to perform task).

The dimensions of competence according to Hutapea and Nurianna Thoha (2008) are technical competence and non technical competence. Indicators of technical competence are:
1. Education Level
   Education is a requirement of the level of education required to hold office and is usually related to the intellectual level, as well as the level of knowledge required. Education is a minimal requirement within an organization / company.
2. Work Experience
   Work experience is the length of a person in dealing with a particular role or position and carrying it out with good results.
3. Analyze ability
   The ability to understand the situation by breaking it into smaller parts, or observing the implications of a state step by step based on past experience.

Indicators of non technical competencies according to Hutapea and Nurianna Thoha (2008) are:
1. Self-Control (Self Control)
   The ability to control your emotions to avoid doing something negative when the situation is not as expected or under pressure.
2. Self Confidence
   The level of trust he has in completing employees.
3. Flexibility (Flexibility)
   Ability to adapt and work effectively in a variety of situations, people or groups.
4. Building Relationships (Relationship Building)
   The ability to work to build or maintain friendliness, warm relationships or network communication with someone, or maybe one day useful in achieving the goals of work.

Performance-Based Budget

According to Government Regulation No. 105/2000 on the Management and Accountability of Regional Finance, the Regional Revenue and Expenditure Budget, hereinafter referred to as APBD, is an annual regional financial plan stipulated in accordance with the Regional Regulation on Regional Revenue and Expenditure Budget (APBD). While the definition of performance according to Regulation of the Minister of Home Affairs No. 13 of 2006 in Chapter I General Provisions Part One article 1 point 37 (2006: 6) is the output / results of programs / activities that exist or have been achieved in connection with the use of budgets with the quantity and quality measurable. According to Hariman and Hilgert (in Warsito, 2006: 12) performance is a manifestation of work performed by the apparatus that is usually used as the basis of apparatus and organization appraisal.

In this specific context of performance, we give an understanding of performance as the out put of a person or group of people in put process of management or organization as a whole, where out put it must be able to show the evidence concretely and can be measured / compared with the standard that has been determined (Irawan 2002: 17). From the above understanding can be recorded several keywords, namely:
1) The existence of input,
2) The input process,
3) The existence of output or work,
4) Can be measured or have a standard as a comparison.

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According to Bastian (2006: 53), the characteristics of performance-based budget management are:
1) In general, this system contains three main elements, namely:
a) Government expenditures are classified according to the program.
b) Performance Measurement.
c) Program reporting (Program reporting).
2) The point of attention is more emphasis on performance measurement, not on supervision.
3) Each activity must be viewed in terms of efficiency and maximize output.
4) Aims to produce cost information and work results that can be used for the preparation of targets and evaluation of the implementation of work.

Bastian said that the characteristics of performance-based budget management are:
1) Allows delegation of authority in decision making.
2) Stimulate participation, Monitoring and Evaluation of work units through the process of proposal and budget assessment
3) Assist planning functions and sharpen decision-making.
4) Allow optimal allocation of funds based on the efficiency of the work unit.
5) Avoiding wastage.

The aspect of local financial management based on performance, basically related to three things that are related to each other, namely:
1) Acceptance aspect, that is about how big the ability of Local Government can explore potential sources of income and expenses incurred to increase the income.
2) Expenditure aspect, which is about how big the cost of a public service and the factors that cause the cost increases.
3) The Budgetary Aspect, which is about the relationship between income and expenditure and the projected trends for the future

Mardiasmo (2002: 220) states an indication of the success of local financial management if managed with attention to Value for Money (VFM). Thus according to the opinion writer performance of regional financial management is sejauah where the government can apply the concept of VFM in the management of local finance. Because, in principle, VFM is a bridge to deliver Local Government to achieve good governance, which is Local Government which is transparent, economical, efficient, effective, responsive, and accountable. Thus the VFM must be operationalized in the management of regional finances and local budgets. As mentioned above, the concept of value for money is oriented to the public interest. This means that in the financial management of the area should reflect the three main pillars (3E) in the budgeting process that is: economical, efficiency and effectiveness.
1) Economical, a measure of the use of public funds in accordance with actual needs.
2) Efficiency, is a measure of the use of public funds (public money) that can produce maximum output (efficient).
3) Effectiveness, is a measure of how far the level of outputs, policies, and procedures can achieve public interest purposes.

Measures in measuring Value for Money on regional expenditure by Mardiasmo (2002: 24) can be detailed according to the following indicators:
1) Economic measurement; To argue that economics is a relative measure, within a Regional Government organization, the question arising in relation to this economic measure is "whether the expenditure (spending) incurred by the Local Government is greater than what the organization really needs?". "Is the expenditure (spending) of an organization larger than other similar (comparable) organizations?
2) Measurement efficiency with ratio between output / output and secondary input / input (expenditure). The greater the output produced compared to the expenses made, the more efficient an organization. The efficiency ratio is not expressed in absolute form but in relative form. Since efficiency is measured by output and input ratio, efficiency improvements can be made by:
a) Increase output at fixed expenditure level.
b) Increase the output in a larger proportion than the proposed increase in expenditure.

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c) Lowering spending at a fixed output level.
d) Lower spending in a larger proportion than the proportion of output decreases.
Spending as the denominator is measured in terms of currency units. Output as a numerator can be measured either in the amount of money or physical units. Assuming that any sort of calculation related to unit cost or unit price in the expenses incurred has been calculated since the budgeting process itself, in other words that efficiency simply sees only the execution of the budget which is one of the activities of the budget cycle own.
3) Measurement of effectiveness is a measure of success or failure of the achievement of an organization's goals. When an organization succeeds in achieving its objectives then the organization has run effectively. The most important thing to note is that effectiveness does not state how much expenditure has been spent to achieve that goal. Spending may exceed what has been budgeted. Effectiveness is the ratio between outcome and output (output).

So in this research, performance based performance indicator that used is sesusi with Mardiasmo opinion, that is:
1) Economical; the use of cheap resources, the cost savings of program implementation, or avoiding the waste and maintenance of local assets.
2) Efficiency; The allocation of accountable funds, expenditures that address the level of achievement of predetermined targets, the accuracy of the resources used, as well as the efiensi on the maintenance of local assets.
3) Effective; the realization of target targets, the allocation of funds effectively, the empowerment of human resources, and the effectiveness of the maintenance of local assets.

Research Hypothesis
Hypothesis in this research are:
1. There is a correlation between the role of leadership and the competence of budget managers
2. There is partial influence of leadership role and competence of financial manager toward implementation of performance budget management
3. There is simultaneous influence of the leadership role and the competence of financial managers on the implementation of performance-based budget management

Research methods
How to Determine Data / Information

Population
According to Arikunto (2006: 76) population (Universe) is "study the subject of research". Likewise Dajan suggests is the population (Universe) is "most of the elements that have one trait or some characteristics or characteristics of the same".

According to Kuncoro (2001: 22) Population is a set of units that usually are people, objects, transactions or events in which we are interested to learn it. According to the above explanation, it can be concluded the data is a set or collection of research data that focuses on the data source. Research data in the population is called "parameter" which can be in the form of mean, proportional, others which become the focus of research that will be the object of research.
Sources of data taken from the Office of Revenue, Financial Management and Regional Assets (Karawang) Karawang regency, as the population is Civil Servants (PNS) budget managed in the environment DPPKAD Kab Karawang as many as 45 people, with details as follows:

Table 3.2 Population Research at DPPKAD Karawang regency

NO	Description	Number of People
1	Budget User (PA)	1
2	Power User Interface (KPA)	5
3	Activity Technical Activity Officers (PPTK)	19
4	Assistant Spending Treasurer (BPP)	20
Total Population		45

Source: Subag of Government Service of Kab. Karawang, 2014

Sample

According Sugiyono (2005: 56) gives the sense that the sample is part of the number and characteristics possessed by the population. Thus, the sample is part of the population that has certain characteristics or circumstances to be studied. Regarding the number of samples by Arikunto (2006: 125) says that:

"If researchers have several hundred subjects in the population, they can determine approximately 25% -30% of the number of subjects. If the number of subject members in the population only covers 100 to 150 people and in the data collection the researcher uses a questionnaire / questionnaire, it should be taken entirely. So it can be said as a census study ". With the determination of the sample is: n = N

Information

n = Number of samples

N = Population

Based on the formula, the number of research samples is equal to the total population of civil servants in the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang regency of 45 people.

Data Collection Techniques

To obtain data that support this research, the authors collect data on the Government of Karawang regency in the following way:

1. Direct Communication Technique

a. Direct Observation

   Direct Observation is a direct observation of Leadership, budget management and Implementation of performance-based budget, review records and documents relating to research, so that can be obtained a clear picture of the object of research.

b. Interview (Interview)

   Interviews are data collection techniques by holding a question and answer directly with interested parties to be able to obtain an explanation of the problems studied, this is done to obtain information relevant to the problem research.

2. Indirect Communication Technique

   The form of indirect communication technique used is a questionnaire that provides a questionnaire that contains questions relating to the problems studied to the parties concerned. List of questions / questionnaires distributed to employees as respondents. Questionnaire questionnaires are prepared with closed answers and respondents only select one of the answers they think is most appropriate.

   The data collection technique used in this research is through observation, interview and questionnaire usage which is quantified by using Likert Scale with 5 (five) categories of answers for each question asked to the respondent. Likert scale according to Husein Umar (2005: 132) who cites Kinnear's opinion is related to the statement of one's attitude toward something. Respondents were asked to fill in statements on a verbal ordinal scale in the number of specific categories. In this thesis the way of quantification with the range of values 1 (one) to 5 (five).

   Variable instruments on leadership and budget management on Implementation of performance-based budgeting at the Office of Revenue, Financial Management and Regional Assets (DPPKAD) Karawang Distric each using a scale of 5 (five) with the categories can be seen in the table below:

Table 3.3 Variable Instrument The Role of Leadership and Competence of budget managers on Implementation of performance-based budgeting in DPPKAD Karawang

Skor	Leadership Role	Budgetary management Competencies	Performance-based budgeting implementation
5	Very Good	Very Good	Very Good
4	good	good	good
3	Enough	Enough	Enough

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2	Less	Less	Less
1	Less Good	Less Good	Less Good

Source: Processed Author (2015)

Validity

Validity indicates the distance a measuring instrument can measure what it wants to measure. So it can be said the higher the validity of a measuring instrument, then the measuring instrument can be targeted or increasingly shows what should be measured. Measuring tools can be said to have high validity. Measuring tools can use the measuring function or provide measurements in accordance with the meaning and purpose of the resolution. Measurement of validity in this study by counting between each question with a total score using the formula speech product moment as follows:

$$rxy = \frac{n\,(\Sigma XY) - (\Sigma X)\,(\Sigma Y)}{\sqrt{\{n\,(\Sigma X^2) - (\Sigma X)^{22}\,\{n\,(\Sigma Y^2) - (\Sigma Y)^2\}}}}$$

where: rxy = Correlation xy
n = Number of samples
X = Score per item
Y = Total score
If r arithmetic> r table, then the instrument says valid. or
If r count> 0.3, then the instrument says valid.
Source: Sugiyono, (2006: 182)

Reliability

To know the reliability of a measuring instrument required reliability test. Reliability is the term used to indicate the extent to which a measurement result is relatively consistent when measurements on the same phenomenon are repeated two or more times. Instruments are said to be reliably if the results remain the same even when the tests are done at different times. Each instrument should have the ability to provide consistent measurement results, so that measurement results can be trusted, if in several measurements of the same subject group the results are relatively similar, as long as the aspects measured in the subject have not changed.

Techniques to measure the reliability used are:
Spearman-Brown, a technique of halving, in which items are grouped into two equal parts. There are two ways of grouping them, namely: even-odd and evenly split. Then the two groups are correlated with the following formula:

$$ri = \frac{2\,rb}{1 + rb}$$

Where: ri = Coefficient of reliability of all instruments
rb = First and second hemispherical correlations
If r arithmetic> r table, then the instrument is said to be reliable. or
If r count> 0.6, then the instrument is said to be reliable.
Source: Sugiyono, 2006,

Data Normality Test

Assumption Test Normality test whether on regression model, dependent variable, independent variable or both have normal distribution or not. A good regression model is the normal or near-normal distribution of data. The regression model that satisfies the assumption of Normality if in the P-P plot, the data spreads around the diagonal line and follows the direction of the diagonal line. Kuncoro (2001: 110), suggests that for the Normality test stated in Jarque-Bera (JB) by the formula:
JB = (n-k) / 6. [S2 + ¼ (K-3) 2]
If JB> 0.05 then the data is normally distributed

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n is the number of observations; k is equal to zero for an ordinary data and the number of coefficients when examining the residuals of an equation; S = skewness; and K = kurtosis. The null hypothesis states that residuals are normally distributed.

JB statistics are asymptotically a Chi-Square distribution; The smaller the probability value (close to zero) then the residual is not normally distributed.

Correlation Analysis

In this research, using moment product correlation analysis (correlation product moment) is one approach to know the closeness of one variable with other variables, by the formula:

$$r = \frac{n(\sum XY) - (\sum X \sum Y)}{\sqrt{(n \sum X^2 - (\sum X)^2)(n \sum Y^2 - (\sum Y)^2)}}$$

Where: r = Correlation coefficient
n = Number of samples
X = Independent variable
Y = dependent variable
 Source: Sugiyono (2005: 212)

To be able to give an interpretation of the strength of the relationship, it can be used guidelines as in table 3.6 below:

Table 3.5Interpretation of Correlation Coefficient

Coefficient Interval	score Level
0,000 – 0,199	Very low
0,200 – 0,399	Low
0,400 – 0,599	Medium
0,600 – 0,799	Strong
0,800 – 1,000	Very strong

Source: Sugiyono (2005: 255)

Significant correlation test can be calculated by t test, with the calculation of the formula as follows:

$$= \frac{r\sqrt{n-2}}{\sqrt{1-r^2}}$$

Where: t = Test t
r = Correlation coefficient
n = Number of samples
Source: Sugiyono (2005: 214)

Next is the distribution of t with df = (n-2). Testing criteria is if H0 if t is calculated greater than t table, if t arithmetic smaller than t table then H0 accepted and H1 is rejected. The test criterion is the price of correlation coefficient obtained before implementing the decision, need to be tested first. This test is intended to see whether between the variables in the sample there is a significant correlation or not.

2. Path Analysis (Path Analysis)

Data analysis method used in this research is path analysis or path analysis to see the effect of free variables to non dependent variable. Path analysis is used to explain the direct and indirect consequences of a set of variables. As the cause variable against a set of other variables that are the result variable.
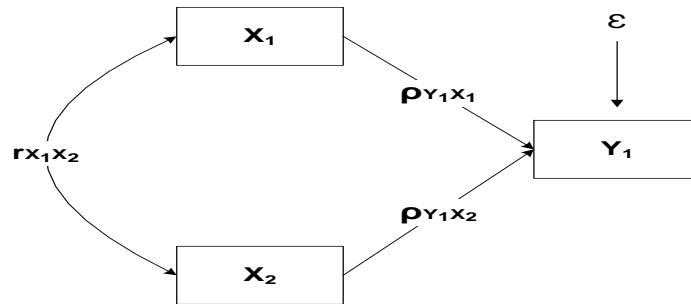
The framework of the analysis model as follows:

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Figure 3.3

Path Analysis Model Framework
Considering the path diagram above, structural equations that can be used based on the opinion of Al Rashid (1999: 66) with the following formula:

$Y = f(X1, X2)$

$Y = \rho yx1\ X1 + \rho yx2\ X2 + \rho yx1\ X1, \rho yx2\ X2 + \rho y\varepsilon1$

Based on the formulation of the problem items 4.5 and 6 (verification analysis) in this study, the design analysis can be divided sub-structure as follows:

1. The relationship between the Role of Leadership with the competence of budget managers
The magnitude of the relationship between the Role of Leadership (X1) with the competence of budget managers (X2) Revenue Service, Financial Management and Regional Assets (DPPKAD) Karawang regency, mathematically can be expressed by rX1X2, hereinafter can see in the picture below:
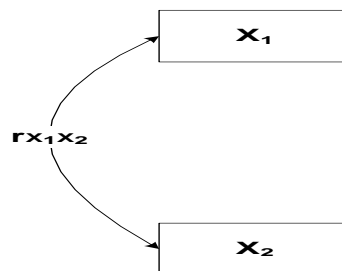
Picture: 3.4

Relationship Role Leadership with Competence budget managers

2. Partial Influence The Role of Leadership and Competence of Budget Managers on the Implementation of Performance-Based Budgeting

a. Partial Influence Leadership Role on Performance-based budgeting implementation
Magnitude Influence partially Leadership Role (X1) on Implementation of performance-based budget (Y) can be expressed mathematically $Y = \rho yx1\ X1$. Furthermore it can be described as follows:

$$\varepsilon$$

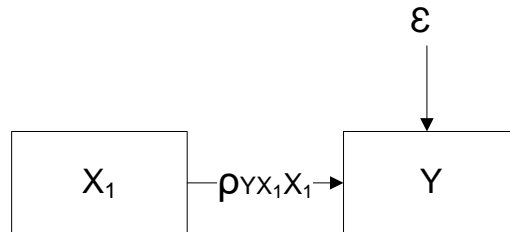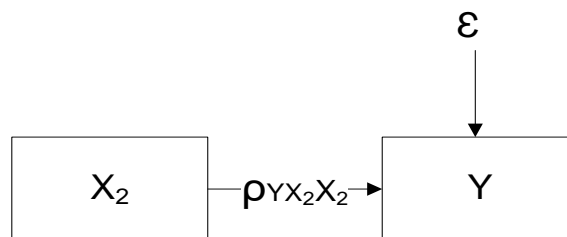$$X_1 \quad -\rho_{YX_1X_1}\rightarrow \quad Y$$

Figure: 3.5

The Influence of Leadership Roles to Performance-based budgeting

b. Partial Influence Competence of budget managers on performance-based budgeting
Magnitude Influence partially Competence budget manager (X2) to Implementation of performance-based budget (Y) can be expressed mathematically $Y = \rho yx2\ X1$. Furthermore it can be described as follows:

$$\varepsilon$$

$$X_2 \quad -\rho_{YX_2X_2}\rightarrow \quad Y$$

Picture: 3.6

The Effect of Budgetary Management Competencies on the Implementation of performance-based budgeting

Hypothesis Testing
Hypothesis testing is done through statistical test to determine the influence between paths as set forth in the design analysis. The test of the structure is done by using path analysis (Path Analysis).

This analysis is used with the consideration that the relationship between variables in this study are correlative, then testing the hypothesis of each sub structure is as follows:
1. Correlation between the Role of Leadership and the competence of budget managers (t test)
Ho: $\rho x2x1 = 0$ There is no correlation between Leadership Roles and Budget management competencies
H1: $\rho x2x1 \neq 0$ There is a correlation between the Role of Leadership and the competence of budget managers.
2. Testing partially
a. The Influence of Leadership Role to Competence of Budget Manager
Statistical hypothesis:
H0: $\rho yx1 = 0$ (no effect)
H1: $\rho yx1 \neq 0$ (no effect)
Hypothetical sentence form:
H0: The Role of Leadership has no effect on the Implementation of performance-based budgeting
H1: Attributes influence Leadership Role to Performance-based budget implementation

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b. Competence of budget managers on Implementation of performance-based budgeting
Statistical hypothesis:
H0: $\rho yx2 = 0$ (no effect)
H1: $\rho yx2 \neq 0$ (no effect)
Hypothetical sentence form:
H0: Competence Budgetary sources have no effect on Performance-based budgeting
H1: Competence of budget managers affects the implementation of performance-based budgeting
With the test criteria as follows:
1) H0 is rejected If sig $<\alpha$ or | count | $\geq$ t table with 5% significance level then the test is significant or there is a real influence of each X1, and X2 on the dependent variable Y.
2) H0 accepted If Sig> α or | count | <t table with a significance level of 5% then the test is not significant or there is no real effect of each X1, and X2 on the dependent variable Y.

3. Testing simultaneously (whole)
Statistical hypothesis:
H0: $\rho yx1 = \rho yx2 = 0$ (no effect)
H1: $\rho yx1 \neq \rho yx2 \neq 0$ (no effect)
Hypothetical sentence form:
H0: The role of Leadership and Budgetary Competencies together does not affect the implementation of performance-based budgeting
H1: The role of Leadership and Budgetary Competencies together influences the Implementation of performance-based budgeting
Where the test criteria as follows:
1) H0 is rejected If sig $<\alpha$ or F arithmetic> F table with 5% significance level then the test is significant or there is a real influence X1, and X2, or at least from one of them against the dependent variable Y.

2) H0 accepted If Sig> α or F arithmetic <F table with 5% significance level then the test is not significant or there is no real effect of X1, and X2, on the dependent variable Y.

Research result and discussion

4.2.1 Test Validity
Based on the results of data processing questionnaire through SPSS program can be presented the results of validity test as follows:

Table 4.5 Test of Validity on Leadership Role Variables (X1) No r arithmetic critical Criteria

No	r count	r critical	Criteria
1	0,53	0,3	Valid
2	0,49	0,3	Valid
3	0,63	0,3	Valid
4	0,60	0,3	Valid
5	0,72	0,3	Valid
6	0,72	0,3	Valid
7	0,73	0,3	Valid
8	0,75	0,3	Valid
9	0,73	0,3	Valid
10	0,74	0,3	Valid
11	0,85	0,3	Valid
12	0,76	0,3	Valid
13	0,75	0,3	Valid
14	0,66	0,3	Valid

Source: Research questionnaire processed 2015

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Based on table 4.5, the value of the validity of all items of question has a correlation coefficient greater than the critical r that is 0.3 which means all items questionnaire question for the variable role of leadership is valid. Result of validity test of competence variable of budget manager can be seen in table 4.6 below:

Table 4.6 Validity Test on Budget Manager Competency Variable (X2)

No	r count	r critical	Criteria
1	0,58	0,3	Valid
2	0,43	0,3	Valid
3	0,58	0,3	Valid
4	0,77	0,3	Valid
5	0,46	0,3	Valid
6	0,55	0,3	Valid
7	0,71	0,3	Valid
8	0,72	0,3	Valid
9	0,57	0,3	Valid
10	0,69	0,3	Valid
11	0,42	0,3	Valid
12	0,47	0,3	Valid
13	0,59	0,3	Valid
14	0,58	0,3	Valid

Source: Research questionnaire processed 2015

Based on table 4.6, the validity value of all items of question has a correlation coefficient greater than the critical r that is 0.3 which means all items questionnaire question for the variable competence of the budget manager is valid.

Based on the validity test of performance variables based on performance budget are as follows:

Table 4.7 Test of Validity on Variables of Performance-Based Budget Implementation (Y)

No	r count	r critical	Criteria
1	0,54	0,3	Valid
2	0,58	0,3	Valid
3	0,63	0,3	Valid
4	0,83	0,3	Valid
5	0,61	0,3	Valid
6	0,76	0,3	Valid
7	0,66	0,3	Valid
8	0,74	0,3	Valid
9	0,67	0,3	Valid
10	0,86	0,3	Valid
11	0,70	0,3	Valid
12	0,65	0,3	Valid
13	0,86	0,3	Valid
14	0,85	0,3	Valid

Source: Research questionnaire processed 2015

Based on table 4.7, the validity value of all items of question has a correlation coefficient greater than the critical r that is 0.3 which means all items questionnaire for performance-based budget implementation variables are valid.

Test Reliability

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The instrument reliability coefficient is to see the consistency of the answers given to the respondents and analyzed by using Cronbach Alpha. This method is chosen because it is considered in accordance with the instrument prepared by exploring the experience and assessment of respondents so that the whole grains are considered to measure the same concept.

Result of validity test on each variable; Leadership Roles (X1), Budget Management Competencies (X2), and Performance Based Budget Implementation (Y) show valid data. All three variables if the reliability of the test results reliability of the whole results are reliable. It can be seen in Table 4.8 below:

Table 4.8 Test Reliability

Variabel	R count	R Critical	Description
Role of Leadership (X1)	0,919		Reliabel
Budget Manager Competency (X2	0,866	0,7	Reliabel
Implementation of Performance Based Budget (Y)	0,903		Reliabel

Source: Research questionnaire processed 2015
Based on the reliability test table shows that all research variables declared reliable because r count> r critical by 0.7.

Normality Test
Testing a data in research is very important. This is intended to see how normal the data is spread. Normality test was performed by using liliefors test which was analyzed by Statistical Product and Service Solution (SPSS) 17.0 for windows.
The normality test results of the three variables; Leadership Roles (X1), Budget Management Competencies (X2), and Implementation of Performance Based Budget (Y) are as follows:

Table 4.9 Normality Test Variable

Variables	Kolmogorov-Smirnov		Conclusion
	p-value	α	
Role of Leadership (X_1)	0,473		Dist. Normal
Budget Management Competency (X_2)	0,665	0,05	Dist. Normal
Implementation of Performance Based Budget (Y)	0,528		Dist. Normal

Source: Research questionnaire processed 2015
The table above shows that all variables follow the normal data distribution because the p-value values are all variables> 0.05.

6 Path Analysis
4.6.1 Magnitude Relationships between Independent Variables
The magnitude of the relationship between leadership role variables and budget managers can be described as follows:

Relationship Between Variables Free
Based on the results of correlation analysis, the correlation coefficient obtained between the independent variables is the relationship between leadership roles (X1) with the competence of budget managers (X2) obtained value of 0.311 which means having a low level of relationship and direction because of the positive value.

4.6.2 Influence of Free Variable (X) with Bound Variable (Y).
4.6.2.1 Influence Partially X on Variable Y.
The partial effect of variable X on variable Y can be described as shown in the picture below:
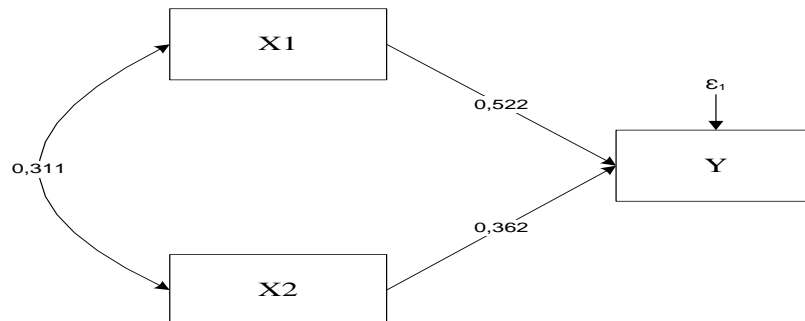
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Figure 4.5

Partial Influence of Free Variable (X) Against Tied Variable (Y).
Figure above, we can explain the amount of associative degree or path coefficient of each independent variable to the dependent variable and
the path equation, namely:
$Y = 0.522 X_1 + 0.362 X_2 + \varepsilon$
Where :
Y = Performance-Based Budget Implementation
X_1 = Leadership Role
X_2 = Budget Manager Competency
ε = Influence of other variables
From the above equation can be interpreted that:
1. There is an associative relationship between the leadership role and the performance-based budget implementation amounting to 0.522 (ρYX_1).
2. There is an associative relationship between the competence of budget managers with implementation of performance-based budget amounting to 0.362 (ρYX_2).

4.6.2.2 Simultaneous Effect of Variable X on Variable Y.
The direct and indirect influence of the variables X_1 and X_2 on Y are as follows:
1. The amount of Direct Effect
    a. The direct influence of leadership roles (X_1) on performance-based budgeting (Y) is 27.2% ($\rho^2 yx_1$)
    b. The direct influence of the budget management competency variable (X_2) on the implementation of performance-based budget (Y) of 13.1% ($\rho^2 yx_2$)
2. Indirect Effect
    a. The total indirect effect of leadership roles (X_1) on performance-based budgeting (Y) is 5.9%.
    b. The total indirect influence of competency variable of budget manager (X_2) on implementation of performance-based budget (Y) is 5,9%.
    The total influence of leadership role variable (X_1) and the competence of budget manager (X_2) on the implementation of performance based budget (Y) is expressed by the coefficient of determination (RYX) 2 of 52.1% while the influence of other variables outside the model is 47 , 9%.

4.6.2.2 Simultaneous Effect of Variable X on Variable Y.
The direct and indirect influence of the variables X_1 and X_2 on Y are as follows:
1. The amount of Direct Effect
a. The direct influence of leadership roles (X_1) on performance-based budgeting (Y) is 27.2% ($\rho^2 yx_1$)
b. The direct influence of the budget management competency variable (X_2) on the implementation of performance-based budget (Y) of 13.1% ($\rho^2 yx_2$)
2. Indirect Effect
a. The total indirect effect of leadership roles (X_1) on performance-based budgeting (Y) is 5.9%.
b. The total indirect influence of competency variable of budget manager (X_2) on implementation of performance-based budget (Y) is 5,9%.

The total influence of leadership role variable (X1) and the competence of budget manager (X2) on the implementation of performance based budget (Y) is expressed by the coefficient of determination (RYX) 2 of 52.1% while the influence of other variables outside the model is 47 , 9%.

Table 4.24 Direct and Indirect Effects of Variables X and Y

Variabel	Direct Influence Y	Influence Total		Influence Total
		X₁	X₂	
X₁	0,272	-	0,059	**0,331**
X₂	0,131	0,059	-	**0,190**
Influence Total				**0,521**

Source: Research questionnaire processed 2015

Based on the above table can explain that the magnitude of the influence of each - each variable X1 and X2 as follows:
1. The magnitude of partial influence of leadership roles (X1), either direct or indirect influence on the implementation of performance-based budget (Y) of 33.1%.
2. The magnitude of partial influence of competency variable of budget manager (X2), either direct or indirect influence on performance-based budget (Y) implementation is 19%.

4.6.3 Testing Partial Effect Hypothesis Variables X1 and X2 Against Y
The result of statistical test of the influence of independent variables (X1, X2) on the dependent variable (Y) by using the hypothesis:
Ho: $\rho YXi = 0 \rightarrow$ there is no partial influence from the independent variable (Xi) to the dependent variable Y.
H1: $\rho YXi \neq 0 \rightarrow$ there is a partial influence of the independent variable (Xi) on the dependent variable Y.
With test criteria: Reject Ho if Sig. <α or t arithmetic> t table

Table 4.25 Partial path analysis results

Structural	**T**	**Sig.**	Conclusion
$\rho YX1$	4,646	0,000	**Ho rejected**, there is a significant influence
$\rho YX2$	3,222	0,002	Ho is rejected, there is a significant influence

Source: Research questionnaire processed 2015

Based on the above table results obtained as follows:
a. For the partial influence of leadership roles (X1) on performance-based budgeting (Y), Sig. (0,000) <α (0,05) then Ho is rejected. Thus it can be concluded that the role of leadership in partial significant effect on the implementation of performance-based budget.
b. For the partial influence of competence of budget manager (X2) on implementation of performance-based budget (Y), value of Sig. (0.002) <α (0.05) then Ho is rejected. Thus it can be concluded that the competence of budget managers partially significant effect on the implementation of performance-based budget.

4.6.4 Simultaneous Effect Testing Variables X1 and X2 Against Y
The statistical test results X1 and X2 simultaneously to Y by using the hypothesis as follows:

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Ho: $\rho YX1 = \rho YX2 = 0 \rightarrow$ There is no concurrent influence of the independent variable X on the dependent variable Y

H1: $\rho YX1 \neq \rho YX2 \neq 0 \rightarrow$ There are concurrent effects of the independent variable X on the dependent variable Y.

With test criteria: Reject Ho if Sig. $<\alpha$ or F count> F table.

Table 4.26 The Simultaneous Effect of Variable X on Y

Model	F-count	Sig.	Conclusion
ρ YX	22,853	0,000	**Ho is rejected**, there is a significant influence

Source: Research questionnaire processed 2015

Based on the above table shows that the value of Sig. 0.000 is smaller than α (0.05). Thus Ho is rejected so it can be concluded that the role of leadership (X1) and the competence of budget managers (X2) simultaneously have a significant effect on the implementation of performance-based budget (Y).

Discussion of Research Results

Based on the results of verification analysis then made the following discussion:

1. The correlational relationship between leadership roles (X1) and the competence of budget managers (X2) has a low relationship of 0.311. This shows that the role of leadership and competence of budget managers have interrelated relationships. The results of this study support previous research conducted by Sabri (2013) in the Journal of Economics STIE Agus Salim said that there is a correlation between leadership with the competence of financial managers.

2. The partial influence of leadership role (X1) on the implementation of performance-based budget (Y) is 0,522 and the competence of budget manager (X2) on the implementation of performance-based budget (Y) is equal to 0.362. Based on the data processing shows that the value of 0.522> 0.362, it can be stated that the role of leadership is greater and more dominant to contribute to the implementation of performance-based budget than the competence of budget managers. Based on the author's observation, this is relevant to what happened in DPPKAD Karawang that leadership role is more dominant. The results of this study are also in accordance with research Daniati Puttri (2013) with the results of research there are influence of competence on the quality of the budget. Further research Hermaningsih (2009) said that the managerial role of financial managers have a positive and significant impact on government performance.

3. Total influence of leadership role (X1) and competence of budget manager (X2) to implementation of performance budget based equal to 0,521 or equal to 52,1%. Based on the results of this study shows that the role of leadership and competence of budget managers has contributed to the implementation of performance-based budget (Y) of 52.1% while the remaining 0.479 or 47.9% is the influence of the contribution of other variables (ε) that are not examined, such as motivation work, organizational culture, compensation. This research is in line with Sabri (2013) research which is the leadership and financial manager resources simultaneously affect the implementation of performance budget management.

Conclusions and recommendations

1. The correlational relationship between leadership roles and the competence of budget managers has a low relationship of 0.311. This shows that the role of leadership and competence of budget managers have interrelated relationships.

2. The partial influence of leadership role (X1) on the implementation of performance-based budget (Y) is 0,522 and the competence of budget manager (X2) on the implementation of performance-based budget (Y) is equal to 0.362. Based on the data processing shows that the value of 0.522> 0.362, it can be stated that the role of leadership is greater and more dominant to contribute to the implementation of performance-based budget than the competence of budget managers. This indicates that more leadership roles can improve performance-based budgeting.

3. Total influence of leadership role (X1) and competence of budget manager (X2) to implementation of performance budget based equal to 0,521 or equal to 52,1%. Based on the results of this study shows that the role of leadership and competence of budget managers have contributed to the implementation of performance-based budget (Y) of 52.1% while the remaining 0.479 or 47.9% is the influence of the contribution of other variables (ε) that are not studied, such as culture organization, work environment, discipline and work ethic.

Suggestions

In accordance with the results of research, discussion and conclusion as the end of this thesis writing, the authors formulate some suggestions which is a further implication of the variables studied namely the role of leadership, competence of budget managers and Implementation of performance-based budget on the Office of Revenue and Manager Finance and Asset Regional (DPPKAD) Karawang regency, as follows:

1. Correlation of leadership roles and competence of budget managers has a coefficient value of 0.311 means to have a low relationship, therefore DPPKAD Karawang regency is expected to increase the role of leadership and for the management of DPPKAD Karawang regency can improve the competence of budget managers by conducting education and training in accordance with periodic job demands.
2. The partial influence of the leadership role and the competence of budget managers on the implementation of performance-based budget shows that the role of leadership as the dominant variable therefore it is necessary to improve the quality of the competence of budget managers in improving the implementation of performance-based budgeting.
3. Simultaneous influence of principal leadership and leadership role on the implementation of performance-based budget of 52.1%, meaning that there is influence of other variables that are not examined by 47.9%. Therefore, to the next researchers to conduct research by examining other variables that may affect the implementation of performance-based budgeting.

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