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Revolutionizing Performance: A Groundbreaking Study on Enhancing Government Efficiency in Indonesia

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Abstract

Embarking on an exciting journey into the heart of Indonesia's government efficiency, this groundbreaking study unravels the secrets behind successful performance management in Central Government Organizations. Focusing on an array of Ministry/Agency Working units across the vibrant provinces of Lampung, this research delves into 74 units under 13 Ministries/Institutions, spotlighting areas that have witnessed remarkable growth following the implementation of Budget Implementation Performance Indicators (IKPA). Employing an innovative mixed-method approach with an explanatory sequential design, this exploration merges detailed surveys with enlightening in-depth interviews. Our findings unveil a treasure trove of insights: the pivotal role of well-crafted performance measurement systems, the critical importance of their institutionalization, and the profound impact of individual factors in enhancing the use of performance information. These elements collectively forge a path to significant performance improvements. A striking revelation of this study is the profound influence of institutional pressures, particularly coercive and normative, in shaping employee behavior towards achieving performance targets. This research not only sheds light on the dynamics of performance management in Indonesia's public sector but also serves as a beacon for other governments striving for efficiency and effectiveness. This captivating study is a must-read for enthusiasts of performance measurement systems, institutional theory, and the intricacies of governmental isomorphism, offering a fresh perspective on transforming public sector performance.

Keywords

Performance measurement system, performance information, institutional theory, isomorphism

1. Introduction

The change in governance from Traditional Public Administration to New Public Management (NPM) which focuses on the quality of performance measurement has begun to be implemented by many Organisation for Economic Cooperation and Development (OECD) countries since the 1990s (Akbar 2011). Legally, in Indonesia, the momentum for measuring the performance of government agencies as part of public accountability has been implemented since the reform era in 1999 marked by the issuance of Presidential Instruction Number 7 of 1999 concerning Accountability for Performance of Government Agencies (AKIP) (Akbar et al. 2012). In order to assess the performance of

ministries/agencies as budget users in implementing the state budget in Indonesia, starting in 2018, the central government used an indicator called the Budget Implementation Performance Indicator (IKPA).

IKPA is one type of performance information that is useful for Indonesian central government employees to assist the right decision-making process regarding organizational improvement. Although performance information can be used in various ways, the ultimate goal is to enhance organizational performance (Ammons 2012, Poister et al. 2013, Van Dooren and Van de Walle 2010, Moynihan and Pandey 2005). Many researchers find that public organizations use performance information in a variety of ways (Nitzl et al. 2018, Van Dooren and Van de Walle 2010), for example, Dimitrijevska-Markoski and French (2019) found that performance information is used for evaluation, planning, budgeting, personnel decision making, reporting to the public, and reporting to elected officials. Liu and Van Dooren (2013) concluded that performance information is applied as an organizational routine, in the short term, performance information is used as an instrument of management control and operating behavior modification, and within the long term, performance information is used to assist organizations in improving organizational performance. Grossi et al. (2016) found that financial performance information is more beneficial for organizations than non-financial information, and also, the use of performance information is more intended as a form of accountability rather than internal decision-making

Some researchers have studied why organizations develop and implement Performance Measurement Systems (PMS) by examining various theories such as organizational learning theory (Taylor 2011), information processing theory (Dimitrijevska-Markoski and French 2019), agency theory and stewardship theory (Raudla and Savi 2015, Boon 2018, Bjurstrom 2020), stakeholder theory (Harrison et al. 2012), and institutional theory (Akbar et al. 2012, 2015). Complementing these theories, the institutional theory exists and can adequately explain the motives of individual and organizational actions (Dacin et al. 2002). This research used institutional theory as a basis for developing models and seeking information related to the implementation of performance measurement in central government organizations in Indonesia. Institutional theory can explain processes including rules, schemes, routines, and norms as the main reference in working in organizations (Scott 2004). The existence of regulations regarding the implementation of PMS in both central and local governments shows that external pressures tend to affect the implementation of PMS in government organizations in Indonesia (Wulaningrum et al. 2020). This phenomenon showed a homogenization process as a result of isomorphic pressure (DiMaggio and Powell 1983) also occurred in government organizations in Indonesia.

In recent years, many studies have been conducted to determine the various factors that influence the implementation of performance measurement systems (Wulaningrum et al. 2020, Akbar et al. 2012, 2015, Sofyani and Akbar 2013, Sofyani et al. 2018, Ahyaruddin, and Akbar 2016, 2018, Primarisanti and Akbar 2015, Pratiwi and Akbar 2018), but in fact, the difficulty of determining performance indicators (Sofyani et al. 2018, Akbar et al. 2012, 2015) and the use of performance information in public sector organizations are still very limited and simple (Dimitrijevska-Markoski and French 2019, Yetano, 2013, Ammons and Rivenbark 2008, Moynihan and Pandey 2010). Several problems in implementing the performance measurement system were producing limited information, lack of data analysis, entering little qualitative information, providing data that was not up to date, and unclear reporting (Hatry 2014 in Dimitrijevska-Markoski and French 2019).

Apart from the critical role of the Performance Measurement System (PMS), the implementation of PMS in Indonesia has also not achieved the primary goal of improving the performance and accountability of government organizations (Sofyani et al.2018). Although several previous studies still found evidence that the implementation of performance measurement systems in several government organizations was only a mere formality and had not been strongly useful for improving organizational performance (Ahyarudin and Akbar 2016, Gerrish 2016, Poister et al. 2013), in recent years, other researchers have found a significant correlation between the use of performance information and improvements in the performance of public sector organizations (Dimitrijevska-Markoski 2019, Pratiwi and Akbar 2018). Based on Institutional Theory, this shows that the behavioral motives of individuals in public sector organizations have changed from mimetic and coercive pressures to normative actions oriented towards professionalism. The ultimate goal of implementing a performance measurement system is not only to use performance information for decision making (Poister et al. 2013) but also to improve organizational performance in the future (Dimitrijevska-Markoski and French 2019, Nitzl et al. 2018, Poister et al. 2013, Ammons 2012, Behn 2003, Moynihan and Pandey 2005).

Research on the implementation of performance measurement systems and the use of performance information within the central government in Indonesia is still limited. Most of the research on performance measurement in Indonesia has been conducted at the local government level (Akbar et al. 2012, 2015, Sofyani and Akbar 2013, Sofyani et al. 2018, Ahyaruddin and Akbar 2016, Primarisanti and Akbar 2015, Pratiwi and Akbar 2018, Wulaningrum et al. 2020). In the practice of implementing PMS in central government organizations in Indonesia, researchers found an indication of a significant improvement in the performance of the Ministries/Institutions working area of the Metro State Treasury Service Office (KPPN Metro) since the regulation on Budget Implementation Performance Indicators was implemented. Increase in the average value of the performance indicators of the working units of ministries/agencies working area of KPPN Metro due to the finding that budget implementation problems are decreasing every year. The significant increase in the average working unit performance of the ministries/agencies working area of KPPN Metro, especially for the 2018-2020 period, made KPPN Metro successfully achieve the first rank in the performance assessment of cash management of the Regional State Treasurer in 2020 for the category of KPPN Type A1 Non-Provincial (Director General of Treasury Letter Number ND-118/PB/2021), where previously KPPN Metro was only ranked 51 (out of 53 KPPN) in 2018 (Director General of Treasury Letter Number S-7147/PB/2018).

1.1 Objectives

This study aims to obtain empirical evidence related to the factors that influence the use of performance information in improving the performance of Ministries/Institutions Working units (central government organizations) in Indonesia. In addition, this study also wants to find out whether there is isomorphic pressure that affects the behavior of Ministry/Agency Working unit employees in meeting performance targets based on IKPA. Thus, this study was conducted to answer the research problem by exploring the following research questions:

Q1: What factors significantly influence the use of performance information and indirectly affect organizational performance?

Q2: Do the three isomorphic pressures motivate employees' actions in achieving performance targets?

The results of this research are expected to enrich knowledge related to the factors that can optimize the use of performance information to improve government institutions' performance, develop performance indicators, and reduce the gap of the previous research literature. In terms of practical contribution, this research serves as an evaluation tool and provides feedback for government organizations (especially the central government) regarding the use of performance information to improve organizational performance in carrying out each program/activity based on the State Budget.

2. Literature Review

2.1 Theoretical Framework

Institutional theory is a social theory that focuses on the sociological development of institutions, the way they interact, and the impact of environmental influences in which these institutions are located (Scott, 1987). In essence, institutional theory explains the elaboration of rules and requirements that organizations must achieve to gain support and legitimacy (Scott and Meyer 1983 in Lammer and Garcia 2017). The central issue in gaining legitimacy is homogenization and conformity with social values and norms (Akbar 2011). Two sources of legitimacy arise from internal organizational factors and the influence of external stakeholders (Lodhia 2008 in Akbar 2011). The appropriate term to describe the homogeneity process is an isomorphism.

In government organizations, the phenomenon of isomorphism that often occurs is an institutional isomorphism. DiMaggio and Powell (1983) identified three mechanisms of institutional isomorphism: coercive isomorphism, mimetic isomorphism, and normative isomorphism. Coercive isomorphism results from informal or formal pressures generated by other organizational environments and cultural expectations in the society in which the organization performs its functions (DiMaggio and Powell 1983). Meanwhile, uncertainty is the driving force behind mimetic isomorphism. Information technology that is poorly understood, ambiguous organizational goals, or when the environment creates symbolic uncertainty makes organizations tend to imitate other organizations in their work and decision-making (DiMaggio and Powell 1983). When organizations encounter problems caused by ambiguous goals or unclear solutions, then the practice of imitating other identical organizations is a good solution at a low cost (DiMaggio and Powell 1983). The third source of isomorphic organizational change is normative pressure which mainly comes from professionalism, embodiment of values & norms, and social obligations (Scott 2008). These three isomorphic pressures usually affect employee behavior in working in a government organization. In the context of implementing the Performance Measurement System in government organizational environments in Indonesia, it is

usually influenced by the phenomenon of isomorphism, both coercive, mimetic, and normative isomorphism (Istiqomah 2018, Sofyani and Akbar 2018, Primarisanti and Akbar 2015, Wijayanto 2017, Akbar et al. 2015, 2012, Ahyaruddin and Akbar 2017, 2018, Syachbrani and Akbar 2020).

2.2 Performance

Differences in organizational characteristics and complexity make the term “Performance” difficult to define, so there is no standard definition of performance (Lebas and Euske 2007). Performance is a multidimensional construct, meaning the concept of performance is related to the whole organization and the components that make up an organization, including units, individuals (employees), processes, and activities (Bates and Holton 1995). Many scholars define performance broadly and not limited to the meaning of results/achievements. Neely et al. (1995) stated that performance equals effectiveness and efficiency. Effectiveness and efficiency are the results of an action. Baird in Lebas and Euske (2007) explains that performance is action-oriented things or efforts to get results, not results. Another view combines the understanding that performance is a combination of effort and results/achievements. Corvellec (2003) considers performance as an event involving actions and the results, including a comparison between the results achieved and specific criteria. According to Van Dooren et al. (2010), performance is an action or behavior that can be defined in the context of two dimensions: the quality of action and the quality of results.

2.3 Performance Measurement and Performance Measurement System

Performance measurement is the process of measuring important organizational activities, outputs, and results (Cohen and Eimicke 1998, in Dimitrijevska-Markoski 2019). Behn (2003) argues that performance measurement has eight objectives: (1) evaluate, (2) control, (3) budgets, (4) motivate, (5) promote, (6) celebrate, (7) learn, and (8) improve. Meanwhile, performance measures can be used to design policies, accountability objectives, planning, budgeting, competency allocation, operational improvement (inefficiency detection), program evaluation (program effectiveness), resource reallocation, directing activities/contract monitoring, and evaluation of employee actions (Van Dooren et al. 2010). The performance of public sector organizations is still difficult to measure objectively (Kim 2005). Narrowing of performance measures can lead to misleading conclusions about organizational effectiveness (Brewer and Selden 2000). Performance measures should be reliable, understandable, timely, comprehensive, not redundant, cost-effective for data collection, and focus on controllable aspects of performance (Bouckaert 1993, Poister and Streib 1999). Therefore, it is necessary to build an Adequacy Performance Measurement System to measure government institutions' performance to improve organizational performance accurately.

A performance measurement system is a tool used to identify strengths and weaknesses in providing information about the effectiveness or failure of an organization's programs/activities (Ammons 2001 in Dimitrijevska-Markoski 2019). The implementation of PMS involves two important types of activities, the development and use of performance indicators (de Lancer Julnes and Holzer 2001, Melkers and Willoughby 2005, Moynihan 2005). Development refers to the design and production of performance indicators related to certain programs/activities, while implementation refers to using indicators for specific purposes such as managerial decision-making (Akbar 2011). However, this research only focuses on analysis related to the implementation/use of information on performance indicators to improve central government organizations' performance.

In order to assess the performance of Ministries/Agencies as budget users in implementing the State Budget, The Minister of Finance issued Regulation No. 195/PMK.05/2018, which sets performance indicators called the Budget Implementation Performance Indicator (IKPA). The Budget Implementation Performance Indicator is a toolset by the Ministry of Finance to measure the level of success of the performance of the Ministries/Agency Working units in budget implementation activities. IKPA is one of the monitoring and evaluation tools for budget implementation in the Ministry/Agency Working units. To measure the Budget Implementation Performance Index, the Ministry of Finance has set 13 (thirteen) indicators of budget implementation. These indicators are grouped into four aspects as explained as follows: a) Aspects of conformity with planning (Revision of Budget Implementation Documents and realization exceeding the ceiling), b) Aspects of compliance with regulations (Petty Cash Management, Treasurer Accountability Reporting, Contract Documents, Payment Order Dispensation), c) Aspects of the effectiveness of activities (settlement of invoices, budget realization, Return of Orders for Disbursement of Funds, confirmation of output achievements), d) Aspects of the efficiency of the implementation of activities (Cash Management and Return of Payment Orders).

3. Methods

3.1 Research Model

This research induced previous research from Dimitrijevska-Markoski and French (2019) and Spekle and Verbeeten (2013). Therefore, research variables, research instruments, and indicators were developed from those research. The variables used in this study have a total of 6 variables that consist of 4 independent variables (design feasibility of the performance measurement system, institutionalization of performance measurement, individual factors, and organizational support), 1 mediating variable (use of performance information), and 1 dependent variable (performance). The research model in this study can be seen in Figure 1.

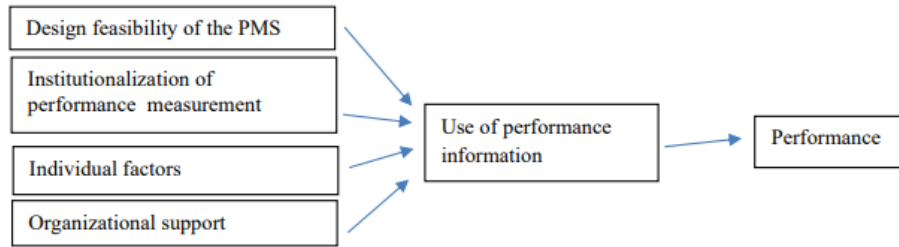


Figure 1 Research Model

3.2 Research Methods

This research used a mixed-method with explanatory sequential design. Explanatory sequential design is a data collection technique through two stages, quantitative in the first stage and followed up with a qualitative approach in the second stage (Creswell and Clark 2011). Through a quantitative method, this research model was built with a deductive approach (based on institutional theory and the results of previous research) as the basis for formulating hypotheses. Hypothesis testing is done through the analysis of Structural Equation Modeling-Partial Least Square (SEM-PLS). Furthermore, the results of statistical tests were explored using a qualitative approach through in-depth interviews.

The object of research was the Ministry/Agency Working unit within the working area of the Metro State Treasury Service Office (KPPN Metro). KPPN Metro's working area covers three regions (Central Lampung Regency, East Lampung Regency, and Metro Municipality) which consist of 74 working units and 13 Ministries/Institutions.

This study used purposive sampling (sample selected based on specific criteria) in determining the research sample. Survey participants were representatives of the treasury officer or financial management officer for each Working unit. The treasury officer or financial management officer includes the head of the working unit, the Commitment Making Officer, the Payment Order Signing Officer, the Expenditure Treasurer, and the Application Operator/Staff. Participants were chosen because they are considered to know and understand the practice of implementing programs/activities based on the State Budget in each Working unit. The indicators for measuring variables in this research questionnaire (adapted from the research of Dimitrijevska-Markoski and French 2019, and Spekle and Verbeeten 2013) can be seen in Table 1.

Questionnaires were distributed to employees in 74 Working units. Then, six employees (P1 to P6) were interviewed, with four representing the Working unit with a very good IKPA predicate, one representing a working unit with a good IKPA predicate, and one representing a working unit with a sufficient IKPA predicate. The selected interview participants were the same people who filled out the research questionnaire (Creswell 2014).

Table 1. Variable Measurement Indicator

Symbol	Variable	Indicator	Measurement Instrument
X ₁	Use of Performance Measurement Information	(1) Evaluation, (2) Planning, (3) Budgeting, (4) Making personnel decisions, (5) Reporting to the public, (6) Benchmarking, and (7) Reporting to elected officials	Dimitrijevska-Markoski and French (2019)
X ₂	Design Feasibility of The Performance Measurement System	(1) Clear, (2) Internal Communication, (3) Performance data analysis, (4) Planning efforts, and (5) Distribute performance data to colleagues	Dimitrijevska-Markoski and French (2019)

X ₃	Institutionalization of Performance Measurement	(1) Discuss/meeting, (2) Internal communication, (3) Performance data analysis, (4) Planning efforts, and (5) Distribute performance data to colleagues	Dimitrijevska-Markoski and French (2019)
X ₄	Organizational Support	(1) Leadership, (2) Commitment management, (3) Organizational capacity, and (4) Flexibility	Dimitrijevska-Markoski and French (2019)
X ₅	Individual Factor	(1) Technical knowledge, (2) Skills, (3) Training, (4) Experience, (5) Public service motivation, and (6) Personal buy-in	Dimitrijevska-Markoski and French (2019)
Y ₁	Performance	(1) Productivity, (2) Quality or accuracy of work produced, (3) Number of innovations, process improvements, or new ideas, (4) Reputation for work excellence, (5) Attainment of production or service level goals, (6) Efficiency of operations, and (7) Morale of unit personnel	Dimitrijevska-Markoski and French (2019)

4. Results and Discussion

4.1 Numerical Result

Hypothesis testing from the survey results was carried out using an analytical tool, namely Structural Equation Modeling - Partial Least Square (SEM-PLS) through SMART-PLS software. The total respondents who filled out the survey were 70 employees spread across 13 Ministries/Institutions.

The structural model was evaluated using the R2 score for the dependent construct resulting from iterations of the PLS algorithm (Hartono dan Abdillah 2009). The test results show that the Adjusted R2 value for the Use of Performance Information construct is 0.656, and the Performance construct value is 0.434. This suggests that the research model can explain 65.6% of the construct of Use of Performance Information, with the other explained by factors not included in the focus of this study. In addition, the construct built in this research model can explain the performance variable by 43.4% and the rest is explained by other variables not included in this study. All R2 values have met the minimum limit of 0.10 suggested by, for example, Santosa et al. (2005).

Evaluation of the measurement model can be seen from the value of the validity and reliability of the research model used. The Rule of Thumbs of the model is declared reliable if it has a Cronbach's Alpha and Composite Reliability score greater than 0.7 for confirmatory research (Chin 1998, Hair et al. 2011, in Ghozali and Latan 2015). The Cronbach's Alpha and Composite Reliability ratings from the measurement model evaluation were above 0.7, according to the results of the PLS Algorithm iteration provided in Table 2 (meeting the reliability requirements).

Table 2. Overview of The PLS Algorithm Iteration

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Institutional PMS	0.828	0.831	0.874	0.536
Organizational Support	0.850	0.851	0.899	0.690
Individual Factor	0.871	0.874	0.903	0.610
Design PMS	0.873	0.884	0.904	0.612
Use of Perform Info	0.894	0.896	0.917	0.611
Performance	0.913	0.919	0.930	0.657

On the other hand, the instrument is valid if the loading and cross-loading factors have a value greater than 0.7 (Chin 1997 in Hartono dan Abdillah 2009). The validity of the measurement model consists of convergent and discriminant validity. Based on the test results, there were two indicators of performance information use variables that did not pass the test and had to be eliminated from the test model. After the two indicators were removed, the overall loading factor of each questionnaire question point had a value greater than 0.7 (FL > 0.7), which means that all the questions contained in the questionnaire have met the convergent validity test. The loading factor values for survey data can be seen in Appendix I.

The test results on the value of cross-loading indicated that each question/indicator that composes a latent variable has the highest loading value on the intended variable compared to other variables. Each cross-loading of the intended latent variable represents a high score greater than 0.7 (CL > 0.7). This means that the measurement model in this study has met the requirements of discriminant validity. The cross-loading value for survey data can be seen in Appendix I.

Direct Effect Analysis

Based on the number of respondents and the variables used in this study, the hypothesis is supported if the t-statistic value shows a score above 1.669 (one-tailed) with an error tolerance of 0.05 (alpha 5%) (Hair et al., 2006 in Ghozali and Latan 2015). The test results in Table 3 showed that the t-statistic value for the relationship between the variable use of performance information and the performance variable was 9.30 (higher than the t-table value of 1.669) and a significance level of 0.00 (H5 is supported). Therefore, it can be concluded that the use of performance information has a significant positive effect on the performance of the Ministry/Agency Working units.

The hypothesis test results revealed that the design feasibility of the performance measurement system, institutionalization of performance measurement, and individual factors variables had t-statistical values greater than 1.669 (2.292, 1.738, 2.771). This means the feasibility of the performance measurement system design, institutionalization of performance measurement, & individual factors have a significant positive effect on the use of performance information (H1, H2, H4 are supported). Meanwhile, the organizational support variable has no significant effect on the use of performance information (1.622 < 1.669) (H3 is not supported). The path coefficient table resulting from the bootstrapping process can be seen in Table 3.

Table 3. The Path Coefficient Value of Bootstrapping

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))
Design PMS -> Use of Perform Info	0.260	0.259	0.114	2.292
Individual Factor -> Use of Perform Info	0.311	0.338	0.113	2.771
Institutional PMS -> Use of Perform Info	0.196	0.193	0.113	1.738
Organizational Support -> Use of Perform Info	0.198	0.187	0.122	1.622
Use of Perform Info -> Performance	0.665	0.674	0.071	9.300

Indirect Effect Analysis

Based on the results of hypothesis testing, through the use of performance information (as an intervening variable), individual factors, institutionalization of performance measurement, and the feasibility of performance measurement designs have a significant positive effect on the performance of the Ministry/Agency Working unit (P-Value < 0.05). The path coefficient value of bootstrapping results which shows an indirect relationship among variables can be seen in Table 4.

Table 4. The Path Coefficient Value (Indirect Effects)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))
Organizational Support -> Use of Perform Info -> Performance	0.132	0.126	0.084	1.571
Individual Factor -> Use of Perform Info -> Performance	0.207	0.228	0.081	2.540
Institutional PMS -> Use of Perform Info -> Performance	0.130	0.129	0.077	1.696
Design PMS -> Use of Perform Info -> Performance	0.173	0.175	0.080	2.156

4.2 Findings and Discussion

Design Feasibility of Performance Measurement System

Based on the results of hypothesis testing in this study, the design feasibility of the performance measurement system has a significant positive effect on the use of performance information in the Ministry/Agency Working unit. These results are in line with the research by Dimitrijevska-Markoski and French (2019) that the adequacy of the performance measurement system design has a significant positive impact on the use of performance information. In addition, Eliuz et al. (2017) found similarly that the quality of performance indicators has a positive effect on the effectiveness of the performance measurement system. Abdel-Maksoud et al. (2015) also found that the strategic performance measurement system has significant positive associations with the use of performance information for strategy implementation purposes in public organizations in Canada. Cavalluzzo and Ittner (2004) discovered that developing

a performance measurement system has a significant positive association with the use of performance information for both managers who are directly involved with activities and those at higher levels.

Based on the results of the interviews, participants stated that the information presented in the performance indicators was easy to understand (P1, P2, P3, P4, P5, P6), mainly because of the participants' experience in managing state finances. In addition, the performance information formulated in the IKPA was considered clearly according to the needs of employees during the budget execution process.

Budget implementation performance indicators (IKPA) are also easily accessible online by all Working units through the OM-SPAN application (Director of Budget Implementation Letter Number: S-4547/PB.2/2018). During the implementation of government programs/activities, Working units can monitor their performance at any time. However, some interviewees stated that a few indicators, particularly the deviation of cash planning indicator on the budget implementation document, which contains the plan for withdrawing funds, are still difficult to implement (the suitability of the activity plan with realization). They said that adjusting the realization of the implementation with the initial plan was not easy. This is a challenge for IKPA's valuation in 2021.

Institutionalization of Performance Measurement

Based on the results of hypothesis testing in this study, the institutionalization of performance measurement has a significant positive effect on the use of performance information in the Ministry/Agency Working unit. This result is in line with the research findings of Dimitrijevska-Markoski and French (2019) that the institutionalization of performance measurement has the highest positive effect on the use of performance information. This finding also strengthens the results of previous research by Moynihan and Landuyt (2009), which concluded that learning forums have the highest influence on the use of performance information.

The majority of survey respondents (above 50%) agreed that the performance information in their offices was analyzed and used to plan efforts to improve government performance in the future. Around 40% of the respondents agreed/strongly agreed that their offices hold meetings, discussions, and internal communications to discuss performance measurement issues. These results were following the statement of deHavenSmith and Jenne (2006) that the purpose of the meeting was to trigger discussion and plan what actions should be taken in the future. Based on the results of interviews with participants, several working units held coordination meetings by Echelon 1 (P5) or Coordinator/Regional Office levels (P1, P2, P4) to discuss performance & problems in the implementation of the State Budget. In addition, periodically, all interview participants explained that among treasury officials, including between financial management officers and employees in the technical department (P4, P5), held discussions in their offices to discuss issues related to performance indicators (IKPA) (P1, P2, P3, P4, P5).

Organizational Support

The results of hypothesis testing in this study indicated that organizational support has no significant effect on the use of performance information in the Ministry/Agency Working unit. This result was in line with the research findings of Dimitrijevska-Markoski and French (2019) that organizational support does not have a significant association with the use of performance information. Unlike the research result of Moynihan and Pandey (2010) that organizational factors such as top management commitment, development culture, and flexibility are essential factors in the use of performance information, this study found that organizational support has no significant impact on the use of performance information. The findings of this study also contradict the conclusions of Akbar et al. (2012), who revealed empirical evidence of a significant positive association between the use of higher-level performance indicators and management commitment as an indicator of organizational support.

The majority of survey respondents (above 50%) strongly agreed that they receive support from the office manager in the form of supervision, meetings, and discussions to enhance the use of performance information contained in performance indicators (IKPA). In this context, although organizational leaders such as office managers and managers in regional offices periodically supervise, evaluate, and encourage employees to monitor performance information continuously and ensure that every activity can be adequately executed (P1, P3, P5), in fact, support through the holding of meetings and discussion forums has a significant effect on the institutionalization process and does not have a direct impact on the use of performance information. This was in line with the findings of Dimitrijevska-Markoski & French (2019) that organizations provide technical support to employees to use performance information and provide authority in flexible decision-making, but all of these factors only affect indirectly through the process of discussions and meetings dedicated to solving the problems contained in the performance information.

In addition, several interview participants stated that organizational support did not have an optimal impact on the use of performance information to improve performance due to the limited capacity of human resources in the working units (P2, P3). Several Working units still had not made IKPA as a performance parameter in carrying out the program/activities in implementing the State Budget (P3). The lack of employee capacity, the workload that accumulates in a few people, and the low commitment of the management in several working units were still supported by experienced and competent personnel so that this did not have a destructive impact on the decrease in the performance of the working units. The lack of employee capacity is in line with the results of Wijayanto's research (2017), which found that the obstacles encountered in implementing the government performance accountability system at the Kudus Customs Office were related to human resource problems, one of which was the number of employees and the competence of the employees.

Individual Factors

The results of hypothesis testing indicated that individual factors have a significant positive effect on the use of performance information in the Ministry/Agency Working units. This was in line with the findings of other researchers that technical knowledge (as a component of individual factors) also has a positive association with the use of managerial performance information and the effectiveness of performance measurement (Akbar et al. 2012, Yang and Hsieh 2007). In addition, various indicators that build on individual factors such as training on performance measurement (Cavalluzzo and Ittner 2004, Sofyani and Akbar 2013, Primarisanti and Akbar 2015) and work experience (Hammerschmid et al. 2013) has a significant positive association with the use of performance information. Nevertheless, this is contrary to the research results by Dimitrijevska-Markoski & French (2019), which found no significant association between individual factors and the use of performance information.

Based on the survey results, most of the respondents (above 50%) agreed/strongly agreed that performance information is highly dependent on the employees' technical knowledge. This finding was supported by the arguments of several interview participants who stated that technical knowledge, including an understanding of regulations, is the main thing that financial management officers must have to be able to understand performance information and know what to do to improve performance related to the budget implementation process (P3, P5). According to information from interviews with participants and supported by survey results, it was found that 40-50% of survey respondents also agreed/strongly agreed that skills (P4), adequate training (P6), experience (P3, P4, P5), and employee contributions (P1, P5) were able to optimize the use of performance information and to solve problems that exist in IKPA.

In order to improve skills and ensure competency standards of Working unit employees in managing the State Budget, several Working units made various efforts such as encouraging employees to practice/technical training related to IKPA, evaluation of budget implementation, regulations, and budget implementation applications held by the State Treasury Service Office and The Directorate General of Treasury Regional Office (P6), takes the treasurer certification exam (P5, P6) and the eligibility of employee competencies as Commitment Making Officers (PPK) and Payment Order Signing Officials (P6). In addition, procurement officials and Commitment Making Officers in the Working unit were required to pass the certification exam for the procurement of goods and services held by the Government Goods/Services Procurement Policy Institute (LKPP) (P6). Furthermore, several Working units took the initiative to invite competent treasury service office personnel to provide socialization or technical training to evaluate the budget implementation and treasurer bookkeeping (P6), and trainers from the State Assets and Auction Service Office to provide knowledge about State Property and State Asset Protection (P6). The training participants were expenditure treasurers, assistant treasurers, and operators of budget implementation applications.

The training routinely carried out is one of the most critical factors in optimizing the use of performance information to achieve the best performance of the working unit related to the budget implementation process. This argument is in line with the results of research by Syachbrani and Akbar (2013), Sofyani and Akbar (2013), and Primarisanti and Akbar (2015), which stated that the lack of employee training could be an obstacle in implementing the government's performance accountability system (including the use of performance information), so that employee training has an important influence on the development of a performance measurement system. Meanwhile, structured training that is carried out continuously and provides rewards, either monetary or intangibles, for implementing PMS can motivate employees to be more committed to their work (Sofyani et al. 2018).

The Effect of Using Performance Information on Performance

The results of hypothesis testing in this study indicated that the use of performance information has a significant positive effect on the performance of the Ministry/Agency Working unit. This finding is in line with the results of Dimitrijevska-Markoski's (2019) research which found that if performance information is used in decision making, government employees can help organizations improve their performance. This implies that the use of performance information affects organizational performance but should not be interpreted as the only predictor of organizational performance (Dimitrijevska-Markoski, 2019). The results of this study also support the arguments of previous researchers. Nitzl et al. (2018) concluded that monitoring and attention-focusing uses of performance measures are directly correlated with organizational performance. Ammons and Rivenbark's (2008) stated that many government organizations use performance indicators to influence decisions about programs and improve public services. Without relevant performance information, it is very difficult for any organization, including government institutions, to see progress in achieving the results (Akbar 2011). In addition, in line with Akbar's statement (2011), Pratiwi & Akbar (2018) found evidence that there is a significant effect between implementing the Performance Measurement System and the performance of local government working units in districts and cities in Yogyakarta. Previous researchers also found that performance information can be used in various ways, while the primary purpose of performance measurement is to encourage performance improvement and improvement in organizations (Dimitrijevska-Markoski, 2019, Van Dooren et al. 2010). Organizations use the information contained in the performance indicators to develop and improve management and governance (Ho 2005, Moynihan 2005, Hatry 2002, Wholey 1999). However, the results of this study differ from the findings of Ahyarudin & Akbar (2016) that there is no significant association between the use of PMS and the accountability and performance of local government organizations in Indonesia.

The survey results to ministry/institutional working units showed that most respondents (above 50%) strongly agreed that the working units use performance information for planning, evaluation, reporting to elected officials, and decision making regarding budgets/budget revisions. This is following the answers of several interview participants who revealed that performance information (IKPA) is used to detect errors (evaluation) and find solutions (P1), maintain the good ones (P1), for monthly performance reports to elected officials (P5), accountability to citizens (public accountability) through the working unit's website (P1), planning the activity (P4, P5), planning budget disbursement to The State Treasury Service Office (P2), and planning the execution/realization of government activities in accordance with the schedule for the fund disbursement as stated on page III of the budget implementation document (P1, P5).

The survey results recorded that 48.6% agreed, and 51.4% strongly agreed that using performance information (IKPA) could improve the work accuracy of ministry/institutional working units. The results of interviews with participants showed information that since the existence of IKPA, the accuracy of the work of the Working units has increased or got better (P1, P5). IKPA has a function as a performance parameter (P1, P5), one of which can increase the cash planning/cash management accuracy by working units (P5).

One of the budget implement performance indicators, called a confirmation of output realization, can also increase the accuracy of the work of working units, especially related to the effectiveness and efficiency of work. Before there were regulations about performance indicators (IKPA), the parameter of APBN realization used was the percentage of budget absorption regardless of the output produced, though now, budget absorption must be balanced with the output produced (P5).

The Analysis of Institutional Isomorphism

Organizational behavior in government institutions in Indonesia tends to be influenced by institutional isomorphism to improve public services' performance (Ahyarudin and Akbar, 2018). In contrast to the research results of Akbar et al. (2015), who found coercive, mimetic, and normative isomorphism pressures affecting the practice/implementation of performance measurement in local governments in Indonesia, in this study (based on interviews with participants), the authors only found the phenomena of coercive isomorphism and normative isomorphism that affected the behavior of the Ministry/Agency Working unit employees in achieving the performance targets set out in the Budget Implementation Performance Indicators (IKPA). This is related to Wijayanto's research (2017) results, which found that there are two kinds of isomorphism phenomena, coercive and normative pressure adequately influence the implementation of the government's performance accountability system at the Ministry of Finance, specifically the Customs and Excise Office in Kudus Regency. Syachbrani & Akbar (2020) also found a similar thing that the process of developing a performance measurement system for central government agencies was dominantly influenced by the phenomenon of coercive and normative isomorphism, while the symptoms of mimetic isomorphism did not have a convincing effect on motivating employee behavior. In addition, Istiqomah (2018) states that the types of institutional

pressures that dominate the implementation of Government Finance Statistics in Indonesia are coercive and normative pressures.

The increasing number of normative isomorphism phenomena and the absence of convincing mimetic isomorphism phenomena showed that the behavioral motives of individuals in central government organizations, especially related to the budget execution process, have moved from mimetic and coercive pressures towards normative actions oriented in the form of professionalism, conformity with values, norms, and social obligations. The absence of a powerful mimetic isomorphism phenomenon also indicated less uncertainty in the organization because of better regulations, clearer organizational goals, and adequate support for organizational resources (HR, finance, and technology). This showed that the state budget management at the central government organization had reached a more mature level. The following is a detailed explanation of the coercive and normative isomorphism phenomena found in the data from interviews with the participants.

5. Conclusion

The result of hypothesis testing using SEM-PLS analysis indicated that the design feasibility of the performance measurement system, individual factors, and institutionalization of performance measurement had a significant positive effect on the use of performance information. In addition, the results of the study also found that through the use of performance measurement, and the design feasibility of performance measurement system have a significant indirect effect on the performance of Ministry/Agency Working units. Meanwhile, the organizational support variable did not have a significant effect both on the use of performance information and the indirect effect on the performance of the Ministry/Agency Working unit. In this context, organizational leaders such as office managers and managers in regional offices periodically supervised, evaluated, and encouraged employees to continuously monitor performance indicators and ensure that each activity can be appropriately executed, supported through holding meetings and discussion forums, but these efforts only had a significant influence on the institutionalization process and did not have a direct impact on the use of performance information. In addition, the authors found that organizational support for several working units did not have an optimal impact on performance in their offices due to the limited capacity of human resources in the working units. There were still employees who had not made performance information (IKPA) as a performance parameter related to implementing the state budget.

Furthermore, the researcher found the phenomenon of coercive isomorphism and normative isomorphism, but did not find any mimetic isomorphism that influenced the behavior of the Ministry/Agency Working unit employees in achieving the performance targets set out in the Budget Implementation Performance Indicators (IKPA). Regarding the phenomenon of coercive isomorphism, the interviewed participants admitted that the motivation to work under the laws and regulations, trying to avoid sanctions, and trying to get rewards for the performance of budget execution based on regulations affects the behavior of the employees of the Ministry/Agency working units (central government employees) in their performance. Several forms of normative isomorphism that affect the behavior of Ministry/Institutional Working unit employees based on the results of interviews were the implementation of technical training to increase the competence of Ministry/Agency working unit employees in implementing the State Budget carried out by other competent institutions such as the State Treasury Service Office and State Assets and Auctions Service Office, employee certification in certain positions such as Treasurer Certification and Goods and Service Procurement Officer certification, leadership commitment and management commitment to collaborate make budget execution performance one of the priorities of the organization, maintain a good office reputation among the public, and transparency and accountability public in the form of performance publications through mass media, social media, or websites owned by the Working unit.

The major contributions of this study were to provide an understanding of factors on the use of performance information to improve the performance of Central Government Organizations in a developing country within an institutional theory framework, develop performance indicators, and reduce the gap of the previous research literature. This research still has limitations, such as the object of research which only covers the working units of ministries/institutions located in the area of three regencies/municipalities, specifically Central Lampung Regency, East Lampung, and Metro City, so the results cannot be used to generalize the performance measurement practices of central government institutions throughout Indonesia. Variables related to the factors that influence the use of performance information to improve the performance of budget execution in this study were also very limited. Based on the study results, there was a significant positive effect between organizational support and the institutionalization of performance measurement, between the design feasibility of performance measurement system and the institutionalization of performance measurement, and a direct influence between individual factors and the

performance of the working units. However, the authors did not conduct further analysis related to correlations outside the research model design in this study. Based on this, in order to develop this research, future researchers are expected to be able to enrich the analysis by increasing the number of research variables such as adding external factors in further research models, using more comprehensive methods, and expanding the object of research to include central government institutions from various regions in Indonesia.

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Appendix I. Vaalue of Factor Loading & Cross Loading

	Design PMS	Individual Factor	Institusionalization PMS	Organizational Support	Performance	Use of Perform Info
DsainPMS1	0.839	0.552	0.519	0.519	0.363	0.614
DsainPMS2	0.809	0.548	0.534	0.493	0.505	0.633
DsainPMS3	0.702	0.447	0.532	0.421	0.377	0.436
DsainPMS4	0.802	0.648	0.437	0.449	0.492	0.594
DsainPMS5	0.707	0.557	0.455	0.294	0.468	0.460
DsainPMS6	0.825	0.437	0.446	0.405	0.340	0.525
Indiv1	0.503	0.797	0.452	0.502	0.529	0.537
Indiv2	0.427	0.820	0.520	0.539	0.677	0.515
Indiv3	0.526	0.701	0.360	0.484	0.482	0.545
Indiv4	0.495	0.792	0.454	0.495	0.500	0.623
Indiv5	0.684	0.843	0.524	0.543	0.587	0.622
Indiv6	0.536	0.722	0.337	0.415	0.454	0.538
Inform1	0.513	0.649	0.469	0.418	0.519	0.756
Inform3	0.500	0.605	0.438	0.473	0.495	0.805
Inform4	0.518	0.636	0.448	0.423	0.471	0.741
Inform5	0.549	0.486	0.630	0.681	0.595	0.782
Inform6	0.619	0.477	0.559	0.617	0.482	0.798
Inform7	0.431	0.569	0.502	0.421	0.519	0.735
Inform8	0.699	0.569	0.619	0.648	0.546	0.850
Instit1	0.393	0.302	0.719	0.453	0.403	0.438
Instit2	0.472	0.416	0.743	0.494	0.513	0.495
Instit3	0.313	0.373	0.754	0.479	0.306	0.365
Instit4	0.606	0.567	0.703	0.551	0.438	0.561
Instit5	0.404	0.420	0.703	0.557	0.446	0.482
Instit6	0.464	0.371	0.768	0.555	0.431	0.560
Organ1	0.440	0.556	0.611	0.818	0.457	0.579
Organ2	0.453	0.488	0.553	0.839	0.524	0.518
Organ3	0.527	0.524	0.623	0.831	0.522	0.583
Organ4	0.426	0.543	0.565	0.833	0.407	0.573
performnce1	0.366	0.607	0.521	0.509	0.793	0.518
performnce2	0.303	0.573	0.423	0.482	0.815	0.445
performnce3	0.598	0.620	0.567	0.472	0.861	0.603
performnce4	0.446	0.565	0.406	0.344	0.840	0.557
performnce5	0.310	0.549	0.462	0.540	0.720	0.570
performnce6	0.579	0.510	0.519	0.527	0.839	0.607
performnce7	0.415	0.459	0.385	0.349	0.798	0.400