

The Effect of Perceived Changes in Budget Allocations on Employee Motivation and Performance: Case Study on a Deputy of an Indonesian Coordinating Ministry

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ABSTRACT- This study aims to determine whether the perception of changes in budget allocations has an effect on employee motivation and performance at one of the Deputy in the Coordinating Ministry using quantitative and qualitative methods. The magnitude of the perceived influence of changes in budget allocation as an independent variable will be assessed using Structural Equation Modeling (SEM) analysis using Partial Least Square (PLS) on each dependent variable, namely employee motivation and employee performance. In addition, it also assesses whether employee motivation can be a mediating variable. The data used were obtained from the results of questionnaires filled by 121 employees on the object of research. The SEM-PLS method in this study was used in validity testing, reliability testing, and hypothesis testing. The results of this analysis will be supported by descriptive narratives according to the results of observations on the object of research. The results of the study indicate that the perception of changes in budget allocations influences increasing employee motivation. However, the perception of changes in budget allocations has no effect on employee performance. Furthermore, the perception of changes in good budget allocations will improve employee performance if mediated by employee motivation.

Keywords: *budget, motivation, performance, SEM-PLS.*

ABSTRAK- Penelitian ini bertujuan untuk mengetahui apakah persepsi perubahan alokasi anggaran berpengaruh terhadap motivasi dan kinerja pegawai pada salah satu Kedeputan di Kementerian Koordinator menggunakan metode kuantitatif dan kualitatif. Besarnya pengaruh persepsi perubahan alokasi anggaran sebagai variabel bebas akan dinilai dengan menggunakan analisis *Structural Equation Modeling* (SEM) menggunakan *Partial Least Square* (PLS) terhadap masing-masing variabel terikat yaitu motivasi pegawai dan kinerja pegawai. Selain itu, juga menilai apakah motivasi pegawai dapat menjadi variabel mediasi. Data yang dipergunakan adalah data yang diperoleh dari hasil pengisian kuesioner oleh 121 pegawai pada objek penelitian. Metode SEM-PLS pada penelitian ini digunakan dalam uji validitas, uji reliabilitas, dan uji hipotesis. Hasil dari analisis ini akan didukung dengan narasi deskriptif sesuai hasil dari pengamatan pada objek penelitian. Penelitian menunjukkan bahwa persepsi perubahan alokasi anggaran berpengaruh dalam meningkatkan motivasi pegawai. Namun, persepsi perubahan alokasi anggaran tidak berpengaruh pada kinerja pegawai. Selain itu, persepsi perubahan alokasi anggaran yang baik akan meningkatkan kinerja pegawai jika dimediasi oleh motivasi pegawai.

Kata Kunci: *anggaran, motivasi, kinerja, SEM-PLS*

I. INTRODUCTION

All people who work should aim to meet their needs, whether material or immaterial, or physical and spiritual needs. Employees who are motivated to carry out their duties well can directly improve the performance of these employees so that they can contribute to achieving the goals of the organization where they work. Motivation is the main competency of leadership attitude that must be possessed by

an employee (Latham, 2007). Many factors affect the rise and fall of employee motivation. In the government sector, the motivation of civil servants can be influenced by several factors, including length of promotion, difficulty in obtaining employee interest development programs, and compensation received by employees.

According to the Big Indonesian Dictionary (2012), compensation is a reward received by an employee in a company or organization for the results of his work either in the form of money or not money (in kind). According to Julyalah (2017), if the compensation received by an employee is felt to be fair, then the employee will further develop the existing potential, maintain, and motivate employees in improving their performance results. For employees in government circles, the source of material compensation that can be obtained is only through the budget of the relevant Ministries/Agencies. The budget is used to fund employee salaries, performance allowances, official travel expenses, rental fees and all activities carried out by employees of the Ministry/Agency. In accordance with the 2020-2024 Coordinating Ministry's Strategic Plan X 2020-2024 budget plan, the budget is expected to increase at least 5% per year in line with the inflation rate. However, in reality, the determination of the K/L budget is not always the same as the existing plan. The amount of the expenditure budget may change according to the changing fiscal capacity or budget financing, such as changes in macro assumptions, revenue targets, spending priorities, and the use of the previous year's SAL (PMK Number 171/PMK.02/2013).

The Minister of Finance said that each ministry asked for an increase in the budget (CNBC Indonesia, 2020). The Minister of Finance also said that in the current condition of low revenues, Ministries/Agencies were asked to save money to keep the economy stable, resulting in budget cuts. Based on the 2019 (2020) Performance Report, Ministry/Agency budget cuts have been made since the 2018 budget year as shown in the following figure.

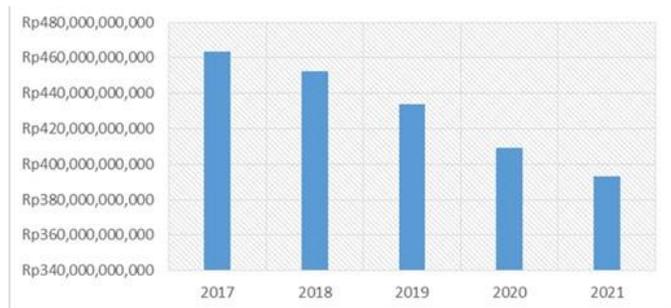


FIGURE 1. COORDINATING MINISTRY'S BUDGET CEILING

The reduction in budget allocations in Ministries/Agencies is generally caused by refocusing on programs that are considered more important. In the 2021 budget year, the reduction in the budget allocation of Ministries/Agencies is mentioned to fund the handling of the ongoing Covid-19 pandemic. In addition to the declining total budget, in accordance with the 2021 FY Input Fee Standard according to PMK No. 119/PMK 02/2020 concerning Standard Input Fees for the 2021 (2020) Fiscal Year, the allocation for financing in-office meetings and business trips was abolished. In addition, the process of

replacing the budget for employees who take official trips during official trips is carried out based on the attached bill or with an at cost system, no longer providing transportation costs based on the city/province/destination country. This causes pros and cons in the internal environment of Ministry/Agency employees because they are not familiar with the new system in the administrative process and are said to be difficult for employees who have carried out official travel assignments.

This study focuses on a coordinating Ministry with the task and function of synchronizing and coordinating in the formulation, determination and implementation of coordinated Ministry/Agency policies and overseeing national priority programs and other policies decided by the President and the Cabinet Meeting. In accordance with the Circular Letter of the Minister of Administrative Reform and Bureaucratic Reform of the Republic of Indonesia Number 67 of 2020, the current work environment is still within a limit of the number of employees who can work from the office. During the pandemic, the percentage of working from home is still higher than working from the office. This brings a new culture in completing existing work. The workload that does not decrease and even increases due to the large number of urgent jobs causes the office hours and working days to be confused.

Employees at the Coordinating Ministry feel different work pressures from before the pandemic. Many employees are unable to complete their tasks because there are new tasks that are more urgent and must be completed as quickly as possible. In addition, every employee of the Coordinating Ministry must be ready if at any time assigned out of town, either to attend meetings or to coordinate field work with other relevant Ministries/Institutions. Based on these problems, this study aims to determine the perception of changes in budget allocations on employee motivation and performance and the effect of employee motivation on employee performance in one of the Deputy Coordinating Ministry.

II. RESEARCH METHODOLOGY

The method used in this study is a quantitative method and is supported by qualitative observations. Sugiyono (2013) in his book writes that quantitative research methods are research methods whose proposals are specific and standardized. While qualitative research according to Yusuf (2017), researchers in qualitative research try to find and understand the meaning of an event or event by interacting with people on the object of research. In this study, qualitative methods will support the results of the quantitative methods carried out. The method used is by direct observation of researchers on the object of research which will be described descriptively.

The research population is both ASN and contract employees at one of the coordinating ministries, with the sample studied being 121 employees, both ASN and contract staff at one of the deputies in the coordinating ministry. The sampling technique used was saturated sampling technique with primary data sources through questionnaires and secondary through documents (employee attendance, monthly performance achievements, and literature study). The time for distributing and filling out the questionnaire is 5 (five) days from June 21-25, 2021. In this study, the dependent variable is employee motivation and performance, while the independent variable is the perception of changes in budget allocations. The measurement scale used is the interval scale on the dependent variable with measurements in the form of differential semantics, arranged in a continuum line (sliding scale) 1 – 5. While the independent variable uses a unit of measure ratio between -100% - 100%.

Structural Equation Modeling (SEM) analysis using Partial Least Square (PLS) is the application of the second generation of applied equation statistics with estimates representing about 50% of the statistical tools used in experimental studies (Hair et al., 2017). PLS-SEM is supposed to help researchers understand the more complex relationships involved in research, because it applies more complex multivariate data analysis methods. PLS-SEM is used for theory development in exploratory research that focuses on explaining the variance of the explanatory variables. In this study, the authors decided to use application assistance when conducting SEM analysis. Applications used in

Smart PLS 2.0 application. There are many advantages of using Smart PLS over other SEM analysis applications, namely:

- a. Function to check the relationship between variables
- b. An approach that is considered good because it does not use assumptions
- c. Can be used for small samples with complex models
- d. The analyzed data does not need to be normally distributed.
- e. Ability to test models at any scale.

The PLS-SEM validity test includes the outer model or commonly known as the measurement test (Hair et al. 2017). The validity test in PLS-SEM uses two criteria, namely, convergent validity and discriminant validity. Convergent validity measures the strength of the positive correlation of the same structure using a domain sampling model and construct indicators for reflection. When determining and evaluating convergent validity results, it can be seen from the Average Variance Extracted (AVE)

value. The results of the high outer loading measurement show that each indicator has many similarities and is reliable. It is also mentioned that the latent variable must account for a significant portion of each indicator at least 50% or 0.5 of the variance. Meanwhile, discriminatory validity is a measurement of the extent to which a construct differs from other empirical standard-based constructs. The purpose of discriminatory validity is to demonstrate the uniqueness of each construct and capture phenomena that are not represented by other constructs in the model being studied. The discriminatory assessment is valid, the indicator used is cross-loaded or cross-loaded. Cross loading is written in a table with row and column indexes of the studied variables.

The structural reliability test can be measured using two criteria, composite reliability, and Cronbach's alpha from the structural indicator block (Hair et al, 2017). Composite reliability is the part that is used to test the reliability of variables. Variables can be said to meet composite reliability if each variable has a value > 0.60 . Meanwhile, Cronbach's alpha aims to strengthen the composite reliability results. In Cronbach's alpha test, a variable can be said to be reliable if its alpha value is > 0.60 . In PLS-SEM, composite reliability is evaluated as the best reliable criterion. However, the Cronbach alpha value is also considered to still represent a conservative measure of the internal consistency of the reliability of each indicator. Validity and reliability tests were carried out for each index on each research variable, namely perceptions of changes in budget allocations, employee motivation and employee productivity.

Hypothesis testing in PLS-SEM, included in the evaluation of the internal model (Hair et al, 2017). The inner model, also known as the structural model, represents the theoretical and conceptual elements of the variable model under study. Evaluation of the inner model in PLS-SEM uses the value of the coefficient determination (R^2), Goodness of Fit and Hypothesis Testing both direct and indirect effects. Based on the research hypothesis, results will be obtained after processing the data. To evaluate whether the hypothesis is accepted or not assessed based on the t statistic and P Values. The hypothesis is accepted if $p > 0.05$ and is declared to have a significant effect if the t statistic is greater than t table. In this study, SEM analysis with SMART PLS aims to test predetermined variables and hypotheses. on Smart PLS. Testing is carried out in two stages, namely:

1. Testing the effect of the dependent variable and the independent variable and must be significant at t statistic > 1.96 . In this study, we examine the effect of treating changes in budget allocation as an independent variable on employee motivation which is the first dependent variable (Y1). And look

at the impact of the perceived changes in the budget allocation on employee performance into the second independent variable (Y2).

2. Simultaneous examination of the effect of independent and mediating variables on the dependent variable. This study will also examine the effect of the perception of changes in budget allocations into independent variables on employee performance as a permanent variable mediated by employee motivation.

From these results it can be concluded that the effect of the independent variable is not related to one or both of the dependent variables, while the effect of the mediating variable on the dependent variable is significant with t statistic > 1.96, which proves that the mediating variable is proven to mediate the effect of the independent variable on the dependent variable.

III. RESULT AND DISCUSSION

Research Overview

The population in this study were all employees, both ASN and non ASN at the same level as a Deputy of the Coordinating Ministry. The number of employees in the population is 121 people who become research respondents. The sampling technique is saturated sampling or census. Filling out the questionnaire is required by the head of the deputy which is carried out within the period of 21-25 June 2021.

Characteristics of Respondents

1. Characteristics of Respondents by Gender

TABLE 1. CHARACTERISTICS BY GENDER

No	Gender	Number	Percentage
1	Male	61	50,41%
2	Female	60	49,59%
Total		121	100%

Source: Primary Data (2021)

From Table 1 above, there are 61 male respondents, 60 female respondents with a total of 121 respondents.

2. Characteristics of Respondents by Age

TABLE 2. CHARACTERISTICS BY AGE

No	Age	Number	Percentage
1	20-25	30	24,79%
2	25-30	33	27,27%
3	30-35	29	23,97%
4	>35	29	23,97%

Total	121	100%
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Source: Primary data (2021)

From Table 2 above, the characteristics of respondents by age, show that there are 30 respondents aged 20-25 years, 33 respondents aged 25-30 years, 29 respondents aged 30-35 years and 29 respondents aged > 35 years with a total respondents 121 people.

3. Characteristics of Respondents by Work Experience

TABLE 3. CHARACTERISTICS BY WORK EXPERIENCE

No.	Work Experience	Number	Percentage
1	<1 Tahun	41	33,88%
2	1-5 Tahun	61	50,41%
3	>5 Tahun	19	15,70%
Total		121	100%

Source: Primary data (2021)

Characteristics of respondents based on years of service indicate that there are 41 respondents who have a working period of less than 1 year, there are 61 respondents who have a working period of 1 to 5 years, and there are 19 respondents who have a working period of more than 5 years. The total number of respondents is 121 people.

Data Analysis

The research uses the SmartPLS application. The results are explained through several tests, namely reliability testing, validity testing, and hypothesis testing. The validity test uses an analysis of the results of convergent validity and discriminant validity and reliability by using an analysis of the results of composite reliability and Cronbach's alpha. Hypothesis testing assessed the value of t statistics and P Values of the entire sample which amounted to 121 respondents.

The following is the schematic of the proposed PLS model:

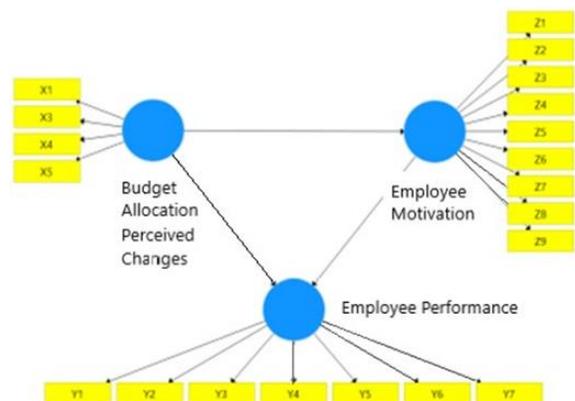


FIGURE 2. PLS PROGRAM MODEL SCHEME

1) *Validity and Reliability Test Results:* Validity test is conducted to find out whether there are questions in the questionnaire that need to be replaced or removed. Tests were conducted based on item analysis with variable scores. The correlation technique uses two indicators, namely convergent validity and discriminant validity. In assessing the results of convergent validity, it can be seen from the value of Average Variance Extracted (AVE) > 0.50. The following are the results of the outer loading validity test obtained:

TABLE 4. PLS-SEM VALIDITY TEST RESULTS

	Performance	Motivation	Perceived Budget Change
X1			0,547
X3			0,844
X4			0,794
X5			0,779
Y1	0,836		
Y2	0,902		
Y3	0,881		
Y4	0,893		
Y5	0,849		
Y6	0,812		
Y7	0,853		
Z1		0,758	
Z2		0,912	
Z3		0,88	
Z4		0,758	
Z5		0,768	
Z6		0,527	
Z7		0,657	

Source: Primary data (2021)

The employee motivation variable has 9 indicators, where the first indicator has a value of 0.758, the second indicator has a value of 0.912, the third indicator has a value of 0.880, the fourth indicator has a value of 0.758, and the fifth, sixth, seventh indicators have values of 0.768, 0.527, 0.657, while the eighth and ninth indicators were removed because they had a value of <0.5. So it can be said that the first to seventh indicators have values > 0.5 and can be considered as valid indicators. While the eighth and ninth indicators have values that are smaller than 0.5, namely 0.468 and 0.352, so it can be said that these indicators are not valid. Invalid indicators must be removed so that all indicators can be said to be valid so that they can be used in hypothesis testing. The employee performance variable has a total of seven indicators where all the values of each indicator on the employee performance variable have a value greater than 0.5 so that all indicators on the employee performance variable are valid. The construct reliability test can be measured using two criteria, namely and composite reliability and Cronbach's alpha. Composite Reliability is the part used to test the reliability of variable indicators. Variables are considered to meet composite reliability if

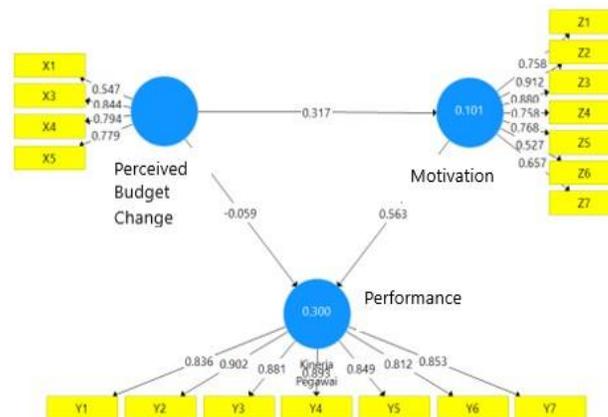
each variable has a value > 0.60. In addition, the variable is said to be reliable if it has Cronbach's Alpha > 0.60. In this study, the reliability test was carried out by looking at the results of Composite Reliability and supported by the Cronbach's Alpha value in order to determine whether the measurement results of the data obtained met the reliability requirements. The research variable can be said to be reliable if it has Cronbach's Alpha and Composite Reliability coefficients greater than 0.60 and also from the AVE value > 0.50. The following are the results of the reliability test obtained:

TABLE 5. PLS-SEM REALIILITY TEST RESULTS

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Performance	0,943	0,953	0,742
Motivation	0,879	0,904	0,579
Perceived Budget Change	0,752	0,834	0,562

Based on the data that has been obtained from the reliability test in Table 5, it is known that each variable in the data has a Cronbach's Alpha and Composite Reliability values greater than 0.60 and an AVE value greater than 0.50 so that the data on each of these variables can be considered reliable. The results of the validity and reliability of the data obtained from this study are as follows:

FIGURE 3. PLS-SEM OUTER LOADING RESULTS



2) *Structural Model Test*

FIGURE 4. PLS-SEM INNER MODEL RESULTS

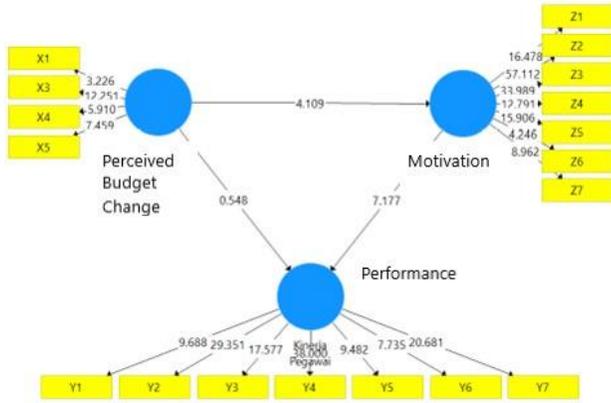
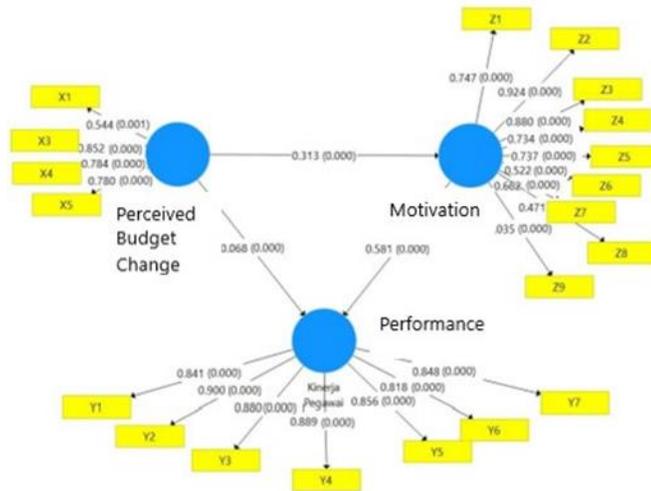


FIGURE 5. INNER MODEL RESULTS FOR ORIGINAL SAMPLE AND P-VALUE



From the table above, it is known that all valid and reliable indices for the three variables studied are positive original sample values, t-statistics is greater than t table (1.967) and P value <0.05. This case shows that all the indicators studied have a significant positive and important influence. In the perception variable about changes in budget allocations, it is known that the assumption of changes in budget allocations according to the indicators of meeting allowances (X1) is 54.4%, honorarium (X3) is 85.2%, meeting consumption (X4) is 78.4% and car rental for business trips. (X5) 78.0%. From these results it is known that a change in the rules for awarding the honorarium for speakers and moderators has the greatest impact. The granting of an honorarium of resource persons and moderators in the budget for 2021 is only allowed if the resource persons and moderators are from other Ministries/Departments. Therefore, employees at the object of research can no longer receive honoraria as resource persons and moderators in meetings or Forum Group Discussions (FGD). In addition, employees of the research object also felt that there was a big change in the rules for providing meeting consumption which could only be done if they invited other Ministries/Departments. In addition, significant changes have been made in the current car rental

rules, employees who are the object of research also experience the trip officially. Meanwhile, changes in regulations regarding the abolition of meeting allowances have the least effect among other indicators.

For employee performance variables, the indicator of honesty at work (Y1) has the following effect 84.1%, compliance level (Y2) 90.0%, Work Commitment Index (Y3) - 88.0, index to use time well (Y4) 88 ,9%, the index of responsibility at work (Y5) 85.6%, and indicators of completing work on time (Y6) and Performance Indicators with high standards (Y7) have an influence of 81.8% and 84.8%, respectively. From these results it is known that the research topic, maximum performance based on applicable regulations, uses maximum working time and commitment in doing its work. Furthermore, employees on the object of research assess their performance based on high-standard work results and are also responsible for working. Meanwhile, working according to deadlines and working honestly has the least effect in producing performance. On the employee motivation variable, the indicator of clear achievement targets (Z1) has an influence of 74.7%, the indicator of getting feedback from superiors/workplace (Z2) is 92.4%, the indicator of getting recognition from superiors/workplace (Z3) is 88.0%, work environment control indicators (Z4) 73.4%, coworkers control indicators (Z5) 73.7%, other resource control indicators (Z6) and getting approval from others for all actions (Z7) by 52.2% and 66.2%. From these results, it is known that employees on the object of research feel most motivated when they get reciprocity and recognition from their superiors/workplace. Furthermore, the control of colleagues, clear achievement targets and control of the work environment also have the same great influence on employee motivation. Meanwhile, getting approval from others for all actions and controlling other resources has the lowest effect in motivating employees.

3. *Hypothesis Testing*: Hypothesis testing using the SmartPLS application with bootstrapping test to determine the results of both direct and indirect effects of the research model. The hypothesis is accepted if the original sample is positive, the t-statistic is greater than the t-table (1.967) and the P Value <0.05. In this study, there are direct and indirect effects because there are independent variables, dependent variables, and mediating variables. The results can be seen through the Bootstrapping Technique Path Coefficient as follows:

TABLE 6. UJI BOOTSRAPPING DENGAN MENGGUNAKAN SMART-PLS

	Original Sample	T Statistics	P Values
Perceived Budget Change → Performance	-0,059	0,548	0,548
Perceived Budget Change → Motivation	0,317	4,109	0,000
Perceived Budget Change → Motivation → Performance	0,179	3,402	0,001

Source: Processed primary data (2021)

a. Direct Effect Test

This study tested 2 hypotheses using bootstrapping analysis technique. Through the results of the t-statistics obtained, it can be seen the influence of the significant level between the independent variables and the dependent variable. If the value of t-statistic > 1.967. (= TINV (0.05,120) (t-table 5% significance) then the effect is significant. Furthermore, through the results of the P Value obtained, if the P Value in each variable < 0.05 then H0 is rejected. The positive effect can be seen through the Original Sample. The summary results of direct influence testing are as follows:

TABLE 7. DIRECT INFLUENCE TEST RESULTS USING SMART-PLS

Path Confidence	Hypothesis	Effect	T=Stat	t-table	P-value	Notes
Perceived Budget Change → Motivation	H1	0,317	4,109	1,967	0,000	Positive and significant
Perceived Budget Change → Performance	H2	-0,548	0,548	1,967	0,584	Negative and insignificant

Source: Processed primary data (2021)

Based on Table 7 above, the t-statistics of the direct influence of the perception of changes in budget allocations on employee motivation is greater than the t-table (1.967) which is 4.109 with a large effect of 0.317 and a P-value <0.05 of 0.000. It can be concluded that the direct influence of the perception of changes in budget allocations on employee motivation is positive and significant. In accordance with the hypothesis "There is a positive and significant effect between perceptions of changes in budget allocations and employee motivation", then H1 is accepted. The t-statistic value of the perceived effect of changes in budget allocation on employee performance is smaller than the t-table (1.967) which is 0.548. with a large effect of -0.059 and a P-value > 0.05 of 0.584. So it can be concluded that the direct influence of the perception of changes in budget allocations on employee performance is negative and not significant. So it is not in accordance with the hypothesis "There is a positive and significant effect between perceptions of changes in budget allocations and employee performance", then H2 is rejected.

b. Indirect Effect Test

The results of the analysis can be seen from the indirect effects of the bootstrapping technique, with a summary of the results as follows:

TABLE 8. INDIRECT EFFECT TEST RESULTS USING SMART-PLS

	Hypothesis	Effect	T-stat	T-table	P-Value	Notes
Perceived Budget Change → Motivation → Performance	H3	0,179	3,402	1,967	0,002	Positive Significant

source: Processed primary data (2021)

Based on Table 8, the t-statistical value of the influence of the perception variable of budget allocation changes on employee performance through employee motivation as a mediating variable is greater than the statistical value of t-table (1.967) which is 3.402 with a large effect of 0.179 and p-value <0.05 of 0.001. Thus, it is concluded that the perceived effect of changes in budget allocation on employee performance mediated by employee motivation is positive and significant. In accordance with the hypothesis "Motivation has a mediating effect on the relationship between perceptions of changes in budget allocations and employee performance", then H3 is accepted.

Hypothesis Discussions

- 1) *Perceptions of changes in budget allocations and employee motivation:* The results of the analysis show that the direct effect of perceptions of changes in budget allocations on employee motivation is positive and significant. This is in accordance with the results of the t-statistical hypothesis test which is greater than the t-table (1.967) which is 4.109 with a large effect of 0.317 and a P-value <0.05 of 0.000. The results of this study are in line with previous research conducted by Utomo, (2020) which results in the form of budget participation having a positive and significant effect on the motivation of regional officials in Solo City, and in accordance with research conducted by Sudiardhita et al., (2018) in the journal The Effect of Compensation, Motivation of Employee and Work Satisfaction to Employee Performance PT. Bank XYZ (Persero) Tbk which shows that compensation has a positive effect on employee motivation. The results of this study are also the answer to the formulation of the problem whether the perception of changes in budget allocations has an influence on employee motivation in one of the Deputy Coordinating Ministry. The results of this study indicate that the effect of perceived changes in budget allocations on employee motivation on the object of research is 31.7%, so it can be concluded that employee motivation is influenced by several other variables that are not accommodated in this study. From the author's observations, the amount of salary is considered not in accordance with the burden and demands of the work given. Work culture and work flow that overlap and are considered uneven are also considered unprofitable. In addition, the educational background of most of the substantial employees is master's degree and has worked and has a comparison with the current work on the object of research. This is in accordance with the results of research conducted by Williams et al., (2008) which states that the dimensions of benefit and satisfaction of determination have a high correlation.

- 2) *Perceptions of changes in budget allocations and employee performance*: The effect of perceptions of changes in budget allocations on employee performance is negative and insignificant can be seen from the results of the analysis. This is in accordance with the results of hypothesis testing t-statistics is smaller than t-table (1.967) which is 0.548 with a large effect of -0.059 and P-value > 0.05 of 0.584. The results of this study are in accordance with the results of previous research conducted by Elwisa, (2017), namely budgetary participation does not have a significant effect on managerial performance at the SKPD of Bintan Regency. Not only that, these results are also in line with research conducted by Shi, (2019) which shows that not all dimensions of the financial condition studied have an impact on public sector workers. However, the results of this study contradict the results of research conducted by Hamdani & Basri, (2016) which showed that budget participation influenced managerial performance in the work units of West Aceh Regency. The results of this study are at the same time an answer to the formulation of the problem whether the perception of changes in budget allocations affects the performance of employees in one of the Deputy Coordinating Ministry as the object of research. According to the author's observations on the object of research, it is known that employee performance has been determined every year and must be fulfilled even with cuts or changes in budget allocations. Therefore, performance must remain in line with the targets that have been set and not be affected by the perception of changes in the budget.
- 3) *Motivation has a mediating effect on the relationship between perceptions of changes in budget allocations and employee performance*: The results of the analysis show that the effect of perceptions of changes in budget allocations on employee performance through employee motivation as a mediating variable is positive and significant. This is in accordance with the results of hypothesis testing that t-statistics are greater than t-table (1.967) which is 3.402 with a large influence of 0.179 and p-value <0.05 with a spread of 0.001. The results of this study are supported by research conducted by Utomo, (2020) which shows that the results of work motivation mediate budget participation on managerial performance of regional apparatus in Solo City and research conducted by Hamdani & Basri, (2016) whose results show that budget participation, motivation work together affects the managerial performance

of the work unit of the West Aceh Regency apparatus. However, the results of this study contradict the statement put forward by Utomo (2020) in his finding that there is no direct relationship between participation and performance and that motivation does not play a role of intervention and research conducted by Elwisa (2017) which results in budget participation, work motivation and the work environment has no significant effect on the performance of the SKPD in Bintan Regency. The results of this study at the same time answer the formulation of the problem whether work motivation can mediate the effect of perceptions of changes in budget allocations on the performance of employees in one of the Deputies in the Coordinating Ministry. The results shown are in accordance with the observations on the object of research which show that each employee will continue to complete his performance targets, but with a good budget allocation, employees will be motivated to produce even better performance.

Respondents Characteristics Discussions

1) Respondent Characteristics by Gender:

TABLE 9. RESPONDENT CHARACTERISTICS BY GENDER

Gender	Budget	Motivation	Performance
Male	61.34	61.75	86.32
Female	61.61	60.75	88.34

From Table 9 it can be concluded that male and female employees have almost the same perception regarding the budget changes that occur, which are 61.34 and 61.61, respectively. In addition, the average value of the motivation variable shows that male and female employees have almost the same level of motivation, namely 61.75 and 60.75. Meanwhile, the average value of the performance variable shows the level of performance achievement produced by male employees is slightly below female employees, namely 86.32 and 88.34 respectively. This shows that the gender of the respondent does not have a major effect on the assessment of the variables studied. In accordance with observations on the object of research, there is no significant difference between male and female employees in doing their jobs and fulfilling the directions of their superiors. Both in terms of business trips, meetings and other tasks. Therefore, employees' perceptions of changes in budget allocation, motivation and employee performance do not show significant differences between male employees and female employees.

2) Respondent Characteristics Discussions by Age:

TABLE 10. RESPONDENT CHARACTERISTICS BY AGE

Age	Budget	Motivation	Performance
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20-25 Year	52.30	59.21	90.10
25-30 Year	60.15	54.96	85.37
30-35 Year	65.32	58.14	83.55
>35 Year	68.73	77.18	91.88

Calculation of the average value of the age range of employees in the research object shows a lower average value on the variable perception of changes in budget allocations for younger employees. These results indicate that employees who are older than the table above indicate a larger change in budget allocation. Furthermore, the motivation variable also describes a trend of increasing motivation in older employees. Observations on the object of research indicate that older employees will be prioritized to get promotions. This can increase employee motivation at work. In the employee performance variable, it is known that young employees are employees who have not worked on the object of research for a long time and are still idealistic in producing good performance. This contrasts with employees with an age range of 25-35 years who feel they lack motivation and produce sub-optimal performance. Meanwhile, for employees with an age range of more than 35 years, the resulting performance will accelerate promotions. Therefore, the resulting performance is also more optimal.

3) *Respondent Characteristics Discussion by Work Experience:*

TABLE 11. RESPONDENT CHARACTERISTICS BY WORK EXPERIENCE

Work Experience	Budget	Motivation	Performance
<1 Year	43.14	57.61	91.70
1-5 Year	65.30	59.42	86.22
>5 Year	63.88	70.98	87.59

From Table 10, the average based on the number of years worked above shows that employees with less than 1 year of experience rate the change in budget allocation as 43.14. The average value is the smallest value compared to employees with work experience of more than 1-5 years and staff of more than 5 years equal to 65.30 and 63.88. In accordance with the results of observations on the object of research, namely employees who have just worked, there is no comparison of budget allocations in previous years. So, the assumed value of changes in budget allocations for employees with less than 1 year of experience is the lowest. As for the motivation variable, it can be concluded from the average results that employees who have more working hours have more motivation. The results for employees with less than 1 year of experience were equal to 57.61, while those for employees having 1 to 5 years of work days or more

than 5 years were 59.42 and 70.98, respectively. According to the results based on the age range in the previous table, this is due to an effort to promote positions for employees who have worked for a long time.

However, the performance variable shows that employees have the highest average score - 91.70 - for employees with less than 1 year tenure. Meanwhile, employees who have worked 1-5 years with experience and more than 5 years in a row are 86.22 and 87.59. Therefore, the researcher analyzed the results of the monthly achievement of employees which showed no significant difference in performance achievement. This shows that employees who work longer hours are more likely to rate the performance they produce as not better than the previous one. Meanwhile, employees with less than 1 year of experience evaluate their work has been done well in accordance with the set targets.

4) *Respondent Characteristics Discussion by Last Education:*

TABLE 11 RESPONDENT CHARACTERISTICS BY LAST EDUCATION

Last Education	Budget	Motivation	Performance
High School	73.50	77.96	91.73
Diploma (Foundation's)	59.74	57.58	86.36
Bachelor's	60.63	64.43	93.10
Master's	59.77	53.62	82.35

The results of calculations using the average statistical analysis on the characteristics of the respondents' final education in the table above show that employees who have a final high school education assess those changes in budget allocations that occur in the 2021 fiscal year have a very high impact (73.50) and feel that changes in allocations budget. The employee motivation variable has a high average score in junior high school (77.96) and is considered good. For the performance variable, an employee with a senior high school education assessed that he had achieved his target with an average of (91.73). The results obtained are in accordance with the results of the three hypotheses. Previously discussed, the concept of changing budget allocations affects employee motivation, but does not affect their performance.

In addition, for employees with a diploma of the last education diploma, they consider that there has been a change in budget allocation, but with a low average (59.74) and low employee motivation with a range of 57.58. While the performance variable displays the highest value is 86.36. It also shows consistency with the results of testing the three hypotheses of this study that the assumption of changes in

budget allocations affects employee motivation but does not affect their performance.

The same applies to the average value received from employees with final education of S1 and S2 which shows that changes in budget allocations are sequential, namely 60.63 and 59.77, and for employee motivation variables are 64.43 and 53, respectively. .62. The performance variable displays the highest values, namely 93.10 and 82.35. It also shows consistency with the test results of the three research hypotheses. Furthermore, based on the results of the average analysis given above, it can be concluded that employees with a senior high school education have administrative positions which are dominated by contract employees who are staff for the work unit. Excluding administrative positions, office allowances and other functionalities are only obtained in other positions in the object of research. Therefore, other income in this study, including meeting allowances, official travel, honorarium for resource persons and moderators, becomes more pronounced with a decrease in the budget allocation for 2021. Meanwhile, employees with diploma (Foundation), bachelor's degree and master's degree final education who have structural and functional allowances assess the changes budget has low influence.

In the employee motivation variable, the highest average is also found in employees with a high school education, followed by employees with a bachelor's degree and diploma degree and the lowest score for employees with a master's degree education. Employees with postgraduate education are dissatisfied with the income they receive compared to the work they have to do. In addition, employees with postgraduate education, most of them have worked before and compared it with their previous workplace. Employees with a final high school education have the highest average in terms of motivation because they have jobs that are considered stable, safe and good. In addition, the employee performance variable shows the highest average value for employees with the last education of bachelor's degree and high schools. Meanwhile, the lowest average is shown by employees with the last education of masters. According to the results of observations of research subjects, as previously explained, employees who have the latest master's education feel less motivated by the income they receive. However, after the researchers looked at the Monthly Performance Achievements (CKB), employees with the latest master's education compared to employees with bachelor's and diploma education had structural and functional positions, the performance achieved was in line with the target. The same applies to the Monthly Report of Employees with high school education without structural positions, employee performance is reported after the target. This is in accordance with the results of testing the three hypotheses in this study, namely that employees will produce even better performance

when motivated and supported by budget allocations that increase other employees' other income.

5) *Pembahasan Karakteristik Responden berdasarkan Status Perkawinan:*

TABLE 12 RESPONDENT CHARACTERISTICS BY MARITAL STATUS

Marital Status	Budget	Motivation	Performance
Married	69.38	64.70	84.85
Single	53.74	57.82	89.87

The results of the average based on marital status in Table 12 above show that married employees are more likely to perceive changes in budget allocations with a value of 69.38. Meanwhile, unmarried employees assessed the change in allocation as 53.74. This shows that married employees are more likely to feel a decrease in other income, namely pocket money for business trips, meetings, and honorariums for resource persons and moderators. On the motivation variable the resulting average shows that married employees are more motivated than unmarried employees. This is consistent with the results based on age and tenure described previously. However, the average score in the table above shows that married employees rated their performance as 84.85, below the average performance for unmarried employees of 89.87.

Based on the results of the average calculation between the variables above and direct observations on the object of research, it can be concluded that married employees have financial burdens and responsibilities in generating income. As a result, changes in employee budget allocations are more pronounced and employees who are married are motivated to immediately move up the level and class. Marriage plays a different role in the family, and it takes a lot of time and thought to improve performance. This is the reason why married employees rate their performance as average.

IV. CONCLUSIONS

1. Perceptions of changes in budget allocations have an effect on increasing employee motivation. A staff-level employee at one of the deputies of the coordinating ministry assessed those changes in budget allocations had an effect on work motivation. The effect of perceived changes in budget allocations on employee motivation is positive and significant, which is 31.7%. However, it is known from the results of this study that there are still many other factors that affect employee motivation with a total of 68.3% and cannot be identified through this study.

2. Perceptions of changes in budget allocations have no direct and insignificant effect on employee performance. This is in line with the quantitative and qualitative assessments discussed above. For this reason, it can be concluded that the performance of employees, especially in the government, is not affected by changes in budget allocations. Government officials must achieve the target in accordance with the Performance Agreement that has been set.
3. A good perception of budget allocation will improve employee performance if it is mediated by employee motivation. The conclusion from points 1 and 2 above, changes in budget allocations influence employee motivation but have no effect on budget performance. This is in accordance with the results of quantitative research and direct observation that employee motivation can be an intermediary variable that can improve the quality of employee performance when there is a change in budget allocation.

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