

THE EFFECT OF BUDGETARY SLACK, ORGANIZATIONAL COMMITMENT, COMPENSATION, HUMAN CAPITAL AND GOVERNANCE ON THE FINANCIAL PERFORMANCE OF THE BUREAU OF FACILITIES AND LOGISTIC CONSTRUCTION OF THE POLRI Headquarters

(CASE STUDY ON THE BUREAU OF FACILITIES AND LOGISTIC
CONSTRUCTION OF THE POLRI Headquarters)

1st Retno Rahayuningsih, 2nd Dr. Nursanita Nasution, 3rd Dr. Rimi Gusliana Mais

Akuntansi

Sekolah Tinggi Ilmu Ekonomi Indonesia

Jakarta, Indonesia

eno.rahayuningsih@gmail.com; nursanita@stei.ac.id; rimi_gusliana@stei.ac.id

ABSTRACT-This study aims to examine whether the effect of Budgetary Slack, Organizational Commitment, Compensation, Human Capital, and Governance on the financial performance of the Bureau of Logistics Facilities and Construction of the Police Headquarters (Case Study at the Bureau of Logistics Facilities and Construction at the Police Headquarters).

Research is using the type of research causality approach is quantitative, which was measured by using a method based regression linear multiple with SPSS version 25.00. The population of the research this is the Institute of Logistics Police in the whole of Indonesia. The sample is determined based on purposive sampling, the sample of this study is the Bureau of Logistics Facilities and Construction of the Police Headquarters. The data used in this study are primary data. The data collection technique used a questionnaire which was distributed to 50 respondents. Testing the hypothesis by using test T and test F.

The results of the study prove that (1) Budgetary Slack has an effect on the financial performance of the Police Headquarters Logistics Facilities and Construction Bureau, (2) Organizational Commitment has no effect on the financial performance of the Police Headquarters Logistics Facilities and Construction Bureau, (3) Compensation has no effect on the Facility Bureau financial performance. and Construction Logistics Headquarters of Police,

(4) Human Capital affect on the performance of financial Bureau of facilities and Construction Logistics Headquarters of Police , (5) Governanceno effect on the performance of financial Bureau of facilities and Construction Logistics Headquarters Police.

Said Key : budgetary slack, commitment to the organization, Compensation, Human Capital, Governance, and the performance of financial Bureau of Facilities and Construction Logistics Headquarters Police

PIG PRELIMINARY

1.1. Background

Madjid (2019) POLRI as the fourth most trusted institution by the public after the Corruption Eradication Commission (KPK), the Indonesian National Army (TNI), and the Presidential Institute. As many as 46 percent of respondents rated POLRI's performance in general as better than last year. In addition, 32, 7 percent rated the performance as good INP. However, as many as 10, 5 percent of respondents still considered POLRI to be bad and 10.3 percent were getting worse.

Tri (2020) Minister of Finance Sri Mulyani Indrawati appreciated the performance of the Indonesian National Police (POLRI) which has received six consecutive Unqualified Opinions (WTP). This can be seen from the results of the satisfactory performance audit and made the Minister of Finance Sri Mulyani Indrawati assess the Police as having extraordinary reform efforts. An extraordinary thing, the POLRI leadership already knows that times are changing, we must change and then manifest it in behavior and attitudes that result in an achievement that is maintained and maintained independently for six years , the ranks of the bureaucracy that are _ serving the public with a professional, accountable, and competent character

CHAPTER II LITERATURE REVIEW

2.1. Review of Previous Research Results

Several studies have been conducted by previous researchers and academics regarding *budgetary slack* , organizational commitment, compensation, *human capital* , *governance* , and financial performance of the Police Headquarters Logistics Facilities and Construction Bureau. Yilmaz et al. (2015) concluded that *budgetary slack* has a positive effect on the financial performance of public organizations due to organizational political perceptions. Sumampouw (2018) concluded that *budgetary slack* has a positive effect if the value of human capital is low, where *human capital* is a measure of financial performance in an organization. Suriani et al. (2018) showed that *budgetary slack* influential negative and significant to the performance of the organization due to the disclosure of information relating to budgeting in the province of Sulawesi to the south. Carreras et al. (2015) concluded that it is

different from previous researchers that *budgetary slack* has a negative effect if the incentive value recorded in the income statement is high, where high incentive values also encourage high financial performance.

Azmi et al. (2015) stated that the organizational commitment variable has a positive influence every 100% of changes in the organizational commitment variable will relatively increase the performance of regional financial management by 26.1% . Widari et al. (2017) stated that the k commitment of o rganisasi berp e been influenced positively and significantly to the quality of financial statements , in which the quality of financial reports describe a transparent and accountable financial performance is high. Tarus (2016) states that organizational commitment has a significant positive effect on hospital financial performance. This implies that the empowerment that employees feel by the hospital is likely to have a positive impact on their commitment to the hospital . This implies that the empowerment that employees feel by the hospital is likely to have a positive impact on their commitment to the hospital . Sun et al. (2015) concluded that organizational commitment has a positive effect on performance as moderated by *human capital* . Nugraha et al. (2015) stated different things from previous researchers that employee competence (*human capital*) and organizational commitment together affect the quality of financial statements by 25.9% and the remaining 74.1% are influenced by other factors. This figure shows the small contribution of two independent variables simultaneously to the dependent variable .

2.2. Foundation Theory

The theory underlying the concept of *budgetary slack* is agency theory, this theory was first put forward by Jensen and Meckling (1976). Basyir (2016) *budgetary slack* is a budgeting process where there are deliberate distortions by reducing budgeted income and increasing budgeted costs so that budget targets can be easily achieved. *This budgetary slack* can occur for several reasons . Three main reasons for executives to do budgetary slack, namely (1) *budgetary slack* will make performance look better in the eyes of superiors if they can achieve budget targets, (2) *budgetary slack* is often used to overcome uncertainty in predicting the future, (3) the allocation of resources will be based on the projected cost budget, so that gaps make it flexible. Indications of a *budgetary slack* can only be assessed when the budget is realized. *Slack* occurs when the revenue realization tends to exceed the target set from the budget and the expenditure realization tends to be below the target set from the budget

CHAPTER III RESEARCH METHODOLOGY

3.1 Research Approach

3.2 This research is kua n titatif causality yes it's aimed to test the influence *budgetary slack* , compensation, organizational commitment, *human capital* , and *governance* on the performance of the National Police . This research begins by examining existing theories and knowledge so that the causes of problems arise. These problems are tested to determine whether they accept or reject them based on data obtained from the field. The data obtained from the field were in the form of a questionnaire from 50 respondents who were staff of the National Police Headquarters Logistics Facilities and Construction Bureau regarding the influence of *budgetary slack* on the financial performance of the Police Headquarters Logistics Facilities and Construction Bureau , the influence of

organizational commitment on the financial performance of the Police Headquarters Logistics Facilities and Construction Bureau. , the effect of compensation on the financial performance of the Police Headquarters Logistics Facilities and Construction Bureau , the effect of *human capital* on the financial performance of the Police Headquarters Logistics Facilities and Construction Bureau , and the influence of *governance* on the financial performance of the Polri Headquarters Logistics Facilities and Construction Bureau in the form of quantitative figures.

Primary data collection in this study by distributing questionnaires with parties related to the research carried out, namely the Head of the Facilities and Construction Bureau, 3 Heads of Divisions, 1 Associate Policy Analyst, 6 Heads of Subdivisions, 1 Head of Administrative Affairs, 3 Heads Administrative Affairs, 8 Affairs Officers, 8 Sub Division Administration Officers, 6 Division Affairs Officers, and 8 General Officers at the Bureau of Logistics Facilities and Construction at the Police Headquarters. The data obtained is a questionnaire about the influence of *budgetary slack* , organizational commitment, compensation, *human capital*, and *governance* on the financial performance of the Indonesian National Police using the Likert scale as the measurement scale.

Research Indicator Table

No.	Variable	Indicator	No. Grain
1	<i>Budgetary Slack</i> (X1)		
	Bias the percentage value of physical progress of a construction project at the end of the fiscal year (Director of Treasury Regulation Number: PER-13 / PB / 2019 concerning Guidelines for Implementing State Revenue and Expenditure at the End of the 2019 Fiscal Year).	1. 1. Regulation 2. Minister of Finance regarding procedures for making financial accountability at the end of the fiscal year. Regulation of the Minister of Finance concerning the deadline for budget withdrawals at the end of the fiscal year. 3. 3. Producing Officer Policy 4. Commitment to reporting 5. percentage value of physical progress 6. construction project at the end 7. fiscal year . 3. Commitment Making Officer Policy for the completion of construction projects up to the end of the contract at the end of the fiscal year. 4. Commitment Making Officer Policy for making guarantee for work completion up to the end of the contract at the end of the fiscal year.	1-5

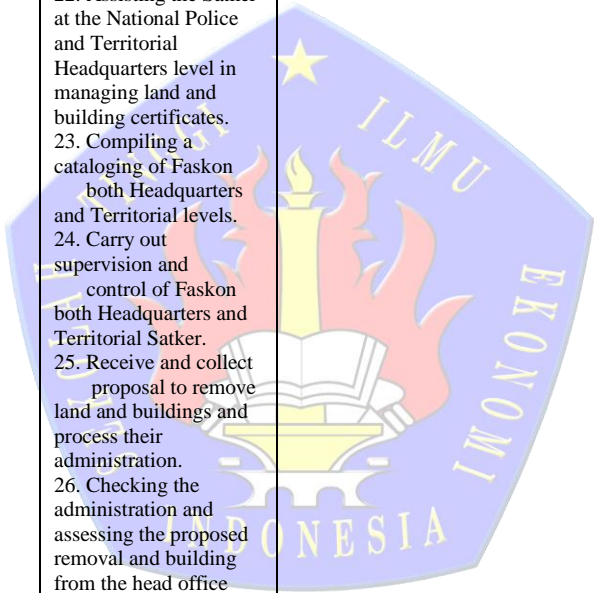
THE EFFECT OF BUDGETARY SLACK, ORGANIZATIONAL COMMITMENT, COMPENSATION, HUMAN CAPITAL AND GOVERNANCE ON THE FINANCIAL PERFORMANCE OF THE BUREAU OF FACILITIES AND LOGISTIC CONSTRUCTION OF THE POLRI Headquarters

2	Organizational Commitment (X2)		
	Loyalty (Government Regulation Number 46/2011 concerning Assessment of PNS work performance).	1. Integrity Pact. 2. The members of the Indonesian National Police should pronounce the Prasetya Chess Oath every day. 3. Pronunciation of the Panca Oath Prasetya Korpri by Civil Servants (PNS) every day. 4. Job Promotion 5. There is an annual performance appraisal	6-10
	Task description (Regulation of the Head of the National Police of the Republic of Indonesia Number 21 of 2010 concerning the Organizational Structure and Work Procedures of Organizational Units at the Headquarters Level of the Indonesian National Police).	1. Job description 2. Workload Analysis in Each Sub Division of the Bureau 3. Application of Information Systems load workload analysis 4. Supervision and inspection from the POLRI Itwasum against Workload Analysis of the Sub The interior of the Bureau. 5. Agency Performance Reports Government Bureau	11-15
3	Compensation (X3)		
	Financial compensation (Presidential Regulation of the Republic of Indonesia Number: Perpres No.103/2018 concerning performance allowances for employees within the POLRI)	1. Provision of performance allowances 2. Providing incentives (money overtime) 3. Providing group honoraria Goods and services procurement work 4. Provision of money for meals / side dishes pauk 5. Provision of holiday allowances	16-20
	Non-financial compensation	1. Giving awards (promotion and group). 2. Provision of shelter 3. Providing opportunities for get a scholarship general education 4. Providing opportunities for get an education service 5. Providing health services	21-25
4	Human Capital (X4)		
	Vocational education and training (Planned Activities for the Bureau of	1. System equipment training information and communication	26-30

	Logistics Facilities and Construction at the Police Headquarters, 2019)	<ul style="list-style-type: none"> monitoring center at the level Regional Police (POLDA). 2. Financial administration training 3. Operations training scale technology equipment high 4. Budget planning training 5. Logistics management training and administration of property Country 	
5	Governance (X5)		
	(International Federation of Accountants (IFAC) on International Framework: Good Governance in the Public Sector, 2014)	<ul style="list-style-type: none"> 1. Application of the principle of accountability on the Realization Report Budget (LRA) 2. Application of the principle of transparency on the Realization Report Budget (LRA) 3. Application of the Fairness principle Budget Realization Report (LRA) 4. Application of the principle of independence on the Realization Report Budget (LRA) 5. Application of the principle of responsibility on the Realization Report Budget (LRA) 6. Application of effective principles and efficient on Realization Reports Budget (LRA) 7. Application of the principle of intervention Commitment Officer on Budget Realization Report (LRA) 	31-37
6	Financial Performance of the Bureau of Logistics Facilities and Construction of the Police Headquarters		1

THE EFFECT OF BUDGETARY SLACK, ORGANIZATIONAL COMMITMENT, COMPENSATION, HUMAN CAPITAL AND GOVERNANCE ON THE FINANCIAL PERFORMANCE OF THE BUREAU OF FACILITIES AND LOGISTIC CONSTRUCTION OF THE POLRI Headquarters

	<p>Procurement Department financial performance</p>	<p>1. Develop standardized facilities and Construction Controlling, supervising and fostering Construction Facility Development and procurement of goods / services Controlling, supervising and fostering Construction Facility Development and procurement of goods / services Carry out supervision and control and make an analysis of the project evaluation results from the auction. Checking and researching and testing the health facilities held. Carry out cooperation and coordination with related parties. Carry out analysis and evaluation of the quality of goods. Prepare documents for the selection of providers of goods. Carry out the implementation of the goods provider. Analyze and evaluate the condition of the National Police building. Controlling and maintaining the supervisory function. Supervision of the Satker of the Police Headquarters and Territorial Service. Compile a plan for supervision and control of the Satker of the Police Headquarters and Territorial Satker. Presenting the results of supervision and control data. To supervise the supervision and control of the National Police building at both the Headquarters and Territorial levels.</p> <p>Carry out analysis and evaluation of Polri buildings both at the Headquarters and regional levels. Make a report on the condition of the National Police building.</p>	<p>38-62</p>
	<p>Financial performance of the Development Supervision Section</p>		

	<p>Financial Performance Inventory Section</p>	<p>Providing assistance to the National Police Headquarters and regional satker. 19. implementation of inventory data in the form of land and buildings throughout the Satker Headquarters and concrete territory, clear and complete. 20. Carry out the collection, management and presentation of Faskon data at the Headquarters and Territorial level. 21. Carry out an inventory of the assets of the National Police, including land and / or buildings that have not been certified. 22. Assisting the Satker at the National Police and Territorial Headquarters level in managing land and building certificates. 23. Compiling a cataloging of Faskon both Headquarters and Territorial levels. 24. Carry out supervision and control of Faskon both Headquarters and Territorial Satker. 25. Receive and collect proposal to remove land and buildings and process their administration. 26. Checking the administration and assessing the proposed removal and building from the head office and regional satker. 27. Carry out the administrative process for the proposed removal of land and buildings.</p>	
--	--	--	---

3. 2 Analysis of Data

In the process of data analysis, researchers used the validity test which is a test of accuracy of measurement. A valid measuring instrument, is not only able to reveal the data accurately but also must provide an accurate picture of the data. Reliability test is used to measure a questionnaire which is an indicator of variable.

a. Normality test

This normality test aims to determine whether the sample taken comes from a normally distributed population or not. If the research data is normally distributed, the

test can use parametric analysis techniques, but if the data is not normal then it uses non-parametric statistical techniques .

This study is to test whether the sample is normal or not, calculated by the One Sample Kolmogorov-Smirnov test using a significance level of 0.05 . The data is declared to be normally distributed if the significance is more than 0.05 .

b . Regression Prerequisite Test

Based on the hypothesis proposed in this study, to see the effect of the relationship between variables, the data analysis used multiple linear regression analysis. Before the data is analyzed by multiple linear regression, it must be tested for linearity first. In addition, the data must also be free from classical assumptions including multicollinearity, heteroscedasticity and autocorrelation.

CHAPTER IV RESULTS AND DISCUSSION

4. 5. Research Analysis

Overall, the total number of questionnaires distributed to 50 respondents, and of these total respondents who returned the questionnaire were 50 respondents. Questionnaires from 2 respondents cannot be processed. Based on this, the total number of questionnaires originating from respondents and can be processed is 48 and further analyzed for this research is as many as 48 questionnaires.

Table 4.2.1.



Budget Bias Table



Source: Primary data processed (2020)

Based on the answers to questionnaires from respondents regarding budget bias that occurred in the Bureau of Logistics Facilities and Construction at the Police Headquarters, it can be concluded that the indicators of making financial accountability at the end of the fiscal year obtained a strongly agree value of 27.1% of respondents and an agree value of 72.9% of respondents, and the value agree is the highest value of 72.9% of respondents. Indicators withdrawal deadline at the end of the fiscal year budget that the value could not agree by 24,5% of respondents and the value agreed by 75.5% of respondents. Policy indicators for reporting the percentage of physical progress of construction projects at the end of the fiscal year obtained a strongly agree value of 26.5% of respondents and an agree value of 69.4% of respondents, and the value of agree is the highest value of 69.4% of respondents. The policy indicator for the completion of a construction project up to the end of the fiscal year obtained a strongly agree value of 24.5% of respondents and an agree value of 75.5% of respondents, and the value of agree is the highest value of 75.5% of respondents. The policy indicator for making job completion guarantees is a strongly agree value of 26.5% of respondents and an agree

value of 71.4% of respondents, a disagree value of 2% of respondents, and the agree value is the highest value of 71.4% of respondents, it can be concluded Budget gaps (*Budgetary Slack*) that may occur in the fiscal year can be anticipated by following the year-end steps stipulated by the Directorate General of State Treasury in terms of making financial accountability, policies that must be taken by the Committing Officer at the end of the fiscal year so that the facility construction and construction project can be completed even though the contract period has expired and the goods / services provider can be responsible for the completion of the facility construction and construction project in that fiscal year by making a guarantee for the completion of the work by the goods / services provider in accordance with Per Regulation of the Director General of Treasury Number: PER-13 / PB / 2019 concerning Guidelines for Implementing State Revenue and Expenditure at the End of the 2019 Fiscal Year .

CHAPTER V

CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

This study aims to find empirical evidence of the effect of *Budgetary Slack* , Organizational Commitment, Compensation, *Human Capital* and *Governance* on the financial performance of the Bureau of Facilities and Logistics Construction of the Police Headquarters. The sample in this study was the Bureau of Logistics Facilities and Construction at the Police Headquarters. Based on the results of the tests that have been carried out, the following conclusions can be obtained :

1. *Budgetary slack* affects the financial performance of the Bureau of Logistics Facilities and Construction of the Police Headquarters at the Bureau of Logistics Facilities and Construction of the Police Headquarters in Jakarta, this indicates that large or small the value of *Budgetary Slack* can affect the increase or decrease in the financial performance of the National Police . This occurs due to the Director General of Treasury Regulation Number: PER-13 / PB / 2019 concerning Guidelines for Implementation of State Revenue and Expenditure at the End of the 2019 Fiscal Year which regulates policies for making job completion guarantees by goods / service providers at the end of the fiscal year.
2. Organizational commitment has no effect on the financial performance of the Facilities and Logistics Construction Bureau of the Police Headquarters at the Bureau of Logistics Facilities and Construction at the Police Headquarters in Jakarta, this indicates that large or small the value of organizational commitment cannot affect the increase or decrease in the financial performance of the Facilities and Construction Bureau. Police Headquarters Logistics . This happened due to the lack of attention of the Head of the Logistics Facilities and Construction Bureau (Faskon) of the National Police Headquarters in providing promotions or giving rewards in the form of promotions one level higher.
3. Compensation has no effect on the financial performance of the Bureau of Logistics Facilities and Construction of the Police Headquarters at the Bureau of Logistics Facilities and Construction at the Police Headquarters in Jakarta. This indicates that large or small compensation received cannot affect the increase or decrease in the financial performance of the Bureau of Logistics Facilities and Construction of the Police Headquarters . This is due to an imbalance in the amount of performance allowances with the large amount of job demands and moral responsibility for work between echelon IV and III officials.
4. *Human Capital* has an effect on the financial performance of the Facilities and Logistics Construction Bureau of the Police Headquarters at the Bureau of Logistics Facilities and Construction of the Police Headquarters in Jakarta, this indicates that large or small the value of *Human Capital* can affect the increase or decrease in the financial performance of the Logistics Facilities and Construction Bureau Headquarters Police . This is due to the lack of attention from the Head of the Logistics Facilities and Construction Bureau (Faskon) of the National Police Headquarters in providing scholarships for general education and official education who have high competence.
5. *Governance* has no effect on the financial performance of the Facilities and Logistics Construction Bureau of the Police Headquarters at the Bureau of Logistics Facilities and Construction at the Police Headquarters in Jakarta, this indicates that large or small the value of *governance* cannot affect the

increase or decrease in the financial performance of the Headquarters Logistics Facilities and Construction Bureau. Police. This is due to the intervention of Commitment Making Officials in preparing the Budget Realization Report at the end of the fiscal year.

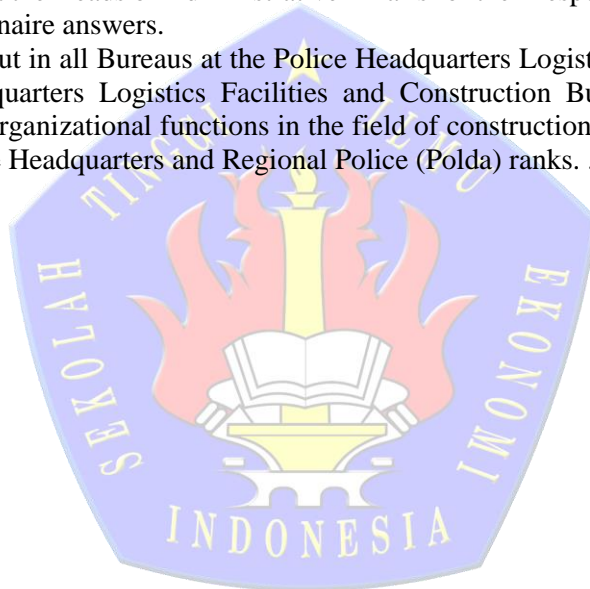
5.2. Suggestion

Given the limitations of this study, several suggestions can be given, including:

1. Eliminate the intervention of Commitment Making Officials in preparing reports on the realization of the budget for the Bureau of Logistics Facilities and Construction at the Police Headquarters at the end of the fiscal year.
2. There is a new Director General of Treasury Regulation on Implementation Guidelines for State Revenue and Expenditure at the End of this 2020 Fiscal Year .
3. The provision of scholarships for general education and service education for members of the National Police and Civil Servants of the Police at the Logistics Facilities and Construction Bureau (Faskon) of the National Police Headquarters which has high competence.
4. There is an increase in the performance allowance for echelon IV officials who hold labor-intensive jobs or echelon III officials.

5.3. Research Limitations and Further Research Development

1. The Heads of Divisions instruct the Heads of Administrative Affairs for their respective sections in providing responses to the questionnaire answers.
2. The research was not carried out in all Bureaus at the Police Headquarters Logistics in Jakarta, only carried out at the Police Headquarters Logistics Facilities and Construction Bureau in Jakarta which is considered to represent organizational functions in the field of construction and construction work for the entire National Police Headquarters and Regional Police (Polda) ranks. .



REFERENCE LIST

- Ali, Muhammad., Egbetokun, Abiodun., And Memon, Manzoor Hussain. 2018. Human Capital, Social Capabilities and Economic Growth in Jena, Germany . *Economies* , 6 (2), 1-18.
- Anggayana, Novan I Putu., And Wirajaya, Ary I Gde. 2019. The influence of the principles of good governance and organizational culture on the financial performance of rural credit institutions in the city of Denpasar. *e-Journal of Accounting* , 298 (1), 325-341.

THE EFFECT OF BUDGETARY SLACK, ORGANIZATIONAL COMMITMENT, COMPENSATION, HUMAN CAPITAL AND GOVERNANCE ON THE FINANCIAL PERFORMANCE OF THE BUREAU OF FACILITIES AND LOGISTIC CONSTRUCTION OF THE POLRI Headquarters

- Airborne. 2015. The Impact of Reward Management and Job Enrichment On Job Satisfaction among Employees In The Ogun State Polytechnics, Nigeria. *International Journal of Business and Management Invention* , 3 (3), 19-26.
- Anthonia, Onuorah., Okeke., And Ikechukwu Ibekwe Anthony. 2019. Compensation Management and Employee Performance in Nigeria. *International Journal of Academic Research in Business and Social Sciences* , 9 (2). 384-398.
- Arthaswadaya, Agum. 2015. *The effect of information asymmetry on Budgetary Slack with self-esteem as a moderating variable: experimental study in the context of participatory budgeting* , Thesis Accounting Education Study Program, Yogyakarta State University.
- Aryadini, RS 2016, *The effect of job satisfaction and organizational commitment on employee performance at PT. Grhayasa Nusacitra Estima* , Thesis, Management Study Program, Pasundan University, Bandung.
- Athumani, Issa Haruna., And Changuvu, Johnson Godfrey. 2018. Factors influencing tendering process in public sector: A case of medical store department (MSD), Dar Es Salaam Zone in Tanzania. *European Journal of Logistics, Purchasing and Supply Chain Management* , 6 (1), 26-40.
- Azmi, Gunawan., Darwanis., And Syukriy Abdullah. 2015. The influence of clarity of budget targets, quality of human resources and organizational commitment to regional financial management within the Aceh government. *Journal of the Graduate School of Accountancy at Syiah Kuala University* , 3 (4), 10-22.
- Baerdemaeker, De Jolien., And Bruggeman, Werner. 2015. The impact of participation in strategic planning on managers' creation of budgetary slack: The mediating role of autonomous motivation and affective organizational commitment at West-Europe, *Management Accounting Research* , 29, 1-12.
- Basyir, Akhmad Azmi. 2016. The effect of budget participation, information asymmetry, and individual capacity on Budgetary Slack at the Samarinda City Government SKPD. *Journal of Economics and Finance* , 13 (2), 82-102.
- Berber, Nemanja., Slavic, Agnes. 2016. Human Resources Outsourcing in European Compensation Management in The Light of Cranet Research. *Acta Polytechnica Hungary* , 13 (3), 207-223.
- Berber, Nemanja., Slavic, Agnes. 2017. Management Compensation System in Central and Eastern Europe. A Comparative System *The International Journal of Human Resources Management* , 28 (12), 1661-1689.
- Carreras, Maria Gillibert., Gago, Susanna., And Gil, David Naranjo. 2015. *The Relationship between trust and Budgetary Slack: an Empirical Study* . Thesis Master of Accounting, Spain University.
- Conrad, Harald. 2015. Change and Continuity in Japanese Compensation practices the case of occupational pensions since the early 2000s. *International Economic Journal* , 3051-3067.
- Danquah, Emilia. 2015. The effect of emotional intelligence on the financial performance of commercial banks in Ghana: The mediation role of relationship marketing, service quality, customer satisfaction in United Kingdom. *British Journal of Marketing Studies*, 3 (2), 8-25.
- Dewi, Maya Puspita., And Santoso Tulus. 2016. The importance of ethics in governance. *Journal of Public Sector Innovations* , 1 (2), 83-96.
- Ekwe. 2016. Intellectual capitals and financial performance indices of deposit money banks in Nigeria: A Comparative Assessment. *European Journal of Accounting Auditing and Finance Research* , 2 (2), 50-62.

- Etebu. 2016. Financial compensation and employee performance of Bayelsa State Civil Service. *Journal of Resources Development and Management An International Peer-reviewed Journal*, 22, 1-7.
- Fatimah, Mardani., Ronny Malavia., And Wahono Budi. 2015. The effect of Good Corporate Governance on firm value with financial performance as an intervening variable (Case Study in Manufacturing Companies in the Consumer Goods Sector Listed on the IDX 2015-2017). *e-journal of Management Research, Management Study Program, Faculty of Economics, Unisma*, 1-19.
- Onyekwelu, Uche Lucy Fidelia., And Ugwuanyi, Uche Boniface. 2015. Impact of Human Capital Accounting on Corporate Financial Performance-A Study of Selected Banks in Nigeria. *European Journal of Accounting Auditing and Finance Research*, 3 (5), 90-107.
- Fithriana, Nooraa., Adi, and Agung Nugroho. 2017. Dominant effect between performance improvement. *Journal of Applied Management (JAM)*, 15 (4), 670-676.
- Gaol, L Jimmy. 2014. A to Z Human Capital. Grasindo Jakarta.
- Ghozali. 2016. *Multivariate analysis application with the IBM SPSS 23 program (8th Edition)*. Yogyakarta: MediaCom.
- Hutapea, Febrina Lastiar, and Aristanti Widyaningsih. 2017. The Influence of Good Government Governance and Legislative Measures on Local Government Performance (Studies on Provincial Governments in Indonesia). *Journal of Assets (Research Accounting)*, 9 (1), 173-186.
- Idenyi, Odo Stephen., Onyeisi, Samuel Ogbonna., And Onyekachi, Eze 2016. Analysis of the relationship between human capital development and economic growth in Nigeria. *European Journal of Accounting, Auditing and Finance Research*, 4 (3) 56-71.
- Islam, Rabiul., Ghani, Ahmad Bashawir Abdul., Kusuma, Bobby., And Theseira, Belinda Barbara. 2016. Education and Human Capital Effect on Malaysian Economic Growth. *International Journal of Economics and Financial*, 6 (4) 1722-1728.
- Khasanah, Iswatin. 2015. *The effect of executive management compensation on the company's financial performance (Forbes Indonesia's 50 Best Of The Best Companies 2013)*. Master Thesis of Accounting, State University of Surabaya.
- Kurniawan, Heri. 2016. *The influence of Intellectual Capital, Islamic Corporate Governance, Islamic Social Responsibility, Islamic Ethical Identity and Zakat on the financial performance of Islamic Banks*. Master's Thesis in Accounting, Sunan Kalijaga State Islamic University, Jogjakarta.
- Lestiawan, Yuniar Handi., And Jatmiko, Bambang. 2016. Key success factors for good Government Governance and their impact on government performance (Survey on Gunungkidul Regency Government). *Media Accounting Muhammadiyah University Semarang*, 5 (1), 32-49.
- Madjid, Abdul. 2019. POLRI's performance in our eyes. Downloaded on June 3, 2020, <http://kompasiana.com>.
- Marimuthu, Maran., Aroklasamy, Lawrence., Isamil, Maimunah. 2015. Human Capital Development and its impact confirm performance: Evidence from development economics. *The journal of international social research*, 2 (8), 13-34.
- Martinus, Erik. 2016. The effect of compensation and work motivation on employee performance at PT. Devina Surabaya. *Journal of Management Science and Research*, 5 (1), 1-15.
- Nasution, Leni Masnindar. 2017. Descriptive Statistics. *Hikmah Journal*, 14 (1), 49-55.
- Nugraha., Triantoro, Arvian., And Famela, Kurnia Ika. 2015. The influence of employee competence and organizational commitment to the quality of financial reports of Regional Work Units (SKPD) in the city of Bandung. *Journal of Performance Discourse*, 17 (2), 1-11.
- Nurhayati, Siti. 2017. Analysis of the effect of *Intellectual Capital* on the performance of the market and financial performance of the company LQ45 listed in Indonesia Stock Exchange period 2010 - 2013. *Journal of Assets (Research Accounting)*, 9 (1), 133-172.

THE EFFECT OF BUDGETARY SLACK, ORGANIZATIONAL COMMITMENT, COMPENSATION, HUMAN CAPITAL AND GOVERNANCE ON THE FINANCIAL PERFORMANCE OF THE BUREAU OF FACILITIES AND LOGISTIC CONSTRUCTION OF THE POLRI Headquarters

- Otuedon, McLeish Ukomatimi. 2016. The swiss binding vote on executive compensation (Says on Says): Its pros and cons at Switzerland. *European Journal of Accounting, Auditing and Finance Research* , 4 (11), 13-34.
- Pasban, Mohammad., And Nojedeh, Sadegheh Hosseinzadeh. 2016. A Review of the Role of Human Capital in the Organization at Iran. *Procedia - Social and Behavioral Sciences* , 230, 249 - 253.
- Regulation of the Director General of Treasury Number: PER-13 / PB / 2019 concerning Guidelines for Implementing State Revenue and Expenditure at the End of Fiscal Year 2019. Downloaded on May 3, 2020, <http://www.djpb.kemenkeu.go.id>.
- Regulation of the Head of the National Police of the Republic of Indonesia Number 21 of 2010 concerning the Organizational Structure and Work Procedures of Organizational Units at the Headquarters Level of the Indonesian National Police. Downloaded on 3 May 2020, <http://www.portal.divkum.polri.go.id>.
- [Government Regulation Number 46/2011 concerning Assessment of PNS work performance. Downloaded on May 3, 2020, http://www.bkn.go.id](#).
- [Presidential Regulation of the Republic of Indonesia Number: Perpres No. 103/2018 concerning employee performance allowances within the POLRI environment. Downloaded on May 3, 2020, http://www.peraturan.bpk.go.id](#).
- Pratama, Stefanus Andi., Hakam, Moehammad Soe'loed., Nurtjahjono, Gunawan Eko. 2015. Effect of compensation on employee performance (study of employees of PT. Asuransi Jiwa Sraya Persero Malang regional office) . *Journal of Business Administration* , 25 (1), 1-8.
- Pratiwi, Rizna Tia. 2017. The influence of intellectual capital and corporate governance on banking financial performance in Indonesia . *Journal of Accounting and Finance, University of Bandar Lampung* , 8 (1), 85-97.
- Puspasari, Dian. 2015. *The effect of executive compensation and operational efficiency on financial performance in the banking sector listed on the Indonesia Stock Exchange* . Postgraduate thesis majoring in accounting. Pancasila University.
- Rachmaniza, Shafira. 2020. The Effect of Competence and Organizational Commitment on Employee Performance in the Production Division at PT. Sinar Ragamindo Utama Bandung . *Proceedings of Management* , 6 (1), 11-16.
- Rahayu, Sri. 2015. *The effect of financial performance on firm value with disclosure of Corporate Social Responsibility and Good Corporate Governance as moderating variables (Empirical Study of Manufacturing Companies on the Jakarta Stock Exchange)* . Bachelor Thesis in Accounting, Diponegoro University. 1-116.
- Rahayuni, Nastiti. 2018. The influence of corporate governance mechanisms on intellectual capital disclosure. *Journal of Accounting Studies* , 2 (1), 67-81.
- Rajak, Adnan., Thahrim, Muhammad., And Maeda, Pinoa. 2018. Influence of human capital and job satisfaction to employee performance Environmental Office of Ternate . *Journal of Synergy Management* , 5 (2), 1-20.
- Rayyani, Wa Ode., Jumiati., And Sunarti. 2017. Revealing the implementation of the principles of good government governance in managing village funds : an effort to prevent fraud. *e-Journal.stie nobel-indonesia* , 342-354.
- Rene , Ryan ., And Sari, Wahyuni. 2018. The effect of *work-life balance* on organizational commitment, job satisfaction, and work motivation on individual performance of employees of insurance companies in Jakarta. *Sriwijaya Journal of Business and Management* , 16 (1), 53-63.
- Rozzaid, Yusron., Herlambang, Toni., And Devi, Anggun Meyrista. 2015. The effect of compensation and motivation on employee job satisfaction (Case Study at PT. Nusapro Telemedia Persada Banyuwangi Branch). *Indonesian Journal of Management and Business* , 1 (2), 201-220.
- Saifulloh. 2018. Basis of Product Moment Validity Test Decision Making
Downloaded on 5 September 2020, <http://googlescholar.com>

- Sampouw, Erlyn Chrishella. 2018. Experimental study: The influence of pay scheme and personal value to budgetary slack . *Journal of Applied Management* , 16 (4), 613-621.
- Siddiqi, Umer Iqbal . 2016. Impact of Compensation Discrimination on Employees Performance in Engro Food Limited, Alhamd Food Limited and Industry Leader Sahiwal of Pakistan . *International Review of Management and Business Research* , 5 (2), 548-560.
- Sugiyono. 2012. *Educational Research Methods (quantitative, qualitative, and R & D approaches)* . Bandung: Alfabeta.
- Sugiyono. 2014. *Educational Research Methods (quantitative, qualitative, and R & D approaches)* . Bandung: Alfabeta.
- Sugiyono. 2017. *Educational Research Methods (quantitative, qualitative, and R & D approaches)* . Bandung: Alfabeta.
- Sukoco, Iwan and Prameswari, Dea. 2017. Human capital approach to increasing productivity of Human Resources Management. *AdBispreneur Journal* , 2 (1), 93-104.
- Sun, Li-Yun., And Pan Wen. 2015. Differentiation strategy, high-performance human resource practices, and firm performance: moderation by employee commitment in Beijing. *International Economic Journal* , 3068-3079.
- Suriani, Seri., Alam, Sayamsu., Nursyamsi, Idayanti., And Nohong, Mursalim. 2018. Moderation of Self Esteem Information Asymmetry on Budgetary Slack Relationship to Organizational Performance. *Research Journal XXVI Unibos Makassar* , 4 (3), 1-13.
- Tarus, Benjamin kipchumba. 2016. Compensation strategies and employee commitment in Kenya Quantitative analysis on the public sector . *Internat ional Journal of Quantitative and Qualitative Research Methods* . 4 (1), 27-33.
- Tenggara, Ratno Bayu., Hulmansyah., And Huda Nurul . 2016. Analysis of the influence of leadership on organizational culture, organizational commitment and employee performance of Bank Syariah Mandiri in Jakarta. *Journal of Economics and Business Aseanomics* , 1 (1), 108-124.
- ahma. 2020. The POLRI is rewarded with WTP six times in a row. Downloaded on June 3, 2020, <http://tempo.com> .
- rine, Sulait., Nasiima Sentrine., And Kamukama, Nixo. 2015. Human Capital Elements and their Influence on Performance: Evvidence from Uganda's Manufacturing Firms . *Global Journal of Management and Business Research: D Accounting and Auditing* , 14 (2).
- 1, Dewi Sarifah., Erma, Apriyanti., And Nanang, Wijaya. 2018. The effect of the implementation of good government governance (GGG) and the application of the Government Internal Control System (SPIP) on the quality of financial reporting (Case Study of Provincial Government in West Java and Banten). *Balance Vocation Accounting Journal* , 2 (1), 1-11.
- ong, A Asian., And Ibanichuka, AL Emmanuel. 2016. Accounting manipulations and firms financial performance: evidence from Nigeria. *European Journal of Accounting, Auditing and Finance Research* , 4 (10), 30-47.
- ani, Fransisca Pangesti. 2017. *The effect of Good Corporate Governance on financial performance (empirical study on manufacturing companies listed on the Indonesia Stock Exchange in 2011)*. Undergraduate Thesis Accounting Study Program STIE Widya Wiwaha Yogyakarta.
- ranto. 2013. *Applied Statistics* . Jakarta: PT Elex Media Komputindo.
- a, Wayan Anggara., And Wiksuana, I Gusti Bagus. 2018. The influence of intellectual capital on financial performance in the hotel, restaurant and tourism industry sub-sector. *E-Journal of Management of Udayana University* , 7 (2). 701-729.
- z , Emine., Ozer, Gokhan., And Gunluk, Mehmet. 2015. The effects of environmental uncertainty and budgetary control effectiveness on propensity to create budgetary slack in the public sector at Istanbul Turkey . *Business and Economics Research Journal* , 2 (4), 1-18.

