

CHAPTER III

RESEARCH METHOD

A. Research Design

1. Types and Data Sources

This type of research uses quantitative data, where research is carried out by means of surveys, questionnaires, and analysis using statistical calculations (SPSS). Sources of data from this study are primary data, where sources are obtained from original sources directly without intermediaries or media. Data is taken directly from the Local Government Office in Bantul Regency by distributing questionnaires to each manager or staff.

2. Research Subjects

The subject of this study is the SKPD Local Government Office in Bantul Regency, especially more directed to managers or staff to be able to respond to the questionnaire that has been given. In fact, the researcher chose the SKPD object because the researcher wanted to know how the managerial system or performance system within the government was in each of its departments.

SKPD itself is also a device unit whose duty is to serve the community and build in all sectors to advance the quality of this country in the eyes of the world and be able to compete with foreign countries in various aspects. Absolutely all of that must be started internally in advance. If from the internal side the performance is very good, then when it comes to the era of globalization, as now, the government is ready with all conditions.

3. Population and Sampling Technique

The population of this study certainly took a structural part and staff from the Bantul Local Government such as Head of Service, Head of Administration, Secretary, Treasurer, Head of Finance and the staff. By taking the population from the structural it is expected to be able to provide a positive response because the structure has the authority in each division. This sampling technique uses Purposive Sampling. Understanding of sampling techniques according to Sugiyono (2001) is: Sampling technique is a sampling technique (Sugiyono, 2001).

The definition of sampling technique according to Margono (2004) is: Sampling technique is a way to determine the sample whose amount is in accordance with the sample size that will be used as the actual data source, taking into account the characteristics and distribution of populations to obtain a representative sample. Purposive Sampling is a technique of determining samples with certain considerations.

The selection of a group of subjects in purposive sampling is based on certain characteristics that are considered to have a close relationship with the characteristics of the population that were previously known. So in other words, the contacted sample units are adjusted to certain criteria applied based on the research objectives or research problems.

4. Data Collection Method

The method of collecting data from this study uses a questionnaire distribution that contains several questions from researchers and then filled out

by respondents to give results to researchers to analyze. The respondents themselves are based on several work tools at Bantul Local Government. The results of the questionnaire will be the material of research and consideration for researchers to determine whether the results are significant or not.

5. Operational Definition of Research Variable

a. Dependent Variable

Efforts to obtain optimal employee performance, a leader is not enough just to ensure that the employee concerned has knowledge and skills, but besides that a leader must also be able to understand the motivation of work of employees, encourage and direct the existing potential and understand the things that can give birth to job satisfaction. For this reason, a relevant approach and more humane coaching is needed.

Findings from several literature besides the term job performance, there are also terms that have the same meaning, such as performance, work performance, performance, work achievement, work performance. Because there are several terms used, the performance definition varies, but broadly the definition of performance can be seen from two approaches, namely the process approach, and the results approach. The process approach assumes that performance can be seen from two approaches, namely the process approach and the results approach.

The definition of employee performance proposed by Anwar Prabu Mangku Negara in the book *Human Resources Management Company* (2002: 67), is Employee Performance is the work of quality and quantity achieved by

someone in carrying out their duties in accordance with the responsibilities assigned to him.

Henry Simamorang in the book *Human Resource Management* (1995), states that Performance is the level at which employees reach job requirements. Employee performance according to Sjahrudin Rasul in the book *Performance Measurement* is a description of the level of achievement in an activity or program achievement in realizing the goals, mission, and vision of the organization contained in the formulation of strategic planning.

While measuring a performance is a method for assessing progress that has been achieved then compared with the intended purpose. Performance measurement is not intended to act as a mechanism.

b. Independent Variables

Budget Participation

Broad participation is basically an organizational process, where individuals are involved and have a direct influence on these individuals. In the specific context of participation in budgeting according to Leach-López (2016) is a process where individuals are involved in and have an influence on the preparation of budget targets, whose performance will be evaluated and are likely to be valued on the basis of achieving their budget targets.

In addition, then the notion of participation reinforced by Stammerjohan (2015) is the level of participation of middle and lower level managers in preparing the budget. They are often involved in determining organizational goals, as well as other aspects of the budget because they are usually very

aware of operations that are being budgeted or because top management wants to get motivated benefits from the participation of their subordinates.

Their participation in the budgeting process is an effective approach to improve individual motivation and behavior in every part of the organization. The participation in budgeting makes budget implementers understand the problems that may arise during the implementation of the budget, as a result the participation in budgeting can increase efficiency.

Through participation, it allows budget executors to communicate and interact each other. So that it can easily increase cooperation to achieve organizational goals. Lee (2015) explains that by a compilation of participation budget it is expected to increase the performance of the subordinate managers will increase.

This is based on the idea that when a goal or standard designed in a participatory manner is approved, the employees will serious consider the goals or standards that have been set. They also increase their personal sense of responsibility to achieve that budget participation can improve the quality of the budget made and have a positive impact on the performance of subordinates in contributing input to budgeting..

Budget Participation is a short-term work plan that is prepared based on a long-term plan set in the program preparation process (Mulyadi, 2001). According to Supriyono (2001) "Budget participation is a detailed plan formally expressed in quantitative measures, usually in units of money, to

show the acquisition and use of sources of an organization within a certain period of time, usually one year".

Budgeting is the formulation of plans in numbers for a certain period in the future (Kadarman, 2001). Budget participation is prepared by the management for a year period aiming at bringing the company to certain desired conditions with certain calculated resources.

According to Hansen and Mowen (1997) the budget provides several benefits for the organization, namely:

1. Forcing managers to make budgeting plans forcing the management to plan for the future. This activity also motivates managers to develop direction for the organization, predict difficulties, and develop future policies.
2. Providing information on resources that can improve the quality of decision making.
3. As a standard for evaluating performance, the budget also provides the basis for using existing resources in the company and motivating all employees. In addition, controls are needed to compare actual results with those budgeted periodically or monthly. The big difference between the actual results and the planned results is feedback that reveals disfunction of the system. Furthermore, actions need to be taken to find out the cause in order to improve and find a solution.
4. Improving communication and budget coordination formally communicates organizational plans to each employee. That way, all employees will be aware of their role in achieving the company goals. Because the budget is generated

from various fields, company activities must support each other to achieve organizational goals. Thus, coordination is still needed. A manager should be able to observe the needs of other fields so that they are motivated to prioritize organizational goals rather than individual goals. All communication and coordination roles are increasingly important if the organization grows bigger.

The budget besides having many benefits also has several weaknesses, among others (Nafarin, 2007):

1. Budget is made based on estimation and assumptions, so that it contains elements of uncertainty.
2. Prepare a careful budget requires time, money, and energy that is not small, so not all companies are able to prepare a complete (comprehensive) and accurate budget.
3. Parties who feel forced to implement the budget can cause them to grumble and oppose, so that budget execution becomes less effective.

Organizational Commitment

According to Gomes & Mellahi (2017) Organizational commitment is an attitude where the individual identifies himself with the goals and expectations of organization to be able to realize the goals of the organization. According to Sahadev and Amy (2017) they argued that organizational commitment is a strong desire to continue and contribute as a member of a particular organization, the desire to struggle in accordance with the wishes of the organization, certain beliefs, acceptance of the values, and the objectives of the organization. According to Jalilvand & Vosta (2015), organizational

commitment is the most powerful influence. In which people identify with demand and are very motivated to implement it, even when the source of motivation is no longer present.

Organizational communication, organizational commitment, job stress, and job performance have received substantial attention in past organization behavior research. These organizational behavior variables are significant to a company's overall performance. For example, poor organizational communication has been found to lower organizational commitment (Chen, Silverthorne, and Hung, 2006) resulting in the three basic components of organizational commitment, identification, involvement, and loyalty, being reduced.

According to Boshoff & Mels (1995), it is stated that organizational commitment is the degree to which employees trust and accept organizational goals and will not leave the organization. According to Griffin (2002), organizational commitment or organizational commitment is an attitude that reflects the extent to which an individual knows and is bound to his organization.

A person who has a high commitment to the company is likely to see himself as a true member of the organization. According to Mowday (1992) He was the first person to call organizational commitment with work commitment, argues that commitment is a dimension of human behavior that is used to assess employee loyalty to his company.

Organizational commitment is a psychological state that characterizes the employee's relationship with the organisation. This has implications in terms of continuing his or her membership in the organisation. A committed employee is one who stays with the organisation under any favorable or unfavorable circumstances affecting the organisation (Rashid, Sambasivan and Johari, 2003).

The organizational commitment as a psychological state that characterizes employee relations with the organization or its implications that affect whether or not employees will remain in the organization is identified in three components, namely affective commitment, continuous commitment, and normative commitment (Zurnali, 2010). Price (1997) defines organizational commitment as the member's pride, member's loyalty, and willingness member's to the organization.

Price (1997) also expressed another definition explaining that a form of commitment that arises not only is passive loyalty, but also involves active relationships with work organizations that have the goal of giving all efforts for the success of the organization concerned.

Robbins (2008) defines that organizational commitment as an attitude that reflects the feelings of likes or dislikes of employees towards the organization. According to Allen & Meyer (1993), they argue that there are three components of organizational commitment, namely:

1. Effective Commitment occurs when employees want to be part of the organization because of emotional ties.

2. Continuous Commitment (commitment continuous) occurs when employees persist in an organization because it requires a salary and other benefits, or because the employee does not find another job.

3. Normative Commitment is a feeling that requires staying in the organization due to obligations and responsibilities towards organization based on consideration of employee norms, values and beliefs.

Work Motivation

Çetin & Duysal (2018) a motivation is the key to the success of an organization to maintain continuity of work in the organization by means and strong assistance to survive. The motivational function is to provide appropriate guidance or direction, resources, and rewards so that they can be inspired and interested in working as the manager wants.

Chukwuma & Obiefuna (2014) Motivation is the process of generating behavior, maintaining behavioral progress, and channeling specific behavioral actions. Thus, motives (needs, desires) encourage employees to act. Motivation is a process that starts with the needs in human beings that create a vacuum in a person.

Motivation is a process whereby needs need to encourage someone to carry out a series of activities that lead to achieving certain goals. Objectives that if successful are achieved will satisfy or fulfill those needs (Munandar, 2001). Miftahun & Sugiyanto (2010) states that work motivation is an effort that can cause a behavior, direct behavior, and maintain or maintain behavior that is in accordance with the work environment in the organization.

Work motivation is a basic human need and as an incentive that is expected to meet the desired basic needs, so that if these needs exist will result in success in an activity. Employees who have high work motivation will try to get the work done as well as possible. In a general sense, Motivation is said to be a necessity that drives actions towards a particular goal Work motivation is a cause of enthusiasm or work motivation.

Therefore, work motivation in psychology is usually called a driver of morale. The strong and weak work motivation of a workforce also determines the size of his work. Anoraga (2009). Motivation is one of the most important factors that influence human behavior and performance. Motivation Theory has been discussed and conceptualized by various researchers.

The level of motivation of an individual or team is given in their assignments or work which can affect all aspects of organizational performance. In a recent study, motivation was defined by Saraswathi (2011) as a willingness to exert a high level of effort, towards organizational goals, which are conditioned by the ability of effort to meet several individual needs.

Wan & Tan (2013) some opinions that have been stated by experts can be concluded that a work motivation is a process of need to encourage someone to do some activities that lead to the achievement of certain goals and objectives of the organization and to meet needs. Weak motivation for work done by the workforce determines the size of achievement in the organization.

c. Moderating Variable

Internal Locus of Control

Locus of control according to Rotter (2009) is something that is certain to contribute to the quality of performance in someone, namely the initial response as the basis of the response that will be carried out next. Then, according to Spector (2010) is defined as a reflection of an individual's tendency to believe that he controls the events that occur in his life (internal) or control of events that occur in his life that come from other things, such as the power of others (external).

Erdogan's locus of control includes the idea that individuals throughout their lives, analyze events as a result of their behavior or they believe that the event is the result of coincidence, fate or power beyond their control. Based on Lee-Kelley (2012) is described as a dimension with two opposite sides. Dimensions that reflect the extent to which people believe that what happened to them is in their control or out of their control. Locus of control according to Demirtas & Güneş (2012) can be defined as the power that controls the actions of employees and things that are done to them, besides that locus of control is considered as people's perceptions of who or what is responsible for the result of behavior or events in their lives.

Locus of control according to Robbins (2007) is the rate at which individuals believe that they are their own destinies. There are two factors that influence an individual in determining their destiny. First, internal factors, namely individuals who believe that they are in control of whatever happens

to themselves. While external factors explain an individual who believes that whatever happens to them is controlled by external forces such as luck or opportunity.

According to Dayakisni & Yuniardi (2008) that control is a condition of how individuals perceive their behavior as their relationship with others and their environment. Then, according to Hiriyappa (2009) refers to a person's belief that what happens is because his control is internal or outside of his control, which is external. That control according to Hanurawan (2010) is the tendency of people to look for a cause in a certain direction. Can be categorized into internal and external locus of control.

Locus of control according to Ghufroon & Risnawita (2011) is a picture of one's beliefs about the source of determinants of behavior. Which is one of the factors that greatly determines individual behavior. Based on the views of several experts above, it can be concluded that control is a concept that shows the individual's beliefs about the events that occur in his life. It can be leads to a measure that shows how someone looks the possibility of a relationship between the actions carried out and the results or results obtained. So, locus of control is a person's perception of success or failure in carrying out various activities in his life caused by his control or control outside himself.

6. Data Analysis

The data analysis is the technique for using testing the hypotheses development to find out the result.

a. Instrument Quality Test

The instrument used was by using a Likert scale questionnaire instrument 1–5 for the variable budget participation and organizational commitment. The Likert scale is scale can be used to measure attitudes, opinions and perceptions of a person or group of people regarding social phenomena (Sugiyono, 2009: 132). The answer form of the Likert scale consists of a score of 5 (SS = Strongly Agree), 4 (S = Agree), 3 (N = Neutral), 2 (TS = Disagree), and 1 (STS = Very No Agree). While managerial performance variables use the self-rating system developed by Mahoney (1963).

1. Validity Test

Validity is a degree of accuracy / feasibility of the instrument used to measure what will be measured (Ariffin.2012). According to Sukardi (2013) validity is a degree that shows where a test measures what you want to measure. Whereas according to Azwar (2014) that validity refers to the extent of the accuracy of a test or scale in carrying out its measurement function. A questionnaire is said to be valid if the question being tested is able to measure the variable being tested.

2. Reliability Test

Reliability is translated from the word reliability which means all things that can be trusted. A test is said to have high reliability if the test can provide stable data results even if given at different times but the same respondent. Reliability concerns the problem of the accuracy of measuring instruments.

This accuracy can be assessed by statistical analysis to determine measurement errors.

Reliability is easier to understand by considering aspects of stabilization, accuracy, and homogeneity. An instrument is considered reliable if the instrument can be trusted as a measure of research data (Kerlinger, 1973). The researcher used Cronbach's Alpha with the criteria if the coefficient Cronbach's Alpha > 0.7 then the question is declared reliable and if the Cronbach's Alpha coefficient is 0.7 then the question is not reliable (Ghozali, 2016).

3. Descriptive Analysis

Descriptive analysis is used as an analysis technique with the aim of describing or describing the number of questionnaires or questionnaires that are returned and comparison with the questionnaire sent by presenting a table that contains the maximum, minimum, average, and standard deviations obtained from the respondents' answers.

b. Classic Assumption Test

Classic assumption test a statistic that must be fulfilled in multiple linear regression based on ordinary least square. So a regression analysis that is not based on OLS does not require classical assumption requirements, for example logistic regression or ordinal regression. But not all classic assumption tests must be done in linear regression analysis, for example multicollinearity tests.

1. Normality Test

The normality test is done to determine whether the independent variable and the dependent variable are said to be normal or not. Normal here means having normal data distribution. The abnormality of these variables is based on the standard normal distribution of data with the same mean and standard deviation. So, the normality test basically does a comparison between the data we have and the normal data distribution that has the same mean and standard deviation as our data.

Data that has a normal distribution means that it has a normal distribution. With the profile of the data, the data is considered to represent the population (Patria, 2011 in Harahap, 2013). To detect the normality test in this study using the Kolmogorov-Smirnov statistical test on each data. If the result is $Asymp.Sig. > 0.05$, the data is normally distributed (Ghozali, 2016).

2. Multicollinearity Test

Multicollinearity test to determine the relationship between several or all variables that explain in the regression model. If there is multicollinearity in the model, then the model has a large standard error so that the coefficient cannot be estimated with high accuracy. One way to detect the presence or absence of multicollinearity is by the Farrar-Glauber test (calculation of the F-ratio to test the location of multicollinearity). Results from Statistics (F_i) compared to F tables. The test criteria is that if $F_{table} > F_i$ then the independent variable is colinear against other variables.

Conversely, if F table is $< F_i$, then the independent variable is not cholinear against other independent variables. This test is used to test whether in the regression model there is a correlation between independent variables. A good regression model has no correlation between independent variables. Multicollinearity can be seen from tolerant values as well as variants of inflation factor (VIF). If the tolerant value is > 0.10 or VIF value < 10 then there is no multicolourity between the independent variables (Ghozali, 2016).

3. Heteroscedasticity Test

The heterocedasticity test aims to test whether in the regression model there are variance inequalities from residuals, one observation to another observation. If the variant of the residual is one observation to another observation is the same, it is called homoschedatisity. Conversely, if the variant of the residual one observation to another observation is not the same then it is called heteroscedaticity. Good regression model is that homoskedasticity or heteroskesdatisitas does not occur. To detect the test can use the Glejser test, if the value of the Prob. > 0.05 , there is no problem of heteroscedasticity (Ghozali, 2011).

c. Hypotheses Testing

1. Multiple Linear Regression Analysis

This study uses multiple linear regression models. Multiple linear regression used to analyze the relationship between two or more independent variables with variables jointly dependent. The equation model is as follows.

2. t Test Statistics

The t test is used to test how the influence of the independent variable on the dependent variable (Ghozali, 2013). This test can be done by comparing t count with t table, if $t \text{ count} > t \text{ table}$ then the relationship between variables can be said to be significant. In addition, the results of the t test can be seen from p value by using a 95% confidence level (error rate of 5%). If $p \text{ value} < 0.05$, it can be concluded that there is a significant effect between the variables tested.

3. F Test Statistics

Ghozali (2013) explains that the F test is used to test the influence of the independent variables on the dependent variable, so that this test can see whether the regression model produced produces a significant relationship or not. This test can be done by comparing F count with F table, if $F \text{ count} > F \text{ table}$ then the model will be significant. The model will be significant when the significance of $F < 0.05$ (alpha).