

INFLUENCE OF IMPLEMENTING GOOD GOVERNANCE PRINCIPLES REGARDING THE EFFICACY OF EMPLOYEE PERFORMANCE

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Abstract

The objective of the study was to ascertain whether application of Good Governance Principles would have an impact on the effective performance of government staff in Agriculture and Food Crops and Horticulture, West Aceh Regency. In this study, a statistical method is used to process the quantitative data. A statistical method based on the processing of quantitative data is used in this study. This study uses primary data sources, namely a number of written observations submitted to the research sample comprising 41 staff members from the Department of agriculture, Food Crops & Horticulture in West Aceh by distributing questionnaires. Simple linear regression is used as a data analysis tool. The results of this study have shown that applying good governance principles can significantly impact on the effectiveness of staff performance.

Keywords : Good Governance, Effectiveness Employee Performance.

1. INTRODUCTION

In fact, Indonesia is one of a growing number of countries that have implemented good governance practices to run their governments. Nevertheless, implementation of good governance has not been achieved to its full extent and it remains underutilised. The Indonesian government needs to undertake a reform of the administrative system and enhance its human resources management skills if Indonesia is to achieve good governance. It takes a long time to achieve this, but it's important that we constantly ensure consistency in delivering the best possible human resources with skills, qualifications and legal knowledge (Setiawan & Idayanti, 2016).

In order to ensure that the state's resources are able to provide prosperity for people and the State, good governance regulates government by following appropriate principles in its administration, such as openness, transparency, participation and accountability along with professionalism (Cadbury (1992) in (Zeyn, 2011).

In order for public bodies to be more effective in terms of the performance of their personnel, there are principles that need to be followed by government entities if employees can carry them out.

In order to achieve the desired quality of staff performance, employee discipline shall be created in so far as good governance principles are properly observed when performing their duties and obligations, whereas failure to comply with these principles at work will have a negative impact on future organization sustainability and service quality. This is based on findings from a study carried out by Andayani, et al (2018) who found that good governance principles influence the level of effectiveness of employees' work. In a research on the effects of implementing good corporate governance policies on employee performance, Kholidah and

Mildawati (2017) were able to demonstrate that every good corporate governance policy has positive impacts on employees' performance.

The effectiveness of employees' performances is a result of work based on the level of quantity or quality achieved by them in carrying out their duties according to those responsibilities which they are given, Mangkunegara (2013). That is why all organisations have to ensure that their staff has a good work record, in particular government agencies which are public service institutions, including the West Aceh horticultural food crop agriculture service which is a supporting element of the district government, which is tasked with improving the regional economy through increasing the productivity of agricultural products, improving services to farmers by taking an extension and mentoring approach, and increasing human resources. The measurement of performance is defined as a procedure employed by an organization for evaluating and assessing the success of its staff in performing their duties, according to Wilson Bangun (2012) quoted in Pangestika (2016). The results of a particular activity undertaken by an employee can be taken into account when assessing the good performance of employees.

The problem is that the performance of government employees in carrying out their tasks with efficiency and effectiveness remains relatively low, but it continues to happen year by year which has a negative impact on the organisation or agency's survival. This also happened to the agriculture department, which is reflected in the previous year's performance reports starting from 2018, 2019 and most recently based on or reports on the performance results of the West Aceh district agriculture department in the field of food crops & horticulture (LKJIP, 2020), where, when implementing the 2020 plans, 21 performance indicators taken are used as a benchmark and 12 or more of them have achieved their target with 9 additional indicators which were not in conformity with the objectives referred to in the applicable strategic plan.

Judging from the performance achievements of the 2020 budget, the farmer group development coverage indicators, planting index (IP) and indicators of production or productivity of food and horticultural crops were below target and this problem also occurred in the previous year. This was exacerbated by the Covid 19 outbreak that occurred in 2020, which caused a decline in employee performance which had an impact on the performance achievements of all sectors which were not optimal, but apart from the Covid 19 pandemic, problems with the quality of employee performance had already been seen in the years before Covid which illustrates there are problems that cause the performance targets that have been set to not be achieved.

In the context of this phenomenon, in order for organisations to achieve organisational objectives relating to implementing activities such as strategic planning and performance management, it is necessary to have good governance that is a requirement by all government administrations performing their responsibilities. It is worth noting that organisational effectiveness has a significant role to play in efforts to achieve organisational objectives, as far as its impact on performance of staff is concerned (Setiawan & Idayanti, 2016).

This study is a replication of a study conducted by Haslinda in 2021 on the impact of good governance on the performance of staff in the Majene Regency Population and Civil Registry Office. There are several reasons for doing this research, namely the existence of performance indicators which have not yet met the target to implement the 2020 Work Plan at the Ministry of Agriculture and secondly because there are a number of different results from various studies undertaken by Sunardi *et al.*, (2019) which has demonstrated positive effects of good governance on employee performance, and in Saribu's (2017) study it was reported that the principle of transparency negatively affects employees' ability to perform. It is important that researchers be able to clarify whether the principles of good governance have a bearing on employee performance, as there are differences in research results.

Theoretically, the results of this research are expected to be useful in providing information as a basis for consideration, support and contribution of thought to the development of science, where the results of this research provide a real picture of the role played by government employees/agencies regarding performance. By making system updates and effective performance standards through the implementation of good governance, one of which is in the West Aceh District Department of Agriculture, Food Crops and Horticulture.

Apart from that, it can increase researchers' insight into the application of good governance principles related to employee performance at the West Aceh Regency Food Crops and Horticulture Agriculture Service.

2. LITERATURE REVIEW

Effectiveness of Employee Performance

According to the opinion of Mangkunegara 2013, the effectiveness of the performance of the staff is based on the results of their work in carrying out the tasks and responsibilities assigned to them. Performance effectiveness basically means measuring the results of work accomplished in accordance with plans, policies or whatever you'd like to call achieving objectives and it is said to be effective. The efficiency shall be measured on the basis of achievement of organisational objectives, as well as in terms of suitability to perform their tasks and work (Setiawan, 2016). Performance efficiency refers to the level of performance achieved in carrying out tasks and obligations for achieving objectives set by an organisation's strategic plan, according to Mahsun (2013), Sunardi et al. (2019). A number of groups, including organisational and individual performance, can be divided up to achieve this objective. Individual performance is the result of employee work according to the level of quality or quantity based on applicable standards, while organizational performance is a combination of individual performance and the performance of several/more people (Azlina & Amelia, 2015).

Principles of Good Governance

The United Nations Development Program (UNDP) or the United Nations institution for state development, defines the principles of good governance as a process of structuring appropriate (good) government management, referring to the involvement of stakeholders in economic activities, implemented by adhering to the principles of: justice, transparency and accountability (Mardiasmo, 2018). Moreover, Hamirul and Alamsyahril (2020) stated that it was important to understand the underlying principles when implementing good governance. Therefore, if government is linked with elements of the good governance principles that give guidance as to how governments are performing, it will be possible to know whether their performance is good or bad.

Indicators of Good Governance Principles

However, as summarised by Mardiasmo (2018), the basic principles of public sector accounting and what are referred to as the three pillars which form a foundation for good governance do have an important number of guidelines that they implement:

1. Participation
2. Accountability
3. Transparency

Framework

The United Nations Development Program (UNDP) or the United Nations institution for state development, defines the principles of good governance as a process of good government governance, with the involvement of stakeholders in economic, social and political activities and the use of various resources such as Natural Resources (SDA), the implementation of financial and human affairs for the benefit of the people is based on the following principles: Justice, equity, equality, efficiency, participation, transparency and accountability (Mardiasmo, 2018). In accordance with the report of (Mardiasmo, 2018) it has been established that participation, accountability and transparency are characteristics or principles which have emerged in implementation of good governance.

It is also from the performance of staff, both in terms of quality and volume achieved by performing tasks fulfilling their responsibilities, that an understanding of employee effectiveness pursuant to Mangkunegara (2013) can be derived. The effectiveness of employee performance is the completion of work on time by employees as expected, meaning that the implementation of a task is marked as good or not, very much depends on the completion of the task and how it is carried out, this places more emphasis on completing tasks that have been determined previously (Purba, 2017). Based upon Sedarmayanti's opinion of (2011:285), the indicators that can be used in order to assess whether employees are able to achieve a good level of productivity with regard to performance implementation have been identified as work competence, punctuality, initiative, ability and communication.

The effectiveness of employees' performance is influenced by the implementation of good governance principles

According to Budi Mulyawan's article in Azlina & Amelia (2015) Good governance is the acceptance of the importance of establishing a set of laws or rules that regulate relationships, functions and interests between different parties with regard to business affairs and civil service. Good governance will ensure that a

company's activities run smoothly and correspond to the organisation's objectives. It is possible to conclude that it will automatically enhance the efficiency of work performance if good governance practices are improved. Cahyadi (2017), where the principles of good governance namely participation, transparency and accountability play a significant role in Public Services to increase employee effectiveness, these principles include value which can be defined as reference values for establishing benchmarks or indicators with characteristics associated with good government administration Research carried out by (Sunardi et al., 2019). A good governance system will be created in such a way that it can have an automatic effect on improving the effectiveness of employment and organisational performance by optimal application of Good Governance Principles. A study of previous research on the use of good governance principles by Haslinda (2021), Setiawan & Idayanti in (2016) has shown that their application can have a beneficial effect on employee efficiency.

It is based on the above mentioned theory that, according to the framework scheme described in Figure 1, effective performance of public servants from West Aceh Regency Agriculture, Food Crops and Horticulture Services may be affected by application of good governance principles.

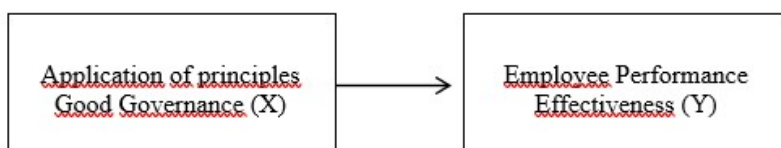


Figure 1. Framework of Thought

Hypothesis

A hypothesis is the supposed provisional answer to the problem that we've been investigating, and in this case it needs to be verified scientifically within a year (Suryabrata, 2018). The hypothesis put forward by this study therefore is as follows:

Ha: In the West Aceh Regency Department of Food Crops and Horticulture, application of good governance principles is having an impact on employee performance.

3. RESEARCH METHODS

Research design according to Sekaran (2017: 152) is planning a research structure to create a research process so that the results are valid, objective, as efficient and effective as possible. This research is quantitative research, the method in this research uses simple linear regression analysis. Simple linear regression analysis is used to predict or test the influence of one independent variable on the dependent variable (Sanusi, 2011:131). In this research, the data obtained through a questionnaire which will be filled in by the respondent is then processed and analyzed using data processing techniques or using the SPSS version 26 computer program to produce a conclusion on the problem under study, because with this program the analysis can be carried out quickly and produce output more accurate. The population in this study were all government employees at the Department of Agriculture, Food Crops & Horticulture, West Aceh with a total of 164 people. According to Arikunto (2016), in taking samples for research, if there are less than 100 subjects then all are taken, but if the subjects are above 100 people can then take between 10% - 25% of the total population. So if 25% of the total 164 employees are taken, the sample for this research will be 41 employees

Researchers took data collection techniques in the form of questionnaires, by giving a series of responses or written questions for respondents to answer (Sugiyono, 2017: 142). The scale used in this research to measure a questionnaire instrument (questionnaire), namely, uses a Likert scale.

Simple linear regression analysis is used as a testing tool and predicts the influence of an independent variable on the dependent variable (Sanusi, 2011: 131). The formula used is:

$$y = a + bX + e$$

Is known :

y = employee performance (dependent variable)

a = constanta

b = Regression coefficienti

X = Application of good governance principles (independent variable)

e = Residual

The technical data analysis used in this research is the descriptive statistical analysis method, which includes testing data instruments using the validity test and profitability test. After that, the classical assumption test is carried out, which consists of normality tests, multicollinearity tests, and heteroscedasticity tests. The last test carried out was a hypothesis test using multiple linear regression equation analysis, a T-test, an F-test, and a coefficient of determination (R2). In terms of data processing, the researchers use statistical tools.

4. RESULT AND DISCUSSION

Validity Test

Judging from the SPSS output results, all statements are said to be valid because they have a significance level of less than 5%, however, if done manually, the correlation value is obtained, each statement needs to be compared to the critical value of the product-moment correlation so that the results show that all statements have a correlation value exceeding the critical value of 5%. of 0.3081. Therefore, to carry on the further detailed studies it is considered that all of the variables applied for this research have been verified and therefore any statement contained in these questionnaires can continue to be reliable.

Reliability Test

To determine whether a respondent's response is in line with the answers used, this test applies to either internal consistency or accuracy of replies. The researchers are using SPSS Version 26 data processing tools in order to carry out reliability tests. We can see with the above reliability tests that it is all solid because at a value of > 0.60, there is no doubt about the validity of variable principles on good governance in terms of effectiveness for government employees.

Normality Test

The test can be detected solely by analysing a graph which is the result of regression calculation using SPSS Version 26. The distribution of data points in the diagonal axis shows standard data. The results of the graphic analysis show that the points are distributed around the diagonal axis and follow the direction of the line, so the regression model is said to be normal and vice versa if the data is spread away from the diagonal line and is not in line with the diagonal axis, This is why the regression model fails to comply with the assumption of normality. It can be reasoned that this regression model is the usual method for predicting employee performance on the basis of input from individual variables. Figure 1 shows the result of a data normalisation test:

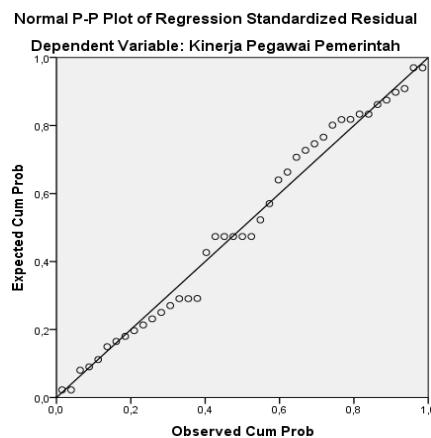


Figure 1 Normality Test Results
Source : Primary data processed, 2022

Simple Linear Regression Test

Based on the results of statistical tests, it proves that the application of the principles of good governance (X) has an influence on the effectiveness of the performance of government employees in the food crop agriculture and horticulture department of West Aceh district.

Table 2
The Influence of Independent Variables on Employee Performance

Model	Unstandardized	Standardize	t	Sig
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	coefficients		dcoefficients		
	B	Std. Error	Beta		
(Constant)	0,814	0,521		1,5 64	0,12 6
application of good principles governance	0,834	0,117	0,753		0,00 0

Source: Primary data processed, 2022

From SPSS data processing, a simple regression equation is obtained:

$$Y = 0,814 + 0,834X + e$$

On the basis of the regression equation above, it can be concluded that the results of the study are in the form of a regression coefficient with a constant value of 0.814, which means that if the principles of good governance X are considered to be constant, there will be an increase in the performance of government employees by 0.814 in the Likert scale units. The coefficient value for good governance principles (X) is 0.834. This means that every 100% change in the variable principles of good governance (X) will increase employee performance by 83.4%.

Significance Test (t Test)

This test is used to test whether the principles of good governance (X) influence the effectiveness of employee performance using the t test. if the $t_{count} > t_{table}$ value, then reject H_0 and accept H_a , conversely if $t_{count} < t_{table}$, then accept H_0 and reject H_a . The magnitude of a calculated t value for every independent variable can be demonstrated in the results of partial hypothesis tests from this study. Using an accuracy of 95% or 0.05, the calculated t value for each individual variable may be used to compare with the T table value.

The influence of the principles of good governance (X) on the effectiveness of the performance of government employees can be partially seen from the value of t count (7.138) > t table (1.685) with a significant level value of 0.000, indicating a significance value and significance level of less than 5% (0.05) then H_0 is rejected, then it is said that there is a significant influence.

Coefficient of Determination Test (R)

To see how the correlation of variables can explain such an increase. The analysis model, if any of these variables contain a value that matches the equation correctly, is said to be perfectly correlated. From SPSS analysis, the correlation coefficient (R) value obtained in the research was 0.753, so the conclusion is that there is a correlation between the independent and dependent variables of around 75.3%, in that it affects the efficiency of staff performance by applying good governance principles. The coefficient of determination (R Square/ R^2) obtained a value of 0.566, which means 56.6% of changes in the dependent variable (employee performance effectiveness) of the West Aceh Food Crops & Horticulture Department can be explained using the principles of good governance (X). In addition, outside this research around 43.4% are explained by other factors.

Discussion

This study aims at finding out whether the implementation of Good Governance principles has a positive impact on the effectiveness of public service workers in West Aceh Food Crops & Horticulture The objective and purpose of this research is to find out.

Effect of good governance principles in the effectiveness of employee performance

The research results have shown that variation in good governance principles influence the effectiveness of employees' performance at the Departments of Agriculture, Food Crops and Horticulture with respect to a series of hypothesis tests carried out using t test, R test and simple linear regression. As a result of the SPSS analysis, a correlation coefficient of 0.753 was obtained in the study, which indicates that the variable principles of good governance, consisting of indicators of accountability, transparency and participation, have an effect of 75.3% on the dependent variable of employee performance effectiveness. This also indicates that the implementation of good governance principles in order to increase employee performance is still not optimum, there are a number of specific actions which need to be undertaken within the Agriculture, Food Processing and Horticulture Department.

Based on the research results showing the influence of the principles of good governance (X) on the performance of government employees, it can be partially seen that the value of $t_{count} (7.138) > t_{table} (1.685)$ with a significant level value of 0.000, indicates a significance value and a significant level of <0.05 so H_0 was rejected. This implies that the principles of good governance, with regard to the effectiveness of employees' performance, have an important influence. Therefore, it can be concluded that the alternative hypothesis statement (H_a) regarding the application of good governance principles influencing the effectiveness of employee performance is accepted.

A good government system, which in turn increases the effectiveness of employee performance and organizational performance Sunardi, *et al* (2019), can be created if there is a high degree of application of Good Governance principles. According to the research results, a very good category has been identified with regard to the quality of workers in the agriculture service. The quality of the work of the staff, the friendly, fast and comfortable service, is reflected in the quality of the service. The way employees carry out their tasks when providing services to the public sector can be regarded as a high quality of work.

Employee performance, which reflects good governance principles, may support the implementation of democratic governments and public confidence in employees is to be expected that each employee's performance will lead to improved services for the community.

5. CONCLUSION

The findings show that a strong influence exists between the implementation of good governance principles and the effectiveness of public servants working within the West Aceh Agriculture, Food & Horticulture Department on their performance is due to the results of hypothesis tests by means of ttest analysis, determinationRs or simply regression.

This research is limited only to the agriculture sector, with its own variables on good governance principles, as a consequence of author's limited time, costs and energy. Based on this research, the author is of the opinion that there are several recommendations to improve the efficiency of staff performance in West Aceh regency Food Crops and Gardens as regards implementing good governance principles (accountability, transparency, participation).

A shared commitment to the implementation of good governance, including quality of work, timeliness, initiative, skills and communication, is expected from the Head of the Food Crops and Horticulture Department of West Aceh Regency and his staff.

Increasing the capability of an apparatus via training and education is a key part of this effort. Increasing initiative by reaching out to workers, in particular with regard to objectives and programmes that need to be met, is an important step towards enhancing efficiency of the organization's work.

The next generation of researchers could enhance this research through the addition of other autonomous variables which might also have an impact on employee performance. The results of this research, which are expected to result in improved and increased employment performance through the implementation of good management at all public bodies, can potentially serve as an input for Local Governments.

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