FINANCIAL PERFORMANCE ANALYSIS OF PUBLIC SERVICE AGENCY AT MULAWARMAN UNIVERSITY SAMARINDA

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ABSTRACT

The success of the Public Service Agency (BLU) work unit in managing public finances is determined by its ability to provide relatively cheap and quality public services, as well as avoid wasteful budget management far from the outcomes expected by the public. However, it is not easy to implement. Therefore, a method of measuring financial performance is needed to be able to realize the principles of efficiency and productivity while still prioritizing improving the quality of public services. This research is a qualitative descriptive study that aims to analyze the financial performance of the Public Service Agency (BLU) at Mulawarman University Samarinda. This study uses the value-for-money method with three main elements, namely economic ratios, efficiency ratios, effectiveness ratios also financial independence ratios. The data used is secondary data in the form of the financial statements of BLU Mulawarman University in 2017-2020. The results showed that the financial performance of the Mulawarman University BLU was at a fairly economical level (89.31%), inefficient (101%), quite effective (99%), and moderate independence (51%).

KEYWORDS: Public Service Agency Financial Performance.

1. INTRODUCTION

Performance is a picture that shows the level of achievement of the implementation of a policy, program, or activity to achieve organizational goals contained in the strategic planning of an organization. The term performance is often used to refer to the achievement or level of success of an organization or individual. The performance will be known only if the organization or individual has previously defined success criteria [1].

Financial performance is a picture related to the financial condition of an organization in a certain period, both related to the aspect of fund income and related to the aspect of expenditure of funds

[2]. Financial performance measurement is a performance measurement technique that assesses and compares the difference between the budget and its realization. so the technique is known as the budget difference analysis [1].

It is very important to measure the financial performance of the public sector so that the management of public finances can meet the principles of efficiency and productivity. Therefore, one of the concepts of measuring financial performance that must be used is the concept of value for money which stipulates the principles of economy, efficiency and effectiveness.

The Public Service Agency (BLU) of Mulawarman University is one part of the public sector entity. BLU has the authority to manage public finances and must provide public services in the form of providing goods and services. BLU is prohibited from seeking profit based on effective and productive principles so that the outcome is in line with public expectations [3].

The phenomenon of financial management of the Mulawarman University BLU has a perception or understanding that the indicator of success in financial performance is only measured by the ability of a unit to absorb the budget as much as possible. But these indicators do not pay attention to the principles of economy, efficiency and effectiveness. So this will result in ineffective and wasteful use of the budget and far from the outcomes expected by the public.

The next phenomenon is the status of BLU which has been carried by Mulawarman University since October 27, 2009. With this BLU status, Mulawarman University should have the opportunity to get bigger and more open sources of income. This income will later be used to increase financial independence in addition to only relying on BLU's original income only from educational services or Student Single Tuition Fees (UKT).

2. RESEARCH METHOD

This research is a type of research designed with a qualitative descriptive research model. The study conducted a secondary data analysis approach on the financial statements of the BLU Mulawarman University Samarinda in 2017-2022 obtained from the official website of the BLU Mulawarman University Samarinda [4]. The method used is Value for Money and Financial Independence

2.1 Economic Level Measurement

The economic level is measured by comparing the realization of expenditure with the expenditure budget of the Mulawarman University BLU according to the formula in table 1 [5].

Table 1: Economic Level Measurement

Economic Level Measurement	Performance Value	Information
$\text{Economic} = \dfrac{\text{realization of expenditure}}{\text{expenditure budget}} \times 100\%$	- > 100% - 85 to 100% - 65 to 84% - < 65%	- Economical - Quite Economical - Less Economical - Not Economical

2.2 Efficiency Level Measurement

The level of efficiency is measured by comparing the realization of costs to obtain income with the realization of income obtained by the Mulawarman University BLU according to the formula in table 2 [5].

Table 2: Measurement of Efficiency Level

Efficiency Level Measurement	Performance Value	Information
$\text{Efficiency} = \dfrac{\text{Realization of Costs to Obtain Income}}{\textit{Realization of Income}} \times 100\%$	- < 90% - 90 to 99% - 100% - > 100%	- Very Efficient - Efficient - Quite Efficient - Not efficient

2.3 Measuring the Level of Effectiveness

The level of effectiveness is measured by comparing the realization of income with the revenue budget of the Mulawarman University BLU according to the formula in table 3 [5].

Table 3: Measuring the Level of Effectiveness

Effectiveness Level Measurement	Performance Value	Information
$\text{Effectiveness} = \dfrac{\text{Realization of Income}}{\text{Revenue Budget}} \times 100\%$	- 100% - 85 to 99% - 65 to 84% - 65%	- Effective - Effective enough - Less effective - Ineffective

2.4 Measuring the Level of Financial Independence

The level of financial independence ratio is measured by comparing the original income with the total income of the Mulawarman University BLU, as shown in Table 4 [6].

Table 4: Measurement of Financial Independence Level

Measurement of Financial Independence Level	Performance Value	Information
$$\text{Independence} = \frac{\text{Original Income}}{\text{Total Income}} \times 100\%$$	- 0 - 25% - 25 - 50% - 50 - 75% - 75 - 100%	- Very low - Low - Currently - Tall

3. RESULTS AND DISCUSSION
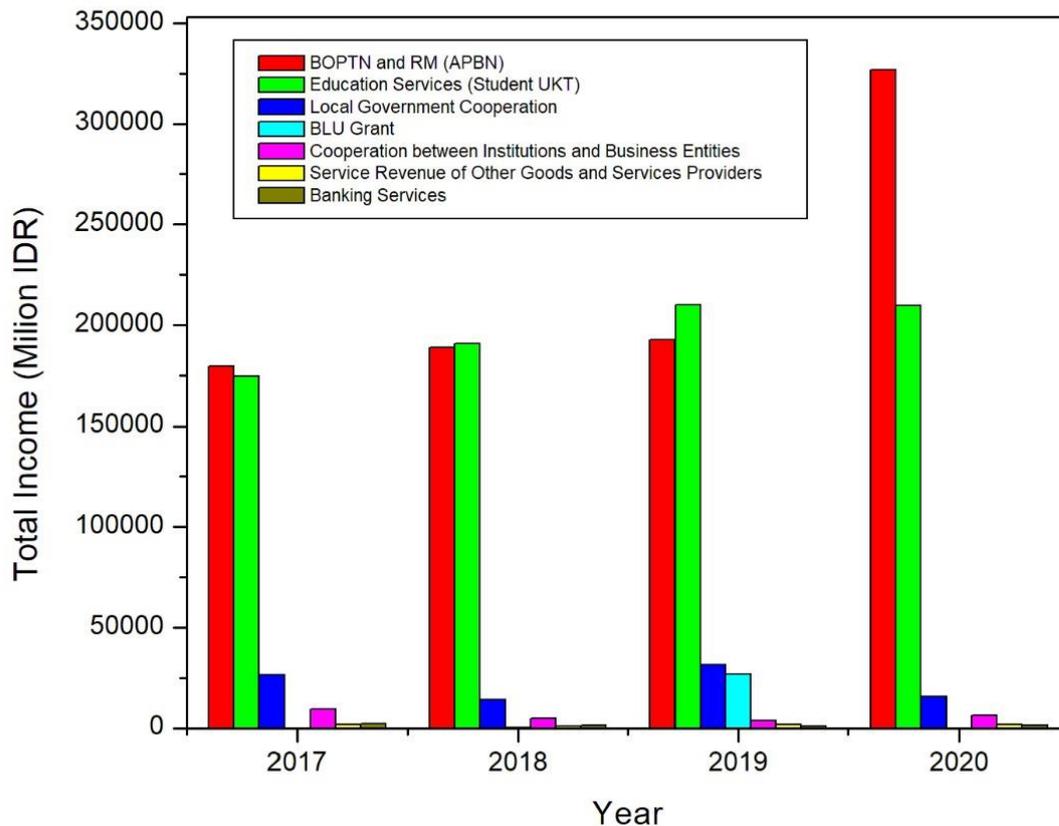
Figure 1: Sources of Operational Income of BLU Universitaas Mulawarman 2017-2020

Based on Figure 1 above, it can be seen that the source of income for Mulawarman University BLU is dominated by State University Operational Assistance (BOPTN) and Pure Rupiah (RM) from the central government by 48.65%, while the source of income is the form of Non-Tax State Revenue (PNBP) BLU University Mulawarman is dominated by income sourced from educational services,

namely Single Tuition Fees (UKT) for students by 43.02%, while those sourced from institutional and business collaborations are 1.16%, income from grants and other services is 6.96%.

3.1 Economic Level Measurement

Table 5: Results of Comparison of Actual Expenditures with Budgeted Expenditures BLU Mulawarman University Year 2017-2020

Year	Expenditure Budget (Rp)	Actual Expenditure (Rp)	Economic value	Information
2017	479,835,226,000	419,682,838,247	87.46%	Economical Enough
2018	475,175,385,000	414,404,377,749	87.21%	Economical Enough
2019	459,201,466,000	431,835,326,196	94.04%	Economical Enough
2020	604,376,872,000	535,142,790,793	88.54%	Economical Enough
Average			**89.31%**	**Economical Enough**

Based on table 5 above, the financial performance of BLU UNMUL in 2017-2020 in terms of the average economic level is at a Fairly Economical level with an average percentage value of 89.31%. This value is still below the standard value of economic performance, which is 100%.

This is caused by the budget/expenditure plan allocated to finance an activity or program that, on average, exceeds or is above the realization of expenditure. Therefore, the use of economical or economical resources is important and must be the policy of the BLU leadership of Mulawarman University. This can be done by controlling the implementation of program activities and procurement of goods and services.

3.2 Mulawarman University BLU Financial Performance Efficiency Level

Table 6: Comparison Results of Cost Realization with Realized Revenue BLU Mulawarman University Year 2017-2020

Year	Total income (Rp)	Realization Cost (Rp)	Efficiency Value	Information
2017	393,889,800,561	419,682,838,247	107%	Not efficient
2018	401,036,734,161	441,403,377,749	110%	Not efficient
2019	467,625,400,907	431,835,326,196	92%	Efficient

2020	561,844,587,844	535,142,790,793	95%	Efficient
Average			**101%**	**Not efficient**

Based on table 6 above, the financial performance of BLU UNMUL in 2017-2020 in terms of the average efficiency level is at the inefficient level with an average percentage value of 101%. This value has not yet reached the standard value of efficient performance, which is 90%.

This is caused by the realization of costs incurred on average the value exceeds or is above the total realized income. Therefore, the use of efficient (effective) resources must be an internal policy of the Mulawarman University BLU. The action includes provisions for financial management such as provisions for official travel costs and the use of Stock Money (UP). Meanwhile, the payment of honorarium or employee benefits that are more applying the concept of performance-based budgeting, to achieve the principle of output and outcome-oriented budget allocation.

3.3 Level of Effectiveness of Financial Performance of Mulawarman University BLU

Table 7: Results of Comparison of Revenue Realization with BLU Revenue Budget Mulawarman University Year 2017-2020

Year	Budget revenue (Rp)	Revenue Realization (Rp)	Effectiveness Value	Information
2017	269,986,849,000	220,199,311,110	81.56%	Less effective
2018	246,726,533,000	209,621,470,500	84.96%	Effective enough
2019	207,301,800,000	247,369,647,765	119.33%	Effective
2020	211,000,000,000	233,806,350,851	110.81%	Effective
Average			**99%**	**Effective enough**

Based on table 7 above, the financial performance of BLU UNMUL in 2017-2020 in terms of the average effectiveness level is at a Fairly Effective level with an average percentage value of 99%. This value is still below the standard value of effective performance, which is 100%.

This is caused by the realization of average income which is below the set budget/income plan. Effectiveness is related to the relationship between the expected results and the results achieved. Therefore, it is necessary to contribute output (output) to achieve the results (outcomes) that are produced play a role in achieving the goals or targets set by the Mulawarman University BLU, namely providing benefits to the public. The implementation of these objectives can be done by making strategic policies to produce graduates who are superior, highly competitive, and have the capacity and competence amid the public.

3.4 Level of Financial Independence of Mulawarman University BLU

Table 8: Results of Comparison of Original Income with Total Income BLU Mulawarman University Year 2017-2020

Year	Total Income (Rp)	Original Income (Rp)	Independence Value	Information
2017	393,889,800,561	220,199,311,110	56%	Currently
2018	401,036,734,161	209,621,470,500	52%	Currently
2019	467,625,400,907	247,369,647,765	53%	Currently
2020	561,844,587,844	233,806,350,851	42%	Low
Average			**51%**	**Currently**

Based on table 8 above, the financial performance of BLU UNMUL in 2017-2020 in terms of the level of financial independence on average is at the level of Medium Independence, with an average percentage value of 51%. This value is still below the standard value of Mandiri Tinggi, which is in the range of 75%-100%.

This is caused by the original revenue of BLU UNMUL whose value is still below the total value of BLU revenue, and the source of income is still dominated by the State Budget (APBN) from the central government. Therefore, it is necessary to optimize BLU's original income from the results of institutional collaboration. In addition, it can also come from other sources of income such as having buildings or training centers, hospitals, pharmacies, gas stations or hotels that can be rented by the community, or business units supporting the State Capital (IKN). This, in addition to increasing the economic growth of the surrounding community, will also be a reliable main source of income apart from relying on the main income from Single Tuition Fee (UKT) for students.

4. CONCLUSION

The measurement of the financial performance of the Mulawarman University BLU in 2017-2020 using the value for money method and the financial independence ratio method, results show that the financial performance of the Mulawarman University BLU is at a fairly economical level (89.31%), inefficient (101%), quite effective (99%), and moderate independence (51%).

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