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# **Performance Audit and Good Governance in Local Government Ogan Komering Ulu**

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Abstract. This study aims to determine the performance and good governance in government OKU(OKU). The research method using survey methods and Focus Group Discussion (FGD) on the working unit. Based on the assessment principal activity of the functions of local government, the district government performance audit OKU can be concluded as follows : Audit of local government performance indicates that local government functions OKU has demonstrated achievement of maximum score within the organization towards governance good governance, especially in the general administrative functions, project implementation, monitoring and evaluation, and procurement of goods and services. Meanwhile, the functions of financial management, audit, information and communication, as well as development planning, have relatively low scores so that a constraint in realizing good governance.

Keywords : Performance, Good Governance, Ogan Komering Ulu.

## **1 . INTRODUCTION**

In line with the implementation of regional autonomy, local governments have greater authority to determine the policies and programs of development is best for the improvement of people's welfare and progress of each area. But the logical consequence of the implementation of regional autonomy is the difference in performance between the regions development. The performance difference between the regions development in turn will lead to the progress and welfare gaps between regions and the emergence of various problems and birth of potential conflicts that need to be monitored and evaluated carefully and continuously. Kinerja audit focuses on audits of government functions or cross-cutting activities in all sectors. The focus of the performance audit is situated on ten functions of local government, which includes general administration, financial management, audit, legal, organizational, management and human resource development, information and communication, planning, project management, monitoring and evaluation , and procurement of goods and services [1].

Audits of management systems and practices of local governments aiming to identify what changes are occurring in the practice management system and district/city governments. Local government performance audit can also be used to play a positive role in helping local government capacity building. Local government performance audit is not intended to show

the performance of an institution , but rather to show the various systems and practices on education across the primary function (Local Government Unit). Thus, the assessment of the performance audit shows problems in the system and governance practices . The achievement of a performance audit is to show the limitations of the existing systems and practices, which would require improvements to produce systems and practices in good governance. Local government performance audit can also be used to play a positive role in helping local government capacity building . This performance audit can help senior management to identify the main activity of the local government in local government management systems and practices that are in need of repair. Conceptual basis, the performance was meant as a picture / description of the strengths and weaknesses associated with the work of a person or a group. According to Mangkunegara, " Performance ( performance ) is the result of the quality and quantity of work achieved by an employee in carrying out their duties in accordance with the responsibilities assigned to him " [2] , while according to Bernardin and Russel ( in Ruky ) provide an understanding of performance as follows : " performance is defined as the record of outcomes produced on a specified job function or activity during time period . Achievement or performance is a record of the results obtained from the specific job tasks or activities in a given period of time [3] . To support the performance management process , it is generally agreed there are at least three areas of capability needed to implement the management processes of technical ability, social, and conceptual. Technical capabilities (technical skills) is the ability to use knowledge, methods, techniques and equipment required to carry out certain tasks derived from experience, education and training. Social skills (social/human skills) is the ability to work with and through others, which includes an understanding of the motivation and the application of leadership very powerful and effective. The ability of conceptual (conceptual skills) is the ability to understand the complexity of the organization and adjustment of the motion field of each unit in the field of operations throughout the organization. This capability enables a person to act in harmony with the goals of the organization as a whole rather than just on the basis of the goals and needs of their own group. For the management of the local government or heads of government must be able to articulate policies that support the successful implementation of regional autonomy in order to realize good governance. Governance is an old concept that is derived from the initial democratic theory which addresses the relationship between the rulers and the people, but the last decade of this new concept is re- considered international policy makers [4]. As a consequence of the implementation of regional autonomy , it is based on the Law of the Republic of Indonesia Number 37 Year 2003 on the Establishment of the East OKU regency, South OKU, and Ogan Ilir, OKU divided into 3 districts namely OKU, OKU East, OKU South. After the division, the area of OKU be only 479 706 ha. Previously, an area of OKU approximately 1.3661 million ha or 13,661 km<sup>2</sup>. In this regard, necessary to study how the performance of the District Government Ogan Komering Ulu now in order to realize good governance.

## **2 . METHOD**

### **2.1 . Data and Instruments**

The method of research using survey methods that intends to provide an overview of the system and rule management practices based on 10 main functions of government activity. Research using a questionnaire instrument that has been prepared by the Ministry of the Interior. The questionnaire consisted of 36 parameters that include 10 major functions of local government. Every major function has two to five parameters to clarify the scope of the main function. Furthermore, each parameter has several indicators, namely the question which makes it possible to measure the progress of each parameter. List of management practices and actions that are not comprehensively covered , tetapi represent key actions that

need to be considered to achieve good governance. Response of surveyed on education provided in the form of answers that were coded (closed answer choices). Response options vary depending on whether the respondent did or did not do something that reflects the partial nature of the activity or the local government plans to carry out an activity, to the answers provided can be measured. Additionally this research uses secondary data, especially from institutions associated with research problems.

## **2.2 . Data Collection Techniques**

The data collection process performance audits of local governments to use the method of Focus Group Discussion ( FGD ) on the Local Government Unit ( on education ), along with the guidance of questions ( questionnaire ) were prepared by a core team of the Interior Ministry. FGDs were conducted at each institution involving elements of leadership on education institutions (FGD consists of 2 to 5 people ). Interviews are generally conducted with the leadership on education , which is steeped in every questionnaire completed. Under the agreement with the OKU FGD method and accompanied deepening interviews with selected for each working unit heads and are considered very appropriate to the scope of the activities on education in OKUat that time. On education is the source of data is the entire Board, Office of the Regional Secretariat and The Ogan Komering Ulu. Therefore, this survey intends to provide an overview of the practices and management systems that use local government. To obtain accurate data, it is a source of general information is the head of the institution, namely Head, and Head of the Department on education respectively.

In the implementation of data collection, not all SKPDs can respond well all the parameters that have been available and even some SKPDs not menjawab certain parameters because these parameters are considered more relevant when answered by competent agencies. For example, questions relating to financial management systems and practices, many institutions SKPDs recommend to the Regional Revenue Office ( Receipt ) and District Regional Secretariat Finance Department. OKU very understanding implementation processes that occur .

## **2.3. Population and Sample**

Population surveys are government performance audit on education in the entire scope of the OKU. Researchers have spread the stuffing on the whole questionnaire echelon II at 15 and 5 Department of Agency, as well as the entire echelon III in 7 offices and the Regional Secretariat Section 8 or as many as 35 overall on education. In the process of filling out the questionnaire discussion of each of the above organizations leaders didanpingi by one or two staff under the leadership echelon. Before conducting questionnaires, first team to explain procedures for filling the questionnaire so that the answers will be given in accordance with established work procedures. The questionnaire prepared stuffing generally answered by the working unit heads and head parts.

## **2.4 . Data Processing Method**

Tabulation of data processed. Answer each question on each indicator is given a score assessment parameters and then add the assessment scores to define the parameters . Score value of each parameter is obtained by summing the scores on the indicators and comparing that number to the score of the maximum score on the parameters , and expressed as a percentage . Score of 100 % indicates that the parameters of the system and rule management practices on these parameters has been achieved in full . Data that has been processed will be presented in a cross-tabulation and frequency distribution To simplify the process , data processing using software tools that have been provided . Assessment score is used only to facilitate identifying the progress that has been achieved by local governments in achieving

the parameters measured . This score is not used to assess the performance on education as a whole . Moreover , it is not possible to compare the progress of the different parameters . The results of these measurements are also not meant to compare one on education with other SKPDs , and one local government to another local government .

### **3 . PERFORMANCE AUDIT AND GOOD GOVERNANCE**

In accordance with Law No. 28 Year 1959 on the Establishment of Regional and Municipal Level II in South Sumatra Province , an area of OKU approximately 1.3661 million ha or 13,661 km<sup>2</sup> . Further development based on the Law of the Republic of Indonesia Number 37 Year 2003 on the Establishment of the East OKU regency, South OKU , and Ogan Ilir , OKU divided into 3 districts namely OKU, East OKU, OKU South. After the division, the area of OKU be only 479 706 ha . Administration Ogan Komering Ulu after division consists of 9 the District , 3 villages and 135 villages. Performance Audit Questionnaire for the primary function of Local Government distributed a total of 33 copies to the Government on education in the Ulu and Ogan Histories is back as many as 30 copies or 90.90 % . The results of the questionnaire can be explained as follows : First , the General Administration . There are five parameters of the primary functions of public administration. (1) The rationale for ensuring efficient use of staff and resources. (2) Implementation of administrative procedures within the prescribed period. (3) Administration of a clean , transparent and accountable. (4) " Jetting System documents and archival records storage and the efficient and effective " is not uniformly apply a list of the fees charged for a service or licensing published in public or in a leaflet or pamphlet available at the office so that the service fee and public service costs known by the public. (5) achievement and office management utility that efficiently and effectively . Overall, the main function of public administration on education Ogan Komering Ulu achieve a score of 53.40 percent . These results indicate that the overall system and good government management practices in public administration major functions can be said to be successful , because on education within the scope of the Ogan Komering Ulu has implemented major functions of public administration that leads to good governance. Thus, based on the scores of the five parameters of the public administration , government Ogan Komering Ulu has been able to perform a procedure that is both general administrative services , however, the systems and practices of good governance in the scope of the Ogan Komering Ulu.

Secondly , Financial Management . The results of respondents' answers to the questionnaire for the main functions ( financial management ) showed considerable variation among the dominant parameters were observed . Overall, the financial management of local government scored 60.41 percent , the obtained score is less than 65 percent . This score indicates that there are still many aspects of government financial management and housekeeping needs to be improved , given that good financial management will result in the implementation of transparent and accountable government . Third , Audit . The results of respondents' answers to the questionnaire for the main functions ( Audit ) an indication of the performance audit is an audit systems and practices in the management of government . Overall, the process of obtaining audit score of 54.82 percent . This indicates that the primary function of government in the implementation of the audit has led to considerable improvements . This means that the Local Government Ogan Komering Ulu has sought so as to carry out the audit function in the local government district. Ogan Komering Ulu. Fourth , Legal . The results of respondents' answers to the questionnaire for the main function ( Legal ) indicates the direction of development towards the creation of good governance . Various parameters were observed in this aspect produces a high enough score . Overall, the parameters of the legal system in implementing Ogan Komering Ulu scored at 68.75 percent . That is , many problems still have to be improved further implementation , in particular on Oversight

Council to enforce the law and regulations as well as the aspects that the Government and Parliament must have a schedule for preparing and approving new regulations .

Fifth , Organizational Development . The results of respondents' answers to the questionnaire for the main functions ( organizational development ) . Administration of public services is also determined by the presence of a rational government organization and are competent . Organizational Structure parameters that correspond to the needs and the efficiency of local government functions ( including employee reduction plans and the addition of new positions ) have shown significant progress . Another aspect observed that institutional job descriptions for each position . Scores obtained this parameter is equal to 85 percent . This shows that in general job descriptions for all sections / sub- sections , agencies and services are available; and has been published or made known to all staff ; as well as having an impact on the delivery of public services. However , these conditions need to be improved . Overall, the improvement of the organization has done . Scores overall progress of 77.50 percent . This may imply that the process of organizational development has been implemented, especially in the aspects described above. Sixth, Human Resource Development .

The results of respondents' answers to the questionnaire for the main functions ( Human Resource Development ) has been carried out by standard and modern system . But now the use of modern tools is still in its early stages pengembangan prepare , not been fully operationalized . Overall, the activity of human resource development in the local government district. Ogan Komering Ulu scored at 68.83 percent . This indicates that the above-mentioned issues have become a concern to be improved by the District Government . OKU , especially the increase in the capacity of civil servants , and ultimately governments can provide public services in accordance with the standards required .

Seventh, Information and Communication. The results of respondents' answers to the questionnaire for the main functions ( information and communication ) has done in a transparent and participatory . Local governments Histories Ulu Ogan has begun to develop a modern communications information systems that support planning and decision making . That on these parameters , the resulting score of 66.66 percent. This suggests that communication devices such as Internet network has been owned by many government agencies. Communication system between sections , departments, agencies and the secretariat areas not equipped with systems and equipment such as the internet that can be accessed by all agencies and the lack of database systems within the scope of local government agencies . The implementation of communication for the support services to the community has not produced a good performance for new generating a score of 33.33 . This shows that despite the limitations in the implementation of information and communication to the public service, but the field of information on education seeks to develop an information system that allows the public to access a service data directly to the public . In addition, the government also has a call center system to adequate services , including integrated service system is online . Local governments have also sought to develop a system of performance targets in response to public inquiries about some of the problems . Support information and communication that allows the public to participate in decision-making areas such as regulation has shown its development . Overall, the score of the primary functions of local government information and communication by 58.02 percent . This shows that only a part of the system and information management and communication practices that support good governance has been implemented .

Eighth , Development Planning . The results of respondents' answers to the questionnaire for the main functions ( development planning ) that the process of development planning in OKU beginning to concern the involvement of many parties, including local communities ,

businesses , and education among the communities . Scores planning involving " stakeholders " reached 70.61 percent . This shows that the local government has held a planning process that starts from the planning workshop at all or villages. However, the planning system with this village planning workshops have limitations in practice , not all of them fulfilling their villages or village musbangdes ( estimated to be around 50 % of the entire village ) . In addition , initiatives village / villages in the nomination of physical development program looks still low , and yet the overall use of local media to accommodate the use of feedback from the community in the planning process of the proposal ( including the budget process ) . Overall, the process of development planning in OKU show progress and management practices big government reaching 71.53 percent. Thus, the survey may indicate that development planning towards good governance has been and continues to be done in OKU although there are still many limitations and problems . Ninth , Project Implementation , monitoring and evaluation . The results of respondents' answers to the questionnaire for the main functions ( project implementation , monitoring and evaluation ) that scores the progress local government capacity to implement the program efficiently with the resources to weigh 79.16 percent of the time . This means that there has been a significant increase in the capacity to implement the program efficiently by weighing the resources and time . Overall score progress administration system and management practices for the implementation of the implementation , monitoring and evaluation score of 69.22 percent . However, this increase did not occur significantly. That is , the local government district. OKU still struggling to improve the implementation of the implementation , monitoring and evaluation in the local government district. Ogan Komering Ulu.

Tenth, Procurement of Goods and Services . The results of respondents' answers to the questionnaire for the main functions ( procurement of goods and services ) can be seen that the parameter implementation of public procurement procedures with the perfect score of 100.00 percent . This suggests that some indicators have been made to the local government , namely the implementation of Presidential Decree No.80/2003 by Parliament in monitoring the procurement of goods and services , and has been the implementation of open tenders in the procurement of goods and services . Limitations that still need to be improved in this parameter is the overall execution of quality yet cost bases selection ( QCBS ) as the basis for the procurement regulations . In general , the process of procurement of goods and services have achieved significant progress in achieving management systems and practices of good governance , which reached 94.64 percent .

Based on the above discussion , according Moehariono , the performance is very important and must be observed by all levels of management in both small and large organizations . The results of the work accomplished by the organization or the employee is a form of accountability to the organization and the public [5] . If the management of the organization, including the head of the region , able and willing and committed to improving the performance , in accordance with the responsibilities assigned to him , the effort and effort to realize good governance within a relatively short time can be immediately realized . Based on the facts and the data obtained from the results of this study , the initial capital for the Government Ogan Komering Ulu has been owned and conditions are quite encouraging . That is , if all ranks pemerintah areas can improve the performance of the existing , then do not take a long time to realize good governance in the OKU .

## **4 . CONCLUSIONS AND RECOMMENDATIONS**

### **4.1 . Conclusion**

Based on the assessment principal activity of the functions of local government , the district government performance audit OKU can be concluded as follows: local government performance audit showed that the regional government functions Ogan Komering Ulu has



demonstrated achievement of maximum score within the organization towards governance good governance, especially in the general administrative functions ( 66.04 % ), legal (68.75%) , organizational development ( 77.50 % ) , human resource development (68.83 %), information and communication (58.02%), project implementation, monitoring and evaluation ( 69.22 % ) , as well as the procurement of goods and services (94.64 % ). While the functions of financial management ( 60.41 %), audit ( 54.82 %), information and communication ( 58.02 % ) , as well as development planning ( 55.69 % ) were still relatively low score. So this is an obstacle in efforts to achieve good governance .

#### **4.2 . Recommendations**

Recommendations can be submitted by the conclusions are as follows : because the results showed that the functions of financial management , audit , information and communication as well as planning to get a score that is still relatively low , then the government should OKUgive concentrations or activities of a large weighting on the function - these functions . At each governmental functions contained in the achievement of each parameter inconsistency , therefore these activities should consider focusing its activities on parameters which are still relatively low scores in the progress towards the implementation of good governance .

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