PAPER NAME

PROCIDING INTERNASIONAL_Effect of G
overnment.pdf

AUTHOR

Hariany Idris

WORD COUNT

3801 Words

CHARACTER COUNT

20642 Characters

PAGE COUNT

9 Pages

FILE SIZE

129.7KB

SUBMISSION DATE

Jun 29, 2023 11:46 PM GMT+8

REPORT DATE

Jun 29, 2023 11:47 PM GMT+8

● 7% Overall Similarity

The combined total of all matches, including overlapping sources, for each database.

- 7% Internet database
- Crossref database

- 1% Publications database
- Crossref Posted Content database

● Excluded from Similarity Report

- Submitted Works database
- Quoted material
- Small Matches (Less then 10 words)

- Bibliographic material
- Cited material
- Manually excluded sources

Effect of Government Performance Information Transparency on Level of Public Trust: An Experimental Study

Hariany Idris[1], Warka Syachbrani[2]
[1]Universitas Negeri Makassar
[1]Jl. Raya Pendidikan No.1 Makassar 90221, Indonesia
E-mail: hariany.idris@unm.ac.id[1], warka.syachbrani@unm.ac.id[2]

Abstract,
This research aims to investigate how can be a way for the government to increase public confidence in the process and performance they do in order to provide services to the community in Indonesia. For this matter, a 2x2 factorial experiment was conducted involving 37 students who have programmed Public Sector Accounting courses. The result of the research shows the relationship between the transparency and the level of trust. The high degree of openness / transparency for informations has high level of trust. While informations with low levels of openness have a low level of trust as well.

Keywords: public sector accounting, transparency

INTRODUCTION

Several recent publications of the results of national surveys by various survey institutions in Indonesia have shown the low level of public trust in government performance in recent years. According to the Indonesian Survey Circle (2015) public satisfaction with government performance continues to decline. Other publications also agree that the government's performance in recent years has been lower than it should be (Indobarometer, 2015; Pol-Tracking, 2015).

This phenomenon leads to the question, whether the government's performance so far is still far from public expectations, or whether the public has limited access to government performance information. This is interesting to be a study by researchers in the field of public sector performance accountability.

In terms of scientific literature review, the issue of public trust in government performance then directs researchers to propose the concept of New Public Management (NPM) where one of the main concepts is transparency in disclosing government performance outcomes for the purpose of building public trust (Pina et al., 2007). There have been many studies that reveal the relationship between transparency and trust. According to Hood (2006) in Grimmelikhuijsen (2012) that transparency describes a culture of "openness" where it is proven to be positively related to trust. Furthermore Cook et al . (2010) found that the low public

trust in the government is one of the causes is that the government rarely provides information on performance and factual government processes to the public.

However, there are other thoughts that are not in line with it. An explanation of the theory of bounded rationality (March, 1978) concluded that not all information will be used by a person in making decisions. A person will find it difficult to consider all the alternatives and available information, so that he uses his rationality to simplify the problem with a makeshift decision.

There are many studies that have found that there is a person's emotional influence related to trust in government. Grimmelikhuijsen (2012) found that transparency may play a role in order to improve the level of public confidence through cognition and feeling of individuals in the community against the government. Based on this, the researchers then took the initiative to further investigate how transparency can be a way for the government to be able to increase public confidence in the processes and performance they carry out in order to provide services to the public in Indonesia.

This study replicates a study conducted by Grimmelikhuijsen (2012) which examines the relationship of transparency on the outcome of government performance to the public with public trust. Grimmelikhuijsen conducted an online experiment using 658 participants obtained from the opinion panel of a ministry in the Netherlands.

The researcher feels that this study is important to re-test in Indonesia because it has only been more than a decade that Indonesian society has experienced a reformation event with the drama of overthrowing the government regime in which the poor quality of leaders and officials is exposed to the public in a vulgar manner. Coupled with the findings of various official corruption cases recently published by the media on a large scale. According to researchers, this still affects public perceptions of the transparency of current government performance.

It is hoped that the communication of information on the results and achievements of government performance can be a means of gaining public trust in the service process carried out by the government so that it gets legitimacy and support from the community as stakeholders. However, transparency becomes questionable when it is linked to individual rationalism regarding the use of information in decision making.

LITERATURE REVIEW
Transparency of Government Performance Results

Grimmelikhuijsen and Welch (2012) explain that transparency is defined as the availability of information about the organization and the organizers of the organization where external parties are allowed to monitor the internal work processes of the organization or control the performance of the organization and its organizers. There are two dimensions of

transparency; namely the level of comprehensiveness and completeness in terms of time series (timelines), so that the information is appropriate or relevant for use in decision making.

Regarding comprehensibility, Larson (1998) in Grimmelikhuijsen (2012) emphasizes that transparency includes the simplicity and comprehensiveness of the information presented. Meanwhile, in terms of completeness of the time series, Heald (2006) in Grimmelikhuijsen (2012) concluded that there is a fundamental difference between real-time information and non-renewable (retrospective) information. Although real-time and retrospective are not divided into new information and outdated information, the timeliness factor is very important in the aspect of transparency. This is related to the relevance of data for decision making.

Extent of Public Trust

Rousseau et al. (1998) defined trust as a psychological condition of a person that causes the intention to accept the weaknesses of others based on positive expectations of the intention or behavior of the other person. The confidence level has several dimensions that build, among other things: competence, benevolence, and honesty.

Influence of Knowledge on Public Trust

If the public has obtained information on the government's performance in a transparent manner, then this can increase public knowledge of how the government's actual performance conditions are. Research by Cook et al . (2010) founded evidence that increased knowledge helps in increasing public confidence in government organizations, the hypothesis that can be asked are as follows:

- H1: The condition of the internal control elements affects the relationship between the level of information transparency and public trust.
- H2: The condition of the internal control elements does not affect individual trust in the presence of high information transparency.
- H3: In the absence of an element of internal control, information that has a low level of transparency tends to cause distrust compared to if information has a high level of transparency.
- H4: Information with a low level of transparency tends to cause public distrust in conditions where there is no element of internal control compared to conditions where there is an element of internal control.

METHODS
Research Design

This research will be conducted using an experimental method adapted from Grimmelikhuijsen (2012). In this study, there is one dependent variable, namely the level of individual confidence. Individual confidence variables are measured by asking participants to provide their opinions on questions that represent the three types of individual beliefs.

Participants answered the question after reading the experimental scenario. Likert scale 1–7 is used to measure the response of the participants. The higher the participant's assessment score, the more likely they are to trust the government.

The independent variable in this study is transparency of information. The measurement of information transparency comes from the transparency measurement model developed by Kohlberg (1969) and Rest (1979) in the form of the Defining Issues Test (DIT) instrument. This instrument takes the form of an ethical dilemma case. Information transparency is measured through an instrument developed from Rest (1979) to measure the level of disclosure of information through four scenarios. Distribution of the transparency level score (high and low) using the median P-score from the total sample.

The measurement of internal control variables consists of two schemes in the scenario: there is an element of internal control and no element of internal control. The condition of the existence of an element of internal control is illustrated by the implementation of authority and responsibility in the organization, periodic transaction recording, physical control, a comprehensive accounting system, and periodic monitoring and evaluation. The absence of internal control elements is described in the scenario in the form of the absence of clear application of authority and responsibility in the organization, the recording of transactions that are not periodic, the absence of physical controls, the accounting system that cannot record all operational activities of the agency and the absence of monitoring and evaluation on a regular basis. periodically within the agency.

Research Participants

Participants in this study were students of Bachelor Programme of Accounting in Faculty of Economics, Universitas Negeri Makassar who has programmed course Public Sector Accounting/Accounting for Government. The reasons for selecting student sample that is because the student has received lecture portion in government more than students of other characteristics that are expected to approach the public sector as in the experimental scenario. A total of 50 students participated in the experiment.

Participant Duties and Procedures

The researcher creates a series of procedures that will be carried out by the participants so that the experiment can run according to the planned manipulation. Participants are distributed envelopes but they are not allowed to open the envelope until all envelopes have been received by all participants. After all participants receive an envelope, the envelope is opened together.

In the envelope the participants received, there were two assignments. The first assignment is an assignment regarding individual belief tendencies. Subjects are given a scenario that contains information about their role in the experiment. In this study, respondents

were given a scenario about a community in a district. In the scenario, participants are given information about a project tender carried out by the district . The experimental scenario in this first assignment uses a third-person context as suggested by Rest (1986) in Liyanarachi (2009) for ethical research.

This is reinforced by ethical studies conducted by Arnold and Ponemon (1991), and Bernardi and Guptill (2008) which use a third person context. There are two types of conditions in the confidence level scenario , namely the condition exists and there is no element of internal control. These conditions randomly exist in the   scenario distributed to experimental subjects. At the   end of the scenario, there is a confidence level case . The case concerns a tender project in Dinas X. After reading the scenario, the subject was asked to give an assessment regarding the transparency question in the tender case.

At the end of the first assignment, the respondent will be asked to answer questions to check for manipulation. After the first assignment is over, the paper containing the first assignment is put back into the envelope, participants are then asked to work on the second assignment. In the second assignment, subjects will be asked to read four scenarios regarding their level of confidence and answer questions that will be used to measure their level of confidence .

Experimental Design

This study used a 2x2 factorial experimental design to examine the effect of information transparency   and on the level of individual confidence . The dependent variable in this study is individual trust , while the independent variable is the level of transparency (high and low transparency levels).

Researchers observed the tendency of individuals to have trust by dividing participants into four groups: (1) Group 1: a group with a high level of transparency in the presence of an element of internal control, (2) Group 2: a group with a high level of transparency in the absence of an element of internal control, (3) Group 3: group with low level of transparency in conditions where there are elements of internal control, and (4) Group 4: group of low level of transparency in conditions where there are no elements of internal control.

RESULTS AND DISCUSSION

Check Experimental Manipulation

Manipulation checks are carried out by testing participants to determine whether they are right or wrong with two questions. The first question is about the duty of participants as community of District X. The second question is about the description of the elements of internal control in District X. The results of the manipulation check analysis show that out of 50 participants, only 37 participants (74%) passed the manipulation check and escaped

elimination, so that participants did not pass the manipulation check and did not passed the elimination 13 people (26 %).

Experiment Results

The normality test was carried out to determine whether the data in this study were normally distributed. The results of normality testing with the Kolmogorov-Smirnov Test show the Asymp value. Sig 0.411 (above 0.005), with these results it can be said that the data is normally distributed so that it meets one of the assumptions of analysis of variance (ANOVA). Tests of homogeneity of variance were conducted to determine whether the four treatments (treatments 1, 2, 3, and 4) had the same variants. The result of statistical test shows that the levene statistic is 0.176 (above 0.005). This shows that each group of subjects fulfills the same variance so that it meets the ANOVA assumption (Hair et al., 2006). Meanwhile, the Analysis of Variance-Between Groups test shows a significant p-value at 0,000. These results indicate that there are significant differences between groups. To answer the hypothesis, below will be shown a table of the influence of individual moral levels and elements of internal control on the tendency of accounting fraud and a statistical description to see the differences between groups.

The first hypothesis states that the condition of the internal control elements will affect the relationship between the level of transparency and individual trust . From the test results, it is known that there is an interaction between the level of transparency and elements of internal control (F=22,877 with p-value 0,000). Evidence regarding the strength of the influence of these interaction variables shows that there is an interdependence between the level of information transparency and the condition of the internal control elements, thus the first hypothesis is supported .

The presence or absence of internal control in an organization will decrease the level of public trust if the transparency of government information is low. Changes in the level of conditions of the internal control elements the presence and absence of elements of internal control will result in a change in confidence in information with a certain level of transparency (high or low). Data shows the difference in the mean of each group with a certain moral level and the condition of certain internal control elements. Group mean differences were significant, then a post-hoc analysis was performed .

Based on the results of the Tukey t-statistics test, the researcher compared the mean of Group 1 and 2 to see the effect of the condition of the internal control elements on the tendency of public trust. From the comparison of the two groups, a mean difference of 0.2667 was obtained with a value of p = 0.821. These results indicate that there is no significant difference between Group 1 and Group 2. This means that the condition and no element of internal control

does not affect the confidence of individuals with high level of information transparency, thus the second hypothesis is supported.

The results of this study prove what is in the hierarchy of trust development stages. The higher the level of transparency of information (the post-conventional stage), the more the individual will pay attention or trust, especially if the information is for the benefit of the individual. The higher the level of transparency of information, the individual concerned will increasingly open up the data and facts of such information.

Information with a high level of transparency will direct individuals who use it to pay attention to the details contained in the information, so the presence or absence of elements of internal control will not change the level of trust. The results of this study at the same time strengthen the results of previous studies that information with a high level of transparency will be more accepted, so it will tend to be of good use.

The third hypothesis states that in the absence of an element of internal control, information that has a low level of transparency tends to increase distrust compared to information with a high level of transparency . From the test results the researcher compared between Group 4 and Group 2 which is a representation of the hypothesis. From the comparison of the mean between the two groups, the mean difference was 2.3143 with a value of p = 0.000. These results indicate that there is a significant difference between Group 4 and Group 2. Information with a low level of transparency (Group 4) is more likely to cause distrust than information with a high level of transparency (Group 2) in the absence of an element of internal control. Thus, the third hypothesis is supported.

In the circumstances there is no element of internal control within the organization, information with the level of transparency of the low will be of no benefit. This is consistent with what is in Kohlberg's stage 2 (pre-conventional level), namely information that has a low level of transparency has no value .

The fourth hypothesis states that information with a low level of transparency tends to cause distrust in conditions where there are no elements of internal control compared to conditions where there are elements of internal control. Based on Tukey t-statistics data , the researcher compared the mean of Group 4 and 3 and obtained a mean difference of 1.8681 with a value of p = 0.000. The mean of Group 3 was 0.89872 lower than the mean of Group 4, which was 3.7857. This means that information with a low level of transparency in the absence of an element of internal control (Group 4) tends to cause distrust when compared to information with a low level of transparency in a condition where there are elements of internal control (Group 3), thus the fourth hypothesis is supported .

The results of this study also support previous research which found that information with a level of transparency is more oriented towards requirements and laws that may have been regulated so that in conditions where there is an element of internal control, the level of

trust in the information increases. The results of this study also support the research of Maroney (2006) who found that regulations can be an effective tool so that information published by the government will be useful so as to ensure that the objectives of the information published are achieved.

CONCLUSION

The purpose of this study was to compare the tendency of public confidence to the information that has a level of transparency is low and the level of transparency   high   on condition there is an element of internal control organization and there are no elements and internal control organization. The results of this study indicate that there is an interaction between the level of transparency of information and internal control. This means that changes at one level of the factor level of transparency or in conditions of internal control will cause changes in individuals in terms of their trust in information published by the Government.

The results of this study also indicate that information that has a high level of transparency tends to lead to high public trust in conditions where there is an element of internal control or in a condition where there is no element of internal control in the organization. The results of testing the second hypothesis show that there is no significant difference in information with a high level of transparency to cause public distrust , whether or not there is an element of internal control in the organization.

The element of internal control can be a tool capable of reducing public distrust of government information. The results of testing the third and fourth hypotheses prove that when there is an element of internal control, information that has a low level of transparency tends not to reduce the level of public trust. Conversely, if there is no element of internal control, information with a low level of transparency will tend to reduce the level of public trust.

RESEARCH IMPLICATIONS AND LIMITATIONS

There are two important implications of this research. Future research is expected to include variables related to the demographics of the respondents (gender, position in the organization, work experience, age, and education) to see the influence of these variables on trends in public trust. Further research is also suggested to focus more on a more perfect experimental design in order to better describe more real conditions.

There are several limitations in this study, including that all information describing the elements of organizational internal control may not be available in the given scenario because the elements of internal control in the government sector in the real world are more complex. Participants in this study were undergraduate students of the Universitas Negeri Makassar, they had to be careful to generalize the results of this study to other situations because the results were not necessarily the same for other participants.

REFERENCES

Cook, F Lomax. Jacobs LR. & Kim D. 2010. Trusting What You Know: Information, Knowledge, and Confidence in Social Security. Journal of Politics Vol. 72 No. 2 (2010): 397-412.

Grimmelikhuijsen SG. 2012. Linking transparency, knowledge and citizen trust in government. International Review of Administrative Sciences (2012): 50-73.

Grimmelikhuijsen SG & Welch EW. 2012 Developing and Testing a Theoretical Framework for Computer-Mediated Transparency of Local Governments. Public Administration Review Vol. 72 (2012): 562-571.

March, J G. 1978. Bounded rationality, ambiguity, and the engineering of choice. The Bell Journal of Economics Vol. 9 No. 2 (1978): 587-608.

Pina, Vicente. Lourdes Torres & Bacilio Acerete. 2007. Are ICTs improving transparency and accountability in the EU regional and local governments? An empirical study. Critical Perspectives on Accounting Vol. 18 (2007): 583602.

Rousseau DM, Sitkin SB, Burt RS and Camerer C. 1998. Not so Different After All: A Cross-Discipline View of Trust . Academy of Management Review Vol. 23 No. 3 (1998): 393-404.

Supporting Data Sources :

Indo Barometer. 2015. A Year Success and Failure Survey of the Jokowi-JK Administration. 14-22 September 2015. Jakarta.

Pol Tracking Indonesia. 2015. 1 Year Public Evaluation of Jokowi-JK Administration: Observing the Performance of Working Cabinet Ministers. October 2015. Jakarta.

Indonesian Survey Circle. 2015. Jokowi-JK Year One Year. October 2015. Jakarta.

● **7% Overall Similarity**

Top sources found in the following databases:

- 7% Internet database
- Crossref database

- 1% Publications database
- Crossref Posted Content database

TOP SOURCES

The sources with the highest number of matches within the submission. Overlapping sources will not be displayed.

1	**journal.stieamkop.ac.id** Internet	**3%**
2	**ejournal.uin-suka.ac.id** Internet	**1%**
3	**pdfs.semanticscholar.org** Internet	**<1%**
4	**eprints.perbanas.ac.id** Internet	**<1%**
5	**thejhpm.com** Internet	**<1%**
6	**repository.upnvj.ac.id** Internet	**<1%**
7	**Murat Erdoğan. "chapter 12 Assessment of the Internal Control System...** Crossref	**<1%**
8	**journals.sagepub.com** Internet	**<1%**