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**FACTORS IMPACT THE MANAGERIAL PERFORMANCE OF GOVERNMENT  
VILLAGE MANAGEMENT**

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**ABSTRACT**

This study aims to determine the factors that impact managerial performance in the Village Government of Badung Regency. Test the effect of Good Governance, organizational culture, tri hita karana culture, and potential on the managerial performance of village government administrators in Badung district. This research was conducted in Badung Regency with 230 respondents from the village administration. Determination of the sample using probability sampling with Slovin technique. The method of data collection is done by using a questionnaire and data analysis techniques using multiple linear regression analysis. The results of this study indicate that the variables of Good Governance, and tri hita karana culture have a negative effect while organizational culture and competence have a positive effect on the Managerial Performance of Village Government Administrators in Badung Regency.

**KEYWORDS:** good governance, organizational culture, tri hita karana culture, competence

**1. INTRODUCTION**

Village is the lowest administrative organization in the country of Indonesia. The village government has received attention from the government with the passing of Law of the Republic of Indonesia Number 6 of 2014 concerning Villages aimed at giving recognition and clarity to the village of its status and position in the Republic of Indonesia's constitutional system which is one of the manifestations of Nawa Cita's third priority which states that building Indonesia starts from periphery by strengthening regions and villages within the framework of a unitary state. Interestingly in the Village Law Nmor 6 of 2014 on Villages also mentioned the budget allocation for villages sourced from the center carried out by streamlining village-based programs that are equitable and equitable, which means the central government is responsible for funding the village.

The village funds that have been disbursed by the central government since 2015 are very large, namely in 2015 is the beginning of the disbursement of the Village Fund, the total budget allocated for the Village Fund reached Rp 21 trillion, in 2016 a budget of around Rp 47 trillion and in 2017 around Rp 60 trillion. So it is very important that village fund managers become the target of research. The management of the Village Fund allocation is still not maximized in accordance with the purpose of the Village Fund allocation is to finance village government programs in carrying out government activities and community empowerment so that income distribution, employment opportunities and business opportunities for village communities can be increased. Even though for more than two years the implementation of village funds, there are still many problems that indicate

the application of sub-optimal performance with an indication of problems including financial administration weaknesses ranging from planning, implementing, and reporting on village funds.

Managerial performance is one of the factors that can be used to measure improvement in organizational effectiveness. The managerial performance of village government administrators is a description of the level of achievement of goals or objectives as a translation of the vision, mission, and strategy of village government agencies indicating the success or failure of the implementation of activities in accordance with the main tasks and functions of the village government apparatus. How to assess individual performance is to see the level of effectiveness and efficiency (Kita, 2017). Supported by agency theory, the application of Good Governance in an organization will be able to minimize the opportunistic nature of management so that it has an impact on improving organizational performance. In the relationship or contract, agency problems occur due to the information asymmetry between the agent and the principal. One way to monitor contract issues and limit opportunistic behavior in management is to apply the principles of good governance.

The application of Good Governance helps the government apparatus in making effective decisions that aim to align the interests between agents and principals so as to minimize the risk of misusing decisions and abuse of authority so that organizational goals can be achieved. FCGI (2000) in Aisyah et al (2014) states that by implementing Good Governance, one of the benefits that can be drawn is to improve performance through the achievement of a better decision making process, improve operational efficiency and further improve services to the public.

Her research conducted by Putri (2012) states that Good Corporate Governance (GCG) and good corporate culture (Good Corporate Culture / GCC) will be a supporting factor for achieving good performance. Fimela (2011) concluded that Good Governance has a positive effect on public sector performance. The results showed that the better the Good Governance, the better the performance of local government, otherwise bad Good Governance results in poor performance of local governments as well. Windiartha (2015) and Fauziah (2016) stated the principles of Good Corporate Governance (GCG) had a positive effect on the performance of government officials.

Based on these explanations, the hypothesis of the relationship between the applications of Good Governance to performance can be drawn as follows.

H1: Implementation of Good Governance has a positive effect on Managerial Performance.

Organizational culture is interpreted by Robbins (2006) as a system of shared meanings shared by members that distinguishes an organization from other organizations. Organizational culture has an effect on the behavior, ways of working and motivation of managers and subordinates to achieve organizational performance (Holmes and Marsden, 1996). A conducive and pleasant organizational culture can be a force capable of directing one's behavior towards achieving organizational goals.

Organizational culture is believed to effect individual attitudes regarding outcomes, such as commitment, motivation, morale and satisfaction (Chen, 2004). With the existence of a good organizational culture will be able to spur individuals to fully work for the organization, take responsibility for what is their responsibility and of course this will improve their performance in achieving organizational goals.

Kusumawati (2008) organizational culture has a positive effect on employee performance. Arumsari and Budiarta (2016) found that the stronger the organizational culture in KAP, the better performance of auditors produced. Research Rahardjo (2016) and Kusumah and Suharnomo (2015) found organizational culture has a positive effect on performance. Astuti (2010) explains that internal control, organizational culture, and the application of the principles of Good Corporate Governance each have a positive effect on managerial performance. Kita (2017) states that organizational culture has a positive effect on the managerial performance of village administration organizers in Klungkung Regency.

The application of high organizational culture will motivate individuals to prioritize the organization rather than personal interests and try to make the organization better. Likewise, the implementation of the Tri Hita Karana culture, which contains three noble values, can affect better managerial performance. Thus the following hypothesis can be formulated.

H2: Organizational Culture has a positive effect on Managerial Performance

H3: Tri Hita Karana Culture has a positive effect on Managerial Performance

Theoretical statements from Spencer and Spencer (1993: 78) state that intellectual, emotional, and social competencies as part of the innermost personality of a person can predict or effect the effectiveness of individual performance. Davis and Newstrom (1997: 109) say that high competence and performance give a signal that the organization is well managed and will fundamentally produce effective management behavior.

Posuma research results (2013) states that competence has a positive effect on employee performance. Kita (2017) states that competence has a positive effect on the managerial performance of village administration organizers in Klungkung Regency. Fu'ad (2016) states that competence has a positive effect on the performance of cooperative managers.

Previous studies which stated that competence effects managerial performance, it can be concluded that the higher the competency of village government administrators by increasing the ability, skills, and adding insight to the knowledge they have, then he will be able to complete the tasks given by aligning interests between personal interests with the interests of the organization to be able to

improve the managerial performance of the village government better. Therefore, the hypothesis can be formulated as follows

H4: Competence has a positive effect on Managerial Performance

2. METHODS

This research was conducted in Badung Regency, namely in 46 official villages in Badung Regency. This location was chosen because based on the existing problems, it is important to maintain the good name of the Government Administrators in Badung Regency.

The population in this study is the organizer of the village administration whose provisions are regulated in the Minister of Home Affairs Regulation of the Republic of Indonesia number 114 of 2014, namely the Village Head, Village Secretary, Finance Chief, elements of the Village Consultative Body (BPD), and elements of the Community Empowerment Institution (LPM). Sampling in this study with probability sampling technique using proportionate stratified random sampling using Slovin formula.

In this research the validity and reliability testing of the questionnaire was first carried out. Then classic assumption tests and data analysis techniques will be performed. The data analysis technique used in this study is multiple linear regression analysis, because it consists of more than four independent variables. The equation of the multiple linear regression equation used in this study is as follows:

Y = α + β1X1 + β2X2 + β3X3 + β4X4 + ε.....(1)

Description:

Y = managerial performance of village administration

α = constant

β1 - β4 = regression coefficient

X1 = Good Governance

X2 = Organizational Culture

X3 = Tri Hita Karana Culture

X4 = Competence

ε = error

### 3. RESULT AND DISCUSSION

Validity test is measured by the  $r$  Pearson correlation.  $R$  Pearson correlation results for good government variables, organizational culture, tri hita karana culture, and competence indicate the Pearson correlation value is greater than 0.30 so that the four variables in the questionnaire are declared valid.

Reliability testing is measured by the Cronbach's Alpha coefficient. The results show that the Cronbach's alpha value of each variable has a value greater than 0.70, so that the statements in the research questionnaire are declared reliable.

The results of the normality test show that the significance value of Asymp. Sig. (2-tailed) of 0.127 ( $0.127 > 0.05$ ) that the regression model is normally distributed. Multicollinearity test results show that the tolerance value of the Good Governance (GG) variable is 0.782, the tolerance value of the organizational culture variable is 0.675, the tolerance value of the tri hita karana cultural variable is 0.730, and the tolerance value of the competency variable is 0.712 is greater than 0, 1 (10%). VIF value of the Good Governance (GG) variable that is 1,280 VIF value from the organizational culture variable that is 1,482 VIF value from the tri hita karana cultural variable is 1,369 and the VIF value of competency that is 1,404 is less than 10, so it can be concluded that there are no symptoms of multicollinearity between independent variables.

Heteroscedasticity test results showed the significance value of the Good Governance (GG) variable is 0.220, the organizational culture variable is, 0.004, the tri hita karana cultural variable is 0.002 and the competency variable is 0.083 so that the significance level of all variables is above 0.05. This shows that the regression model is free from heteroscedasticity problems.

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The following results of multiple linear regression tests can be seen in Table 1.

Tabel 1 Multiple Linear Regression Results

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	0,732				
Good Governance (X <sub>1</sub> )	0,066	0,070	0,076	0,943	0,348
Org. Culture (X <sub>2</sub> )	0,381	0,156	0,213	2,438	0,017
Tri Hita Karana Culture (X <sub>3</sub> )	0,141	0,132	0,089	1,067	0,289
Competence (X <sub>4</sub> )	0,471	0,079	0,509	5,992	0,000
<b>Adjusted R<sup>2</sup></b>	0,378				
<b>F Hitung</b>	24,918				
<b>Sig. F</b>	0,000				

Primary Data, 2019

Based on the results from Table 1 the following equation is:

$$Y = 0,732 + 0,066X_1 + 0,381X_2 + 0,141X_3 + 0,471X_4 + \epsilon \dots\dots\dots(2)$$

The constant value of 0.732 indicates that if the variable Good Governance (X1), organizational culture (X2), tri hita karana culture (X3) and competence (X4) are constant, then the managerial performance variable of village administration (Y) has a positive value of 0.732.

Good Governance (X1) has a coefficient value of 0.066 which illustrates that each increase of one unit of Good Governance (X1) can increase the value of managerial performance of village government administrators (Y) by 0.066 with the assumption that the other independent variables are fixed or constant.

Organizational culture (X2) has a coefficient value of 0.381, this illustrates that every increase of one unit of organizational culture (X2) can increase the managerial performance of village administration (Y) by 0.381 assuming the other independent variables are fixed.

The culture of tri hita karana (X3) has a coefficient value of 0.141, illustrating that each increase of one unit of culture of tri hita karana (X3) can increase the managerial performance of village administration (Y) by 0.141 assuming the other independent variables are fixed.

Competence (X4) has a coefficient value of 0.471, illustrating that each increase in one unit of competence (X4) can increase the value of managerial performance of village government administrators (Y) by 0.471 with the assumption that the other independent variables are fixed.

The results of the coefficient of determination show that the adjusted value  $R^2 = 0.378$ , this means the four independent variables (Good Governance, organizational culture, tri hita karana culture, and competence) contribute an effect of 37.8 percent on the dependent variable, namely the managerial performance of village administration and the rest 62.2 percent is influence by other variables not included in the research model.

F test results show that the calculated F value for the dependent variable managerial performance of village government administrators amounted to 24,918 significance of  $F = 0,000$ . Significance value of  $F = 0,000$  (sig.  $F < 0.05$ ) indicates the significance of the effect of independent variables on the independent variables and the research model is feasible. These results give the meaning that the variables of Good Governance, organizational culture, tri hita karana culture, and competence are able to predict or explain the phenomenon of managerial performance of village government administrators.

Based on Table 1, the results of testing the first hypothesis (H1) regarding the effect of Good Governance (GG) on managerial performance of village government administrators show a significance value of 0.348 which is greater than the value of  $\alpha = 0.05$ . Therefore, the first hypothesis in this study was rejected.

Based on Table 1 the results of testing the second hypothesis (H2) regarding the effect of organizational culture on the managerial performance of village government administrators shows a significance value of 0.017 which is less than the value of  $\alpha = 0.05$ . Therefore, the second hypothesis in this study was accepted.

Based on Table 1, the results of testing the third hypothesis (H3) regarding the effect of tri hita karana culture on the managerial performance of village government administrators shows a significance value of 0.289 which is greater than the value of  $\alpha = 0.05$ . Therefore, the third hypothesis in this study was rejected.

Based on Table 1, the results of the fourth hypothesis testing (H4) regarding the effect of competence on managerial performance of village government administrators show a significance value of 0,000 which is less than the value of  $\alpha = 0.05$ . Therefore, the second hypothesis in this study was accepted.

#### 4. CONCLUSION

Based on the results of data analysis and discussion above, the following conclusions can be drawn: 1) Good governance does not affect managerial performance. This means that the higher or lower Good governance that exists does not affect the managerial performance of village government in Badung. 2) Organizational Culture has a positive effect on managerial performance. This means that the higher the Organizational Culture implemented by village government organizations in Badung, the managerial performance will increase. 3) THK culture does not affect managerial performance. This means that the higher or lower the THK culture, there is no effect on the performance of the village government apparatus in Badung. 4) Competence has a positive effect on the performance of the apparatus. This means that the higher the competency applied by village government organizations in Badung, the managerial performance will increase.

Suggestions that can be given are information held by officials involved in managerial performance appraisal so that it is used for the benefit of the organization rather than personal interests, so that information can be used to improve managerial performance. And it is hoped that this research can be considered by further research. The next researcher is expected to measure using other variables that can also influence the relationship to managerial performance.

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