



The Effect Of Honorer Manpower Rationalization On Performance Effectiveness And Efficiency Of Local Organizational Budget Allocations (Case Study of the Regional Secretariat of the Luwu Regency Government for Fiscal Year 2021)

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ABSTRACT

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The purpose of this study was to determine the rationalization of the number of honorary staff or contract workers or other designations to be contracted on the effectiveness of performance and efficiency of budget allocations. The population used in this study is divided into two parts, namely the first Target Population or Target Population, namely all Honorary Staff at the Regional Secretariat of the Luwu Regency Government, totaling 268 people, then the second population is the Accessible Population, namely all elements of leadership and official structural members of the Regional Secretariat, amounting to 41 people. In the 2020 budget year, the Honorary Personnel absorbed a work wage budget of more than 3 billion, a figure that is considered very large for a Regional Apparatus to finance Honorary Personnel for 1 year. To answer this question, this research was conducted using a quantitative descriptive research method where data and information collection was carried out directly through observations, interviews and questionnaires to the two populations which were simplified through the purposive sampling technique for accessible population and the stratified random sampling technique for the target population.

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1. Introduction

The existence of Honorary Personnel in Government Agencies at this time cannot be denied. After the issuance of Law Number 5 of 2014 concerning State Civil Apparatus, the term Honorary Personnel or Contract Workers and or other designations was not mentioned other than Civil Servants (PNS) and Government Employees with Work Agreements (PPPK) [1]. Honorary staff is one of the staffing problems in various regions in Indonesia, including Luwu Regency. After the enactment of Law Number 5 of 2014 the position of Honorary Personnel remains as Honorary Personnel, not all Honorary Personnel can be appointed as CPNS based on Government Regulation Number 56 of 2012 concerning Appointment of Honorary Personnel to CPNS. The current problem for Honorary Personnel is the increasing number of Honorary Personnel due to the assumption that Honorary Personnel can be appointed as CPNS. The continued increase in honorary staff results in a burden on the budget sector but is not directly proportional to the services produced for the community. The burden on the budget sector at the same time affects the number of activities that are in direct contact with the public that can be budgeted [2].

The recruitment of honorary personnel in each district/city has a different pattern according to the policies of each leader. Although it has been explicitly regulated in Government Regulation Number 49 of 2018 in article 96 paragraph (1) that Regional Civil Service Supervisory Officers are prohibited from appointing non-PNS and/or non-PPPK employees to fill ASN positions, then it is emphasized again in Article 99 paragraph (1) that when the Government Regulation comes into force, non-PNS employees on duty will still carry out their duties for a maximum of 5 (five) years which can be interpreted as until 2023,



but the recruitment of Honorary Personnel still occurs. This causes the number of Honorary Personnel to continue to grow to this day. The number of honorary staff for each regional apparatus is also different. There is no specific indicator about the limit on the number of Honorary Personnel required for each regional apparatus [3].

The large number of Honorary Personnel in each regional apparatus is seen as a waste of the budget. Paying attention to the fact on the ground that most of the Honorary Personnel just sit back and relax without a clear job description. Another factor that causes the number of Honorary Personnel is political objects and also family factors. It is undeniable that every change of leadership will bring new Honorary Personnel to government agencies. Although there are some positions that can be tolerated for new Honorary Personnel such as those attached to the leadership element, it is hoped that certain positions that require regeneration are not replaced or even increased the number of Honorary Personnel [4].

The addition of the number of honorary staff each year in each regional apparatus will significantly burden the regional budget. On the one hand, each regional apparatus has a target performance indicator based on the Vision and Mission of the Regional Head that has been stated in the Regional Medium-Term Development Plan (RPJMD) for a 5 (five) year period which is revealed in the Regional Government Work Plan (RKPD) for 1 (one) year. which is then described in the Budget Implementation Document of each Regional Apparatus based on the APBD. However, this will be difficult to achieve if the budget allocation is inadequate due to a lot of absorption for the services of honorary staff wages. Because of this, the authors are interested in examining the seriousness of each regional apparatus in rationalizing the number of honorary staff. Aside from being a regulatory mandate, it is also a form of concern for the performance targets to be achieved as support for the political promises of regional heads to their people [5].

Taking into account the description of the background above, the formulation of the problem in this study can be formulated as follows: What is the effect of rationalizing the number of Honorary Personnel on the effectiveness of the Luwu Regency Regional Secretariat's performance in achieving the Performance Targets while supporting the success of the Regional Head's vision and mission, What is the effect of rationalizing the number of honorary staff on budget efficiency at the regional secretariat so that the budget can be allocated to activities that have clear performance targets and or activities that are in direct contact with the community [6].

Literature review, honorary staff in Government Regulation Number 48 of 2005 concerning Appointment of Honorary Personnel to Candidates for Civil Servants, Article (1) states that Honorary Personnel or other designations outside of ASN are someone who is appointed by the Regional Civil Service Supervisor or other official in the government to carry out certain tasks. in the said government agency, whose income becomes a burden on the State Revenue and Expenditure Budget or becomes a burden on the said Regional Revenue and Expenditure Budget. On the other hand, the reference to the term Non-State Budget/Regional Budget Honorary Personnel is considered a temporary employee who works and devotes his life as an apparatus to a government agency whose salaries or wages are not funded by the APBN/APBD, but are paid based on the sincerity of civil servants and/or leaders who assistance, or the agency's operational funds whose payments are erratic and relatively smaller than the regional or district/city minimum wage standards [7]. Those are the honorary employees referred to in this paper.

Quantity Rationalization, [8];[9] states that rationalization is a process, method, act of becoming rational/rationalizing something that may not have been rational at first. Weber's other work on bureaucratic rationalization and classification of power [9] specifically mentions that the development of bureaucracy in modern capitalism is a cause and effect of political, legal and industrial rationalization. Rationalization in the context of employment according to Max Weber can be interpreted as the preparation and placement of a number of employees by considering the right ratio of services to be provided. From the above definition, rationalization can be interpreted that the process of rationalizing the number of employees does not only occur in reducing employees, but also adding, structuring, and redistribution of employees in the field/work unit, which in essence is how to get the right comparison between the number of employees with their duties and functions. implemented by the agency. The indicators used by the author are Savings or Reductions in the Number and Improvement of the Composition of Honorary Personnel in each Work Unit.

Performance effectiveness, the term effectiveness (effectiveness) in general can be interpreted "doing something the right job" [10]. Meanwhile, according to [11] the term effectiveness means that the selection of something related to whether or not the choice is appropriate, so as to achieve the desired goals and objectives. The term effectiveness is often used in organizational and corporate environments where to



describe the goals the company has chosen to achieve common goals. The effectiveness can be assessed from the benefits or benefits obtained whether it is in accordance with the interests of the organization or company. Effectiveness is also often used to measure the success achieved by the organization or company in relation to the targets/outcomes of the planned programs. The management of an organization or company can be said to be successful if the targets or targets that have been set can be implemented and achieved and provide benefits for the company in general. The size of the effectiveness can be measured by comparing the achievement of the objectives of an activity/activities carried out and not regarding the amount of costs incurred to carry out these activities/activities [12].

The indicators used in the performance effectiveness variable are starting with emphasizing the level of attendance through providing work motivation, providing clarity of individual tasks and clarifying work targets for each work unit so that the achievement of organizational work targets can be achieved. Budget efficiency, According to [13] efficiency is a process that is closely related to the concept of productivity. Assessment of the efficiency of a process is done by using a comparison between the input used to the resulting output (cost of output). An operational activity process can be said to be efficient if a targeted product or certain planned work can be achieved with the lowest possible use of resources and funds/capital (spending well). Efficiency indicators describe the relationship between the input of resources or initial capital by an organizational unit or company (eg staff, wages, administrative costs) to the output or work target produced.

The budget according to [13], defines that it is an inclusion of estimates or estimates of expenditure for all performance to be achieved during a certain period of time during the production stage which is stated in financial or fund measures. In this variable, the indicator used is an adjustment to the wages of Honorary Workers, which is then followed by a reallocation of the budget in each work unit. Then budget adjustments are made between activities where each priority activity that has clear target indicators will be of particular concern in allocating the budget. So that in the end it is hoped that the realization of absorption will be maximized.

2. Research Methods

The method used in the discussion in this article is descriptive quantitative research. The study was conducted at the beginning of 2021 where the population used in this study is divided into two parts, namely the first Target Population or Target Population, namely all Honorary Staff at the Regional Secretariat of the Luwu Regency Government, totaling 268 people, then the second population is the Accessible Population, namely all elements of leadership and officials structural members of the Regional Secretariat, amounting to 41 people. Sampling from the two populations used the Slovin formula with a percentage allowance of 10% so as to produce 73 samples in the Target Population and 29 samples in the Accessible Population.

2.1. Framework

Based on the theoretical study above, the author draws several indicators from each specified variable. On the X1 variable. The rationalization of honorary staff is determined by the first indicator of a reduction in the number and the second an adjustment to the place of work. On the Y1 variable. There are five indicators of Performance Effectiveness, namely Attendance Level, Work Motivation, Clarity of Individual Tasks, Clarity of work unit targets and achievement of organizational work targets. While the variable Y2. There are five indicators of Budget Efficiency, namely budget reallocation, wage adjustments, budget adjustments between activities, budgets for priority activities and organizational budget realization. The relationship between variables can be seen in the following table:

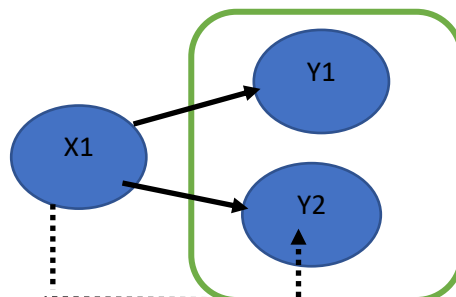


Figure 1. Framework

Information:

X1 :Rationalization of Honorary Personnel

Y1 :Performance Effectiveness

Y2 :Budget Efficiency

→ :The effect of X1 on Y1 and Y2, respectively

---▶ :The effect of X1 on the unity of Y1 with Y2

2.2. Hypothesis

Based on the description of the problem formulation above, it can be drawn the Directional Hypothesis with the Associative Hypothesis approach to the existing problem. The hypothesis for the formulation of the problem is:

- a. Rationalization of the Number of Honorary Personnel at the Regional Secretariat of Luwu Regency has an effect on the effectiveness of performance and achievement of performance targets as well as support for the vision and mission of the regional head.
- b. Rationalization of the Number of Honorary Staff at the Luwu Regency Regional Secretariat has an effect on budget efficiency.

3. Research Results and Discussion

3.1 Research Instrument Test

The author uses Smart PLS in testing the validity and reliability of each variable indicator set. From the questionnaire data that has been obtained from a predetermined sample, it is processed using the Smart PLS Apk . The results of these tests can be seen in the following discussion:

a. Validity test

The Factor Loading value specified in the variable test is above 0.60. And after being processed, it shows that all the indicators that have been set can be declared valid as the results in the following table:

TABLE 1
VALIDITY TEST

	X1. Rasionalisasi Tenaga Honorer	Y1. Efektifitas Kinerja	Y2. Efisiensi Anggaran
X1.1	0.917		
X1.2	0.797		
Y1.1		0.627	
Y1.2		0.663	
Y1.3		0.734	
Y1.4		0.691	
Y1.5		0.746	
Y2.1			0.697
Y2.2			0.606
Y2.3			0.737
Y2.4			0.718
Y2.5			0.692

Source: primary data processed, 2022



b. Reliability Test

In this study, the reliability testing of the specified variables used *Cronbach Alpha* with the help of the *Smart PLS* Apk . A measuring instrument or variable to be used is called reliable if it has a *Cronbach Alpha* greater than 0.6 (Indriantoro and Bambang 2010). The results of the tests carried out with the help of the *Smart PLS* Apk can be seen in the following table:

TABLE 2
RELIABILITY TEST

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)	Ket
X1. Rasionalisasi Tenaga Honorer	0.658	0.735	0.849	0.738	Reliabel
Y1. Efektifitas Kinerja	0.731	0.738	0.822	0.481	Reliabel
Y2. Efisiensi Anggaran	0.726	0.727	0.820	0.478	Reliabel

Source: primary data processed, 2022

c. Research result

Based on the results of data processing using the *Smart PLS* Apk , it shows that the variable on X is very influential on the Variable Y. This can be seen in the table below where the resulting *P Values* are below 0.05.

TABLE 3
RESULTS of *Smart PLS*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
X1. Rasionalisasi Tenaga Honorer -> Y1. Efektifitas Kinerja	0.770	0.774	0.038	20.162	0.000
X1. Rasionalisasi Tenaga Honorer -> Y2. Efisiensi Anggaran	0.810	0.817	0.030	27.363	0.000

Source: primary data processed, *Smart PLS* , 2022

Consistent results are also shown for each Indicator on Variables where the resulting *P Values* are below 0.05 as shown in the following table 4:

TABLE 4
RESULTS OF P VALUES

	Original Sample (O)	Sample Mean (M)	Standard Deviation (SIDEV)	T Statistics ((O/SIDEV))	P Values
X1.1 <- X1. Rasionalisasi Tenaga Honorer	0.917	0.919	0.009	98.190	0.000
X1.2 <- X1. Rasionalisasi Tenaga Honorer	0.797	0.798	0.065	12.328	0.000
Y1.1 <- Y1. Efektifitas Kinerja	0.627	0.625	0.083	7.562	0.000
Y1.2 <- Y1. Efektifitas Kinerja	0.663	0.661	0.092	7.200	0.000
Y1.3 <- Y1. Efektifitas Kinerja	0.734	0.730	0.056	13.107	0.000
Y1.4 <- Y1. Efektifitas Kinerja	0.691	0.674	0.068	10.177	0.000
Y1.5 <- Y1. Efektifitas Kinerja	0.746	0.749	0.041	17.975	0.000
Y2.1 <- Y2. Efisiensi Anggaran	0.697	0.704	0.053	13.266	0.000
Y2.2 <- Y2. Efisiensi Anggaran	0.606	0.601	0.071	8.588	0.000
Y2.3 <- Y2. Efisiensi Anggaran	0.737	0.727	0.059	12.594	0.000
Y2.4 <- Y2. Efisiensi Anggaran	0.718	0.714	0.060	12.034	0.000
Y2.5 <- Y2. Efisiensi Anggaran	0.692	0.694	0.048	14.267	0.000

Source: primary data processed, *Smart PLS* , 2022

The results of research that have been processed using the *Smart PLS* Apk as a whole can be seen in the following figure:

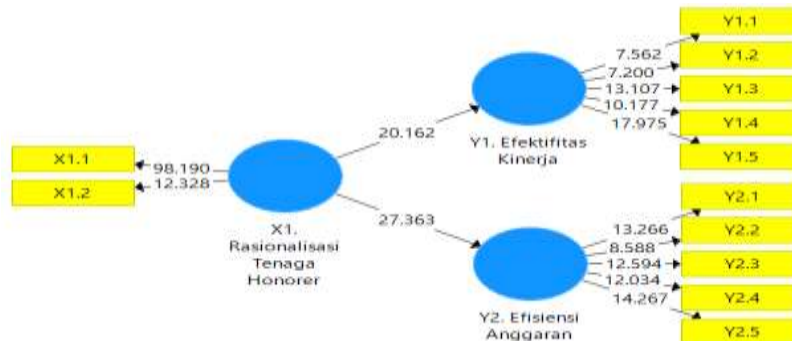


Figure 2. RESULTS of Smart PLS

3.2 Discussion

Taking into account the formulation of the problem and the hypothesis as previously mentioned, the discussion on the effect of independent variables on the independent variables is described as follows:

a. The Effect of Rationalization of the Number of Honorary Personnel on the Effectiveness of the Performance of the Luwu Regency Regional Secretariat.

Based on the results of the research above, it shows that the Rationalization of the Number of Honorary Personnel has a positive and significant effect on the effectiveness of organizational performance. This is evidenced by the results of the calculation of T Statistics (|O/STDEV|) obtained a value of 20,162 with a value of P Values = 0 and the value of Factor Loading on each Y1 indicator against Y1 variable showing results above 0.60. So it can be decided that the first hypothesis in this study can be accepted.

b. The Effect of Rationalization of the Number of Honorary Personnel on Budget Efficiency at the Regional Secretariat of Luwu Regency.

Based on the results of the research above, it shows that the Rationalization of the Number of Honorary Personnel has a positive and very significant effect on the efficiency of the organization's budget. This is evidenced by the results of the calculation of T Statistics (|O/STDEV|) obtained a value of 27,363 with a value of P Values = 0 and the value of Factor Loading on each Y2 indicator against Y2 variable shows results above 0.60. So it can be decided that the second hypothesis in this study is relevant and acceptable.

4. Conclusion

Based on the discussion and research results above, it can be concluded that rationalization of the Number of Honorary Personnel has a positive and significant effect on the effectiveness of the performance of the Luwu Regency Regional Secretariat so that the performance target as well as support for the vision and mission of the regional head can be achieved. Rationalization of the Number of Honorary Personnel has a positive and significant impact on budget efficiency at the Luwu District Secretariat so that the budget can be allocated to activities that have clear performance targets and or activities that are in direct contact with the community.

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