

The Influence of Financial Performance of The APBD on The Human Development Index (IPM) of Toraja Utara District (Perspective Post Expansion)

Bartholomeus Tandiayu¹⁾, Wihalminus Sombolayuk²⁾

^{1,2)} Management Department, Universitas Atma Jaya Makassar, Indonesia

Jl. Tanjung Alang No.23, Makassar

Email: bartholomeus_tandiayu@lecturer.uajm.ac.id

ABSTRACT

This study analyzes whether there is a significant influence on the financial performance of the North Toraja Regional Revenue and Expenditure Budget (APBD) after being split from Tana Toraja Regency on the level of community welfare which is proxied into the human development index (IPM) as the dependent variable. APBD performance will be measured based on growth ratio, regional financial independence ratio, income effectiveness ratio, and expenditure efficiency ratio on APBD management as independent variables. This significance effect analysis was carried out either partially or simultaneously with the t test model and the F test with the SPSS.

Keywords: APBD, Effectiveness Ratio, Efficiency Ratio, Growth Ratio, Human Development Index, Independence Ratio

1. INTRODUCTION

1.1. Research Background

Government Regulation (PP) Number 105 of 2000 concerning Regional Financial Management and Accountability in particular in Article 4 emphasizes that regional financial management must be carried out in an orderly, obedient to applicable laws and regulations, efficient, effective, transparent, and accountable by taking into account the principles of justice and propriety. Furthermore, this autonomous authority was strengthened and supplemented by Law Number 33 of 2004 concerning Financial Balance between the Central and Regional Governments, particularly in the field of government administration and in financial relations between the central and regional governments.

Data for 2012 (Sombolayuk: 2013) shows that nationally the total APBD in 2012 increased quite significantly compared to previous years. Total revenue in 2012 increased from Rp 459.9 trillion in 2011 to Rp 551.6 trillion in 2012, as well as total expenditure increased from Rp 495.3 trillion in 2011 to Rp 591.9 trillion in 2012. In general, this fairly high increase was driven by the increase in the transfer ceiling from the Center which also rose quite significantly in 2012. The Balancing Fund still dominates the source of regional income, which is 69.0% or Rp. 380.601 trillion, while PAD is only 20.4% or Rp 112.720 trillion and Other Legitimate Regional Income by 10.6% or Rp 58.262 trillion. In terms of allocation of personnel expenditure, the portion was still dominant, reaching 44.1% or Rp. 261.153 trillion, capital expenditure reaching Rp. 137.438 trillion or 23.2%, expenditure on goods and services reaching Rp. 71.071 trillion or 12.0% (Sombolayuk, 2013).

At the district level, in this case North Toraja district, in terms of total revenue realization, in this case local revenue (PAD) and non-PAD revenue since 2009 has continued to increase, as shown in table 1.

Observing the composition of income and expenditure in the structure of the APBD, the question that arises is whether such a composition of the APBD is able to improve the welfare of the people as expected in Law Number 32 of 2004? National phenomena and trends regarding the implementation of the APBD, it is interesting to conduct an analysis how the performance of growth, independence, effectiveness, and efficiency of regional financial management and their effect on changes in the level of welfare of the people of North Toraja Regency. The level of welfare in this study uses the human development index (HDI) indicator.

Table 1
Revenue and Expenditure of North Toraja Regency APBD
Year 2009-2019

Year	Income	Expenditure
2009	177.220.949.066,80	166.605.040.610,00
2010	399.386.094.837,07	370.628.989.149,80
2011	489.152.867.023,67	450.477.564.106,60
2012	507.094.586.608,74	534.401.357.644,85
2013	621.559.875.695,23	605.018.377.725,50
2014	714.562.247.277,50	700.107.044.416,00
2015	792.081.953.122,51	808.925.637.397,46
2016	873.277.459.288,95	882.261.499.073,30
2017	937.099.748.186,12	930.420.467.071,32
2018	1.058.775.411.390,30	930.420.467.071,32
2019	1.094.278.982.419,00	952.022.714.704,53

Source: BPD Toraja

Various research results state that expenditures in the public sector that are reflected and realized in the APBD are very useful in increasing human development as has been done by Brata (2005), Joshi (2012) and Prasetyo & Zuhdi (2013). However, the expected benefits have not been maximized. This can be seen clearly in the APBD policy which is the main instrument for carrying out the allocation and distribution functions, where budget allocation and realization are more often dominated by the interests of routine bureaucratic spending, especially to pay salaries for local government employees, office costs and official travel expenses (Paramita, A. ., 2020), has not been effective and efficient (Tandiayu & Sombolayuk 2019) and even if it is associated with improving the quality and quality of human development, it becomes less effective (Bangun & Sombolayuk 2017).

Several studies have been conducted on the issue of the influence of APBD on HDI. The greater the allocation of spending on education and health, the better the HDI achieved (Fhino & Adi, 2009). Research conducted by Meylina (2013) and Septiana (2015) shows that the government budget in education has an effect on HDI. However, in a study conducted by Rudy Badrudin (2011) the government budget in the education sector has no effect on HDI. Government spending on education, health and infrastructure in Jember Regency has increased from year to

year. The estimation results show that the government spending on education, health and infrastructure from 1990 to 2014 (t-1) has a significant effect on the HDI of Jember Regency.

1.2. Problem Formulation

Based on the background described previously, the problem that must be answered in this study is whether there is a significant influence on the financial performance of the APBD on the Human Development Index in North Toraja Regency in the perspective of regional autonomy, either partially or simultaneously.

1.3. Research Purposes

This research is directed at the objective of testing and analyzing the effect of the performance of the North Toraja Regency APBD management on the Human Development Index (IPM) in the perspective of regional autonomy.

2. THEORETICAL BASIS

2.1. Definition of Regional Autonomy

Here are some definitions of regional autonomy (<http://www.autonomy>) according to several experts. Regional autonomy is, “The right and authority to regulate and manage regional households” (Sugeng Istanto); autonomy has the meaning of limited freedom or independence or that independence is manifested in the provision of opportunities that must be accounted for (Ateng Syarifuddin); regional autonomy is the right to regulate and govern the region itself in which the right is a right obtained from the central government (Syarif Saleh); regional autonomy is government by and for the people in the national territory of a country informally outside the central government (Benyamin Hoesein); Regional autonomy is the freedom (authority) to take or make a political or administrative decision in accordance with the laws and regulations (Vincent Lemius).

Based on Law Number 32 of 2004 concerning Regional Government, regional autonomy is the right, authority, and obligation of an autonomous region to regulate and manage its own government affairs and the interests of the local community in accordance with statutory regulations. The purpose of autonomy is basically to improve people's welfare.

2.2. Measurement of Regional Financial Management Performance

Performance is the result obtained by an organization, both profit-oriented and non-profit-oriented organizations that are produced during a period (Fahmi, 2010). Financial performance is an analysis carried out to see the extent to which a company/institution has carried out its business by using financial implementation rules properly and correctly (Fahmi, 2010). In the context of government management, financial performance can be observed from the benefits of the APBD to improving people's welfare.

For private companies (commercial institutions), financial ratio analysis generally consists of liquidity ratios, leverage ratios, activity ratios, profitability ratios, etc. (Halim, 2007:231). The use of financial ratio analysis in the public sector, especially the APBD, has not been widely used, so that in theory there is no unanimous agreement on the name and measurement rules. However, in the context of transparent, honest, democratic, effective, efficient, and accountable regional financial management, it is necessary to carry out a ratio analysis to the APBD even though the accounting principles in the APBD are different from the financial statements of private companies.

Several ratios that can be developed based on financial data sourced from the APBD (Halim 2004 in Gleko 2008) include growth ratios, independence ratios (fiscal autonomy), effectiveness and efficiency ratios. The explanation of each is contained in the research methods chapter.

2.3. Human Development Index (HDI)

Since the era of regional autonomy which began with Law No. 22 of 1999 which was later revised by Law No. 32 of 2004 concerning Regional Government, regional governments have made various efforts to improve the quality of human resources in their regions, both from the physical (health) aspect, intellectual aspect (education), aspects of economic welfare (purchasing power), and aspects of morality (faith and piety). Human development is one indicator for the progress of a country. A country is said to be developed not only calculated from gross domestic income but also includes aspects of life expectancy and the education of its people (Widodo et al., 2011:26).

The current development paradigm places humans as the focus and ultimate goal of development, namely achieving control over resources, improving education, and increasing health status (Suharto, 2010:73). Through the improvement of these three indicators, it is hoped that there will be an increase in the quality of human life (Mirza, 2012). There are three things that are considered important for humans, namely to have a long and healthy life, to acquire knowledge, and to have access to the resources needed to obtain a decent standard of living (Paramita, A. 2020).

The HDI was first introduced in 1990 by UNDP. HDI includes three components that are considered fundamental to humans and are operationally easy to calculate to produce a measure that reflects human development efforts. The three components are life opportunities (longevity), knowledge (knowledge) and living standards. Life expectancy is calculated based on life expectancy at birth; knowledge is measured based on the average length of schooling and the literacy rate of the population aged 15 years and over; and decent living is measured by per capita expenditure which is based on purchasing power parity. The HDI value of a country or region shows how far the country or region has achieved the specified targets, namely a life expectancy of 85 years, basic education for all levels of society (without exception), and levels of expenditure and consumption that have reached a decent standard of living. The closer the HDI value of a region is to 100, the closer the road must be taken to achieve the goal of Paramita, A. (2020).

The effect of government spending on the health sector on HDI is an effort to fulfill one of the basic rights of the people, namely the right to obtain health services in accordance with the 1945 Constitution Article 28 H paragraph (1) and Law Number 23 of 1992 concerning Health (Kuncoro, 2013). Tjiptoherijanto, in Astri (2013) sees human quality in terms of health where health is one of the factors that affect human resources. Todaro & Smith, (2003), state that government spending on the health budget sector is issued to fulfill one of the basic rights to obtain health services in the form of health facilities and services is a prerequisite for increasing community productivity. The law that regulates the health budget is Law No. 36 of 2009 which states that the central government's health budget is allocated a minimum of 5 percent of the APBN excluding salaries, while the provincial and district/city government health budgets are allocated a minimum of 10 percent of the APBD in outside of salary (Rumate 2015).

Regional government policy and realization of APBD that has an impact on the quality of human development is one of the regional government policy instruments which includes not only sources of regional income but also various government expenditures, including spending on education and health. The greater the amount of government spending on education and health, the greater the allocation of development funds for education and health, which of course will increase capacity and play a role in opening up greater opportunities to earn higher incomes (Lanjouw, Pradhan, Saadah, Sayed, & Sparrow, 2001).

2.4. Framework

Based on the previous explanations, both on the background and on the literature review, the framework of this research is structured as follows: the financial performance of local governments is measured by four variables, namely the growth ratio, independence, effectiveness, and efficiency variables, then the public welfare ratio is measured by the index variable. human development (HDI). Arrows are the relationship and influence of local government financial performance with the level of community welfare. The significance will be measured either partially or simultaneously.

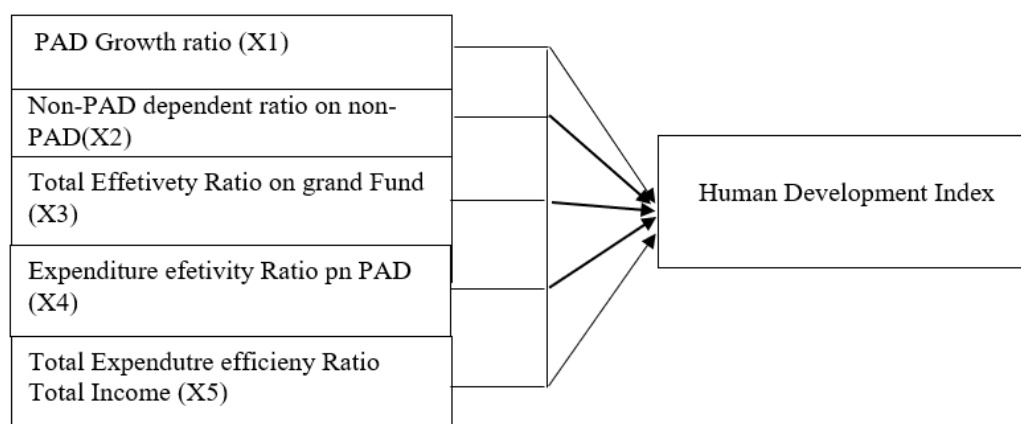


Figure 1
Framework

2.5. Hypothesis

It is suspected that both partially and simultaneously there is a positive influence between the ratio of growth, independence, efficiency and effectiveness of the management of the Regional Budget of North Toraja Regency on the HDI of the people of North Toraja Regency.

3. RESEARCH METHODS

3.1. Type Of Research

This study is a causal-correlation study that aims to examine the effect of the performance of APBD management on the human development index of the local government of North Toraja Regency after the division.

3.2. Types and Sources Data

The type of data used is quantitative data sourced from APBD reports and other financial data from the Regional Asset Finance Revenue Service Office (DPKAD) of North Toraja Regency.

3.3. Data Collection Method

The research data collection method was carried out by tracing the APBD reports issued by DPKAD and the Toraja in Figures book published by BPS North Toraja Regency in 2014.

3.4. Definition Of Research Variables

To facilitate the effort of measuring and collecting data, the definition of this research variable is:

- a. Growth is measured by the comparison between PAD in the first year (PAD_i) compared to $PAD_i - 1$ for each item of regional income and expenditure during the expansion.
- b. Independence is the ratio between the size of local original income compared to regional income from other sources, such as central government assistance or loans.
- c. Efficiency is a ratio of PAD efficiency is a ratio that describes the ratio between the amount of costs incurred to obtain local revenue with the realization of income received.
- d. The effectiveness of PAD is the ability of the local government to realize the planned local revenue compared to the target set based on the real potential of the area.
- e. Community welfare is measured using the human development index or HDI.

3.5. Analysis Method

Based on the main problems that have been stated, the descriptive analysis method using ratio analysis of APBD management performance is as follows:

- a. The growth ratio (Growth Ratio)
Measures how much the local government's ability to maintain and improve the success achieved from period to period.

$$Growth = \frac{PAD_i}{PAD_i - 1} \times 100\%$$

- b. Regional financial independence ratio
Regional financial independence is indicated by the size of the regional original income compared to regional income originating from other sources, such as central government assistance or loans.

$$Dependency Ratio = \frac{Regional Income}{Other Income source} \times 100\%$$

- c. PAD efficiency ratio
Is a ratio that describes the comparison between the amount of costs incurred to obtain income with the realization of income received.

$$Efficiency Ratio = \frac{PAD Collecting Cost}{Actual Regional Income}$$

- d. PAD effectiveness ratio
The effectiveness ratio describes the ability of the local government to realize the planned local revenue compared to the target set based on the real potential of the area.

$$Effectivity Ratio = \frac{Actual Regionl Income}{PAD Target Plan}$$

- e. The HDI ratio will be calculated based on the results of calculations from the North Toraja Regency BPS. However, if the HDI does not exist, the HDI Ratio will be calculated.
- f. Multiple regression analysis with the help of SPSS

4. RESULT AND DISCUSSION

4.1. North Toraja Regency Regional Financial Management Performance Analysis

4.1.1. North Toraja Regency Pad Growth Performance Analysis.

Table 2 shows the growth of North Toraja Regency's PAD over 10 years. It appears that nominally PAD tends to increase, although the increase is volatile. The sad data also shows that the PAD growth of North Toraja Regency is only able to grow an average of only 0.29% per year.

Table 2
PAD Growth of North Toraja Regency in 2010-2019

Year	PADt (Rupiah)	PADti- PADt0 (Rupiah)	Growth (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4 =3 :2</i>
2009	5.809.001.980,80	-	-
2010	8.282.309.919,69	2.473.307.938,89	0,43
2011	14.591.747.810,85	6.309.437.891,16	0,76
2012	16.614.816.498,20	2.023.068.687,35	0,14
2013	19.824.778.307,37	3.209.961.809,17	0,19
2014	25.284.958.933,94	5.460.180.626,57	0,28
2015	33.808.406.730,57	8.523.447.796,63	0,34
2016	34.896.616.655,55	1.088.209.924,98	0,03
2017	44.165.975.209,12	9.269.358.553,57	0,27
2018	52.714.824.265,30	8.548.849.056,18	0,19
2019	58.562.507.100	14.396.531.890,88	0,33
	RERATA		0,29

Source: Analysis data collected for the study

4.1.2. Analysis of Regional Financial Independence of North Toraja Regency

The indicator for the category of regional financial independence uses the indicator of the Regional Financial Management Self-Reliance Category according to the Ministry of Home Affairs, Ministry of Home Affairs No. 690,900,327 of 1997 (table 3). Based on the indicators in table 3, the level of financial independence can be seen that for ten years after the expansion the percentage of the level of regional financial independence has not changed as shown in table 4. the results are still far from the expected level of independence. The independence ratio is very low. So the North Toraja Regency government should pay attention to this very low level of independence. Based on these results, it can be hypothesized that the implementation of regional autonomy policies does not necessarily make the regions independent and able to finance all regional development activities through the acquisition of PAD sources.

Table 3
Categories of Regional Financial Management Independence According to The Ministry of Home Affairs, Ministry of Home Affairs No. 690,900,327

Independency ratio	Independency level
0,00 - 10,00	Very low
10,01-20,00	Low
20,01- 30,00	Mild
30,01 - 40,00	Good
40,01 - 50,00	High
> 50,00	Very High

Source: Depdagri R&D – Fisipol UGM

Table 4
Ratio of PAD Independence to Non-PAD Regional Financial Management North Toraja Regency 2009-2019

Year	PAD (Rupiah)	Non PAD Income (Rupiah)	Dependency Ratio	Performance
1	2	3	4 = 2 : 3	5
2009	5.809.001.980,80	171.411.947.086,00	0,03	Very low
2010	8.282.309.919,69	391.103.784.917,38	0,02	Very low
2011	14.591.747.810,85	474.561.119.212,82	0,03	Very Low
2012	16.614.816.498,20	490.479.770.110,54	0,03	Very Low
2013	19.824.778.307,37	601.735.097.387,86	0,03	Very Low
2014	25.284.958.933,94	689.277.288.343,56	0,04	Very Low
2015	33.808.406.730,57	758.273.546.391,94	0,04	Very Low
2016	34.896.616.655,55	838.380.842.633,40	0,04	Very low
2017	44.165.975.209,12	892.933.771.977,00	0,04	Very low
2019	58.562.507.100,00	104..214.811.515,50	0,04	Very low

Source : Data Analysis

4.1.3. Performance Analysis of Total Revenue of North Toraja Regency

Table 5
Categories of Effectiveness of Regional Financial Management

Effectivity ratio interval	Effectivity level
> 100 %	Very effective
90 % - 100%	Effective
80 % - 90%	Quite effective
60% - 80%	Less effective
< 60% Tidak Efektif	Not effective

Source: Depdagri R&D Team – Fisipol UGM

North Toraja Regency has PAD, which includes taxes on hotels, restaurants, entertainment, billboards, street lighting and class C minerals. Regional levies include general service fees, business services, and construction services. Other legitimate PAD includes the sale of regional assets that are not separated, receipts of demand deposits, receipts of deposit interest, social and public facilities, income from providing education and training and other receipts and contributions from third parties. The source of regional income for North Toraja Regency is also from the regional balancing fund, which includes profit sharing tax and non-profit sharing tax, DAU, DAK and other legitimate regional revenues.

Based on the category indicator or the value of the performance ratio of the effectiveness of the ability to earn total income (table 5), it was found that since the expansion of management, the realization of total income to the target of obtaining total revenue for North Toraja Regency on average in the performance category is very effective. This is illustrated in table 6.

Table 6
The Effectiveness Ratio of Total Revenue Realization to the Total Regional Revenue Target of North Toraja Regency in 2009-2019

Year	Actual Income (Rupiah)	Target income (Rupiah)	Effectivity Ratio (%)	Performance
1	2	3	$4 = 2/3$	5
2009	178.527.651.400,00	177.220.949.066,80	1,01	Very effective
2010	412.950.255.721,00	399.386.094.837,07	1,03	Very effective
2011	489.822.424.670,00	489.152.867.023,67	1,00	Very effective
2012	495.709.572.750,00	507.094.586.608,74	0,98	effective
2013	620.443.094.800,00	495.709.572.750,00	1,25	Very effective
2014	723.937.134.365,00	714.562.247.277,50	1,01	Very effective
2015	802.762.351.975,00	792.081.953.122,51	1,01	Very effective
2016	964.059.154.561,00	873.277.459.288,95	1,10	Very effective
2017	970.110.105.000,00	937.099.747.186,12	1,04	Very effective
2018	1.058.775.411.390,30	1.120.005.844.237,00	1,00	Very effective
2019	1.094.278.982.419,00	1.116.611.206.550,00	0,98	effective
rerata			1,14	Very effective

Source: Data Analysis

4.1.4. Performance Analysis of North Toraja Regency Total Expenditure Effectiveness

Performance of the Total Expenditure Effectiveness of North Toraja Regency is carried out by comparing the realization of the total amount of expenditure with the budget achievement target of total revenue.

The main elements of total expenditure in the APBD structure generally consist of indirect expenditure, direct expenditure, and capital expenditure. North Toraja Regency has indirect expenditures in the form of personnel expenditures, grants, social assistance, profit-sharing expenditures to the Province/Regency/City and village governments, financial aid expenditures to the Province/Regency/City and village administrations, and unexpected expenditures. Direct expenditure includes expenses for honorary employees, goods and services and capital expenditures. The performance assessment of the effectiveness of the North Toraja district's financial income uses the indicators as shown in the table 7.

Table 7
Effectivity Level of regional Financial Management

Effectivity ratio interval	Effectivity Level
>100 %	Very effective
90 – 100	Effective
80 – 90	Quite Effective
70 – 80	Less effective
< 60	Not effective

Source: Depdagri R&D Team – Fisipol UGM

If we look at table 8, the ratio between the realization of total expenditure and the target of the total budget for the district of North Toraja since the division for ten years, it is found that nominally tends to increase from year to year.

Based on the perspective of the effectiveness of the performance of the realization of total expenditure against the target of the total budget in the effective category value. This shows that the local government's ability to predict and realize total expenditure is effective.

Observing the data in table 9 indicates that local governments have not fully paid attention to capital expenditures, which should have increased their proportion compared to other goods and services or social expenditures. Capital expenditure is an increase in local government assets both in nominal terms and in real terms. Effective capital expenditure is believed to provide an increase in regional income within the period of use.

Table 8
Effectiveness Ratio of Total Expenditure Realization to Total Expenditure Target North Toraja Regency 2009-2019

Year	Actual Total Expenditure (Rupiah)	Total Expenditure target (Rupiah)	Effectivity Ratio (%)	Performance level
1	2	3	4 = 2/3	5
2009	166.605.040.610,00	179.677.651.400,00	0,93	Effective
2010	370.628.989.149,80	426.216.492.612,00	0,87	Quite effective
2011	450.477.564.106,60	495.826.482.471,00	0,91	Effetive
2012	534.401.357.644,85	526.215.902.875,00	1,02	Very effective
2013	605.018.377.725,50	632.500.211.952,00	0,96	Effective
2014	700.107.044.416,00	748.396.977.597,00	0,94	Effective
2015	808.925.637.397,46	840.334.176.475,00	0,96	Effective
2017	930.420.467.071,32	1.177.080.972.368,00	0,79	Quite effective
2018	1.027.592.287.967,00	1.131.239.059.515,70	0,91	Effective
2019	952.022.714,704,53	1.118.611.206.550,00	0,94	Effective
Mean			0,92	Effective

Source : Tana Toraja local government

Table 9
Allocation of Indirect Expenditure, Direct Expenditure, and Capital Expenditure of North Toraja Regency in 2009-2019

Year	Indirect Expenditure (Rupiah)	Direct Expenditure (Rupiah)	Capital Expenditure (Rupiah)
2009	129.703.129.289,00	36.901.911.321,00	12.911.494.045,00
2010	196.182.528.496,00	174.446.460.653,80	98.067.625.635,80
2011	242.226.220.255,60	208.251.343.851,00	98.597.836.029,00
2012	271.455.726.558,85	262.945.631.086,00	141.888.574.138,00
2013	311.060.736.065,50	293.957.641.660,00	162.526.622.958,00
2014	349.743.068.633,00	350.363.975.783,00	183.352.541.755,00
2015	439.386.129.029,46	399.363.975.783,00	193.352.541.755,00
2016	495.496.027.917,00	386.765.471.156,30	207.462.233.258,30
2017	572.496.947.403,00	486.765.471.156,30	211.570.489.218,32
2018	532.141.215.012	549.702.413.234,28	284.910.781.511,33

Source : Tana Toraja Local Government

4.1.5. Regional Financial Efficiency Ratio

The measurement of this efficiency level is to identify how much efficiency from the implementation of an activity at a certain cost can produce maximum results. The criteria for the efficiency level of regional financial management can use the criteria of the Ministry of Home Affairs, Ministry of Home Affairs No. 690,900,327 Year 1996 as follows (table 10). Through the identification of indicators of the efficiency ratio of total expenditure to income, it was found that the management of total expenditure showed that total income was less efficient and there was even a tendency towards more inefficient as shown in the efficiency ratio in table 11.

Table 10
Categories of Regional Financial Management Efficiency According to the Ministry of Home Affairs, Ministry of Home Affairs No. 690,900,327 Year 1997

% Efficiency interval ratio	Efficiency Level
> 100	Not efficient
90 -100	Less efficient
80-90	Quite efficient
60-80	Efficient
< 60	Very efficient

Source: Depdagri R&D Team – Fisipol UGM

Table 11
Ratio of Regional Expenditure Efficiency to Management Revenue Regional Finance
of North Toraja Regency 2009 - 2019

Year	Tana Toraja Exenditure (Rupiah)	Total Tana Toraja Income (Rupiah)	Efficiency Ratio (%)	Performance level
1	2	3	4 = 2:3	5
2009	166.605.040.610,00	177.220.949.066,80	0,94	Kurang Efisien
2010	370.628.989.149,80	399.386.094.837,07	0,93	Kurang Efisien
2011	450.477.564.106,60	489.152.867.023,67	0,92	Kurang Efisien
2012	534.401.357.644,85	507.094.586.608,74	1,05	Tidak efisien
2013	605.018.377.725,50	621.559.875.695,23	0,97	Kurang Efisien
2014	700.107.044.416,00	714.562.247.277,50	0,98	Kurang Efisien
2015	808.925.637.397,46	792.081.953.122,51	1,02	Tidak Efisien
2016	882.261.499.073,30	873.277.459.288,95	1,01	Tidak Efisien
2017	930.420.467.071,32	937.099.748.186,12	0,99	Kurang Efisien
2018	930.420.467.071,32	1.058.775.411.390,30	0,88	cukup Efisien
2019	952.022.714.704,53	1.094.278.982.419,00	0,87	cukup Efisien
RERATA			0,96	Kurang Efisien

Source : Tana Toraja Local Government

4.2. Analysis of The Effect Of Growth Performance, Independence, Income Effectiveness, Expenditure Effectiveness And Regional Expenditure Efficiency on The Human Life Development Index (Ipm) of North Toraja Regency

This section will describe the effect of growth performance, independence, income effectiveness, spending effectiveness, and regional expenditure efficiency on the human development index (IPM) of North Toraja Regency. Completely listed in table 12.

Table 12

PAD Growth Ratio, Independence, Total Income Effectiveness, Total Expenditure Activity and Total Expenditure Efficiency and HDI

Year	PAD Growth Ratio (X1)	Independency Ratio (X2)	Total Income Effectivity Ratio (X3)	Total Effectivity Expenditure Ratio (X4)	Rasio Efisiensi Belaja Total Expenditure Efficieny Ratio (X5)	HDI (Y)
2009	0	0,03	1,01	0,93	0,94	62,66
2010	0,43	0,02	1,03	0,87	0,93	63,51
2011	0,76	0,03	1	0,91	0,92	64,48
2012	0,14	0,03	0,98	1,02	1,05	64,89
2013	0,19	0,03	1,25	0,96	0,97	65,65
2014	0,28	0,03	1,01	0,94	0,98	66,15
2015	0,34	0,04	1,01	0,96	1,02	66,76
2016	0,03	0,04	1,1	0,79	1,01	67,49
2017	0,27	0,04	1,04	0,91	0,99	67,90
2018	0,19	0,04	1	0,94	0,88	68,49
2019	0,33	0,05	0,98	0,95	0,87	69,23

Source : Analysis data collected for the study

4.2.1. Descriptive Analysis of Growth Ratio, Independence, Income Effectiveness, Expenditure Effectiveness and Regional Expenditure Efficiency on the Human Life Development Index (IPM) of North Toraja Regency

Table 13

Descriptive Statistics local government performance

	N	Minimum	Maximum	Mean	Std. Deviation
Growth Ratio	11	,00	,76	,2691	,20844
Independency ratio	11	,02	,05	,0345	,00820
Income ratio	11	,98	1,25	1,0373	,07799
Expenditure Ratio	11	,79	1,02	,9255	,05854
Efficiency Ratio	11	,87	1,05	,9600	,05745
HDI	11	62,66	69,23	66,1100	2,09644
Valid N (listwise)	11				

Source : Analysis data

Descriptive analysis shows that the growth variable has a minimum value of 0.00; maximum value 0.76 ; mean 0.2691; and standard deviation 0.20844. The minimum value of PAD independence variable is 0.02; maximum value 0.05; mean 0.345; and standard deviation 0.00820 . The total income effectiveness variable has a minimum value of 0.98; maximum value 1.25;

average 1.0373; and a standard deviation of 0.7799. The total spending effectiveness variable has a minimum value of 0.79; maximum value 1.02; mean 0.9255; and a standard deviation of 0.05854. Efficiency variable has a minimum value of 0.87; maximum value 1.05; mean 0.96; and a standard deviation of 0.5745. Finally, the HDI variable has a minimum value of 62.66; maximum value 69.23; mean 66,1100; and standard deviation 2.09644.

4.2.2. Analysis of the Effect of Growth Performance, Independence, Income Effectiveness, Expenditure Effectiveness, and Regional Expenditure Efficiency on the Human Life Development Index (IPM)

In table 14 it can be partially obtained some test results of the independent variables on the dependent variable. First, the significance value of the growth ratio to HDI is 0.668, which is higher than 0.05. This higher value indicates that there is no significant effect of the growth ratio on HDI. This lack of influence is probably due to the PAD growth ratio which is very small, only 0.29 on average and fluctuates from time to time. Thus, the budget allocation for education and health, as well as other sectors that stimulate the improvement of the quality of human resources is still very limited.

Second, the significant value of the independence ratio to HDI is 0.009, lower than 0.05 which indicates that the independence ratio has a significant effect on HDI. This ratio shows that although North Toraja's PAD growth is relatively low, the revenue in the APBD, which is mostly sourced from the central and provincial balance funds, is relatively better used in sectors that can support the quality of human resources.

Third, the significant value of the income to HDI ratio is 0.555, higher than 0.05. This value also shows that the income ratio has no significant effect on HDI. The effectiveness of the financial management of the North Toraja region as measured by this income ratio, namely the ratio of realized income to the total revenue target, is actually very effective on average for ten years (table 4.5). However, its use is mostly for sectors that are not directly related to human resource development, such as routine spending.

Fourth, the significance value of the Expenditure Ratio on the HDI is 0.901, higher than 0.05 which indicates that there is no significant effect of the Expenditure Ratio on the HDI. The performance measured by this ratio is actually an effective average of ten years. However, similar to other variables, it is likely that more is spent on sectors that do not have a direct relationship with improving the quality of human resources.

And finally, the significance value of the efficiency ratio to HDI is 0.969, which is also greater than 0.05. This value also shows that there is no effect of efficiency ratio on HDI. This possibility is because the efficiency performance as measured by the ratio of total expenditure to total income in North Toraja is indeed less efficient and even tends to be inefficient. Of all the results of this partial test, only the results of the independence ratio test have an effect on HDI which support the hypothesis, others do not support the hypothesis.

Table 14
Regression of Toraja Local Government Performance

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	54,388	12,996		4,185	,009
	Growth Ratio	1,053	2,315	,105	,455	,668
	Independency Ratio	234,514	56,233	,917	4,170	,009
	Income Ratio	3,783	5,976	,141	,633	,555
	Expenditure Ratio	-,988	7,566	-,028	-,131	,901
	Efficiency Ratio	,342	8,269	,009	,041	,969

Source : Analysis data collected for the study

Table 15
Table Anova

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	,888 ^a	,789	,578	1,36209	,789	3,738	5	5	,087

Source : Analisis Data using SPSS

a. Predictors: (Constant), Efficiency Ratio, Expenditure Ratio, Independence Ratio, Income Ratio, Growth Ratio b. Dependent Variable: HDI

b. Predictors: (Constant), Efficiency Ratio, Expenditure Ratio, Independence Ratio, Income Ratio, Growth Ratio b. Dependent Variable: HDI

Table 15 shows that together all independent variables have no significant effect on HDI, which is indicated by a significance value of 0.087, which is greater than an alpha value of 0.05. These results do not support the proposed hypothesis. This is in line with the results of the partial test of each independent variable on the dependent variable, where only one variable has an influence, namely the independence ratio. The results of this simultaneous test show that the management of the APBD in North Toraja for 10 years after the expansion has not been able to improve the quality of human resources.

Furthermore, it can also be said that the purpose of establishing the North Toraja autonomous region has not been able to improve the welfare of the community in terms of the quality of human resources. So the hope that the community's active and optimal participation in development as a consequence of quality human resources has not been realized.

5. CONCLUSION AND RECOMMENDATION

5.1. Conclusion

1. The results of the partial test show that there is only one ratio, namely the independence ratio which shows an influence on the HDI which is generated through a significance value of 0.009, smaller than an alpha value of 0.05. This ratio shows Regional Financial Independence which is obtained from the ratio between the realization of PAD and the realization of Non-PAD. Other significance values greater than the alpha value of 0.05 are: the significance value of the growth ratio to HDI 0.668, the significance value of the income to HDI ratio of 0.555, the significance value of the effectiveness ratio of total spending to HDI 0.901, and the significance value of the efficiency ratio to HDI is 0.969.

From all the results of this partial test, it appears that only one variable supports the hypothesis, namely the influence of the independence ratio on HDI.

2. The results of the simultaneous significance test of the five independent variables on the dependent variable is 0.087. This significance value is greater than the alpha value of 0.05. That means that all variables together have no effect on HDI.
3. Based on the results of both partial and simultaneous significance tests, it can be concluded that the management of the North Toraja APBD has not been able to improve the quality of human resources. This means that one of the goals of the division to form an autonomous region has not been able to improve the welfare of the community in terms of the quality of human resources. Thus, the optimal role of the community in development as a consequence of increasing the quality of human resources has not been realized.

5.2. Recommendation

1. The North Toraja local government needs extra efforts to increase PAD either through intensification or extensification of tax objects.
2. The North Toraja government needs to give priority to budget allocations to sectors that are able to improve the quality of human resources, such as the education and health sectors.

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