

The Role of DPRD Supervision in Increasing the Effectiveness of APBD Use for Regional Development in Deli Serdang Regency

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Abstract. *The administration of government in Indonesia is based on a systemic approach which includes a central government system, called the government, as well as a regional government system. In the practice of government administration, there are concepts of centralization and decentralization that regulate the relationship between central and regional governments. The concept of centralization reflects the characteristic where all authority for administering government is centered in the central government, while the concept of decentralization shows the characteristic where some authority for government affairs, which was previously the responsibility of the central government, is delegated to regional governments. According to Law Number 23 of 2014 concerning Regional Government, the Regional People's Representative Council (DPRD) has a clear position as an integral regional people's representative institution in the administration of government at the local level. DPRD is not just a representative institution, but is also an inseparable part of the regional government structure. The function of the DPRD includes three main aspects, namely legislation, budgeting and supervision. (Kasenda et al., 2020). In an effort to realize this target, the Regional People's Representative Council (DPRD) needs to take concrete steps that can optimally strengthen its role in the context of regional government. The APBD is the implementation of the people's wishes for the government through the DPRD to improve welfare and services to the community. APBD is also the regional government's annual financial planning which is approved by the DPRD and made into policy through regional regulations. As a legislative institution, the DPRD has the responsibility to supervise the use of the budget and the implementation of regional government programs. Effective supervision is expected to increase transparency, accountability, and ensure that the benefits of the programs designed are truly felt by the community, especially those who need it most. Based on this description, the author is interested in conducting further research on the function of the Deli Serdang Regency DPRD in implementing the Regional Revenue and Expenditure Budget in the Development Sector. In formulating regional government policies, both from the executive and legislative branches, the orientation is to pay attention to the welfare of the people. Based on the results of the analysis and discussion, the conclusion is that direct supervision has a positive and significant effect on the effectiveness of supervision. Direct supervision has a positive and significant effect on APBD implementation. Indirect supervision has a positive and significant effect on the effectiveness of supervision. Indirect supervision has a positive and significant effect on APBD implementation. The effectiveness of supervision has a positive and significant effect on APBD implementation. Direct supervision has a positive and significant effect on APBD implementation through the effectiveness of supervision. Indirect supervision has a positive and significant effect on APBD implementation through the effectiveness of supervision.*

Keywords Supervisory function, Regional People's Representative Council, APBD

INTRODUCTION

The Republic of Indonesia in the 1945 Constitution (UUD) is designed as a Unitary State. The administration of the state is carried out through executive, legislative, and judicial institutions. In its implementation, the community wants serious and responsible implementation so that development reform can succeed. Therefore, state administrators must carry out their functions and duties honestly, fairly, openly, and trustworthy. They must also be able to avoid the practices of corruption, collusion, and nepotism (Gafar, 2024).

The implementation of government in Indonesia is based on a systemic approach that includes a central government system, called the government, as well as a regional government system. In the practice of implementing government, there are concepts of centralization and decentralization that regulate the relationship between the central and regional governments. The concept of centralization reflects the characteristics where all authority for implementing government is centered in the central government, while the concept of decentralization shows the characteristics where some of the authority for government affairs, which were previously the responsibility of the central government, are delegated to regional governments (Asrulla, 2023).

The Unitary State of the Republic of Indonesia in organizing regional government has experienced a shift from a centralized pattern during the enactment of Law Number 5 of 1974 concerning the Principles of Regional Government, to a decentralized pattern marked by the birth of Law Number 22 of 1999 concerning Regional Government and Law 32 of 2004. The presence of Law Number 32 of 2004 as a result of reform is a new milestone in the implementation of regional government and brings a series of changes, both philosophically, in terms of paradigm, mechanisms and operational regulations (Marzuku, 2013).

Law Number 32 of 2004 concerning Regional Government and Law Number 33 of 2004 concerning Finance between the Central and Regional Governments, there has been a significant transformation in the paradigm of implementing governance at the regional level. The implications of this change include major adjustments in the framework of supervision, evaluation, and budget management in every local government entity throughout Indonesia. The granting of broad autonomy to regions requires adjustments in the institutional structure and dynamics of relations between supervisory

institutions and financial audit institutions at the local level. Supervision is an important responsibility of the Regional People's Representative Council (DPRD) (Mutiah, 2008).

According to Law Number 23 of 2014 concerning Regional Government, the Regional People's Representative Council (DPRD) has a clear position as a regional people's representative institution that is integral to the implementation of government at the local level. The DPRD is not only a representative institution, but is also an inseparable part of the regional government structure. The function of the DPRD includes three main aspects, namely legislation, budget, and supervision (Sudriman, 2017).

In an effort to realize these targets, the Regional People's Representative Council (DPRD) needs to take concrete steps that can strengthen its role optimally in the context of regional government. According to Muchsan (2000) in there are three pillars that support autonomy, namely (1) Sharing of power, (2) Distribution of income, and (3) Empowering regional governments. Regional governments in carrying out their duties as regulated in Law Number 32 of 2004, require adequate financial resources. These financial resources come from two main sources, namely the State Revenue and Expenditure Budget (APBN) provided by the central government, and the Regional Revenue and Expenditure Budget (APBD) which is income and expenditure managed by the regional government itself. As a regional people's representative institution, the DPRD has an important role in the process of forming regional regulations, budgeting, and supervision of the implementation of government at the regional level (Nurliana, 2023).

The APBD is the implementation of the will of the community to the government through the DPRD to improve welfare and services to the community. The APBD is also the annual financial plan of the regional government approved by the DPRD and made into policy through regional regulations. Therefore, in the implementation of the APBD, effective supervision is needed to prevent deviations or misuse of the budget. In the general explanation, it is explained that supervision of the management of the APBD carried out by the DPRD is the right of every DPRD member to fight for the interests of the community in their electoral district. The basic principles of the APBD are similar to the APBN which requires supervision both internally and externally. External supervision is carried out by the DPRD and the Audit Board of Indonesia (BPK), while internal

supervision is carried out by the regional government and all its structures (Virgina, 2014).

Through the legislative function, the DPRD is tasked with producing regional regulations that are in accordance with the needs and aspirations of the local community. The budget function allows the DPRD to discuss, ratify, and supervise the APBD, which is the main financial instrument in the implementation of regional government programs and activities. Meanwhile, the supervisory function ensures that policies and programs implemented by the regional government are in accordance with statutory provisions and meet the needs and interests of the community fairly and effectively. Supervision can be carried out directly and indirectly. Direct supervision is carried out with a physical presence at the location, allowing supervisors to interact directly and obtain real-time information from the field. Meanwhile, indirect supervision is carried out remotely through document and report analysis, without physical presence, making it more efficient to monitor many activities at once. Direct supervision provides a deeper understanding of the actual situation, while indirect supervision focuses more on data analysis and time efficiency (Aminah, 2019).

Deli Serdang Regency is one of the regencies in Indonesia with a population of 1,953,986 people. The capital of this regency is located in Lubuk Pakam District [Sinambela, 2018]. In a plenary session held on Wednesday, November 29, 2023, the Deli Serdang Regency DPRD has ratified the Regional Revenue and Expenditure Budget (APBD) of IDR 4,830,959,081,555, - With an area consisting of 22 sub-districts and 403 villages/sub-districts, of course each has its own development needs and priorities (Subandi). In an effort to improve people's welfare, the regional government, both executive and legislative, is committed to implementing various pro-people policies. Some of these policies include SPP assistance for students from kindergarten to junior high school, free health services for the poor, and a house renovation program for the poor who have uninhabitable homes. However, although various policies have been designed to improve people's welfare, implementation in the field often faces various challenges and obstacles. One example is the free health policy for the poor.

In practice, poor people who need health services often have difficulty getting fast and appropriate medical care at hospitals for free. As a result, many of them prefer to pay

for their own treatment costs rather than face a complicated and time-consuming process. This condition shows a gap between the policies set and their implementation in the field, which can reduce the effectiveness of the program in achieving its goals. To ensure that existing deviations can be minimized and the implementation of the APBD can run according to the mandate that has been set, the role of supervision of the Deli Serdang Regency DPRD is very crucial (Selfi Suryadinata, 2023).

As a legislative institution, the DPRD has the responsibility to supervise the use of budgets and the implementation of regional government programs. Effective supervision is expected to increase transparency, accountability, and ensure that the programs designed are truly felt by the community, especially those who need them most. Based on this description, the author is interested in conducting further research on the Function of the Deli Serdang Regency DPRD in the Implementation of the Regional Revenue and Expenditure Budget in the Development Sector. In formulating regional government policies, both from the executive and legislative branches, the orientation is to pay attention to the welfare of the people.

LITERATURE REVIEW

1. Position and Function of DPRD

The creation of law is a complex process, considering its implications for the interests of society, the nation, and the state as a whole. Therefore, the existence of a legislative institution is needed that is tasked with creating laws and regulations. At the central level, this institution is known as the People's Representative Council (DPR), while at the regional level it is called the Regional People's Representative Council (DPRD) [Parlindungan, 2018]. The Regional People's Representative Council (DPRD) is one of the important institutions in the political and governmental framework of the Republic of Indonesia. The DPRD has a strategic position as an element of the regional government organizer that is equal to the regional head. The People's Representative Council (DPR) has a very vital role compared to other state institutions, both in terms of infrastructure and political superstructure. The Regional People's Representative Council (DPRD) is a representative institution of the people in the region that has an important role in bridging community aspirations with regional government policies (James, 2014).

The legal position of the DPRD has undergone significant transformation during the reform era. During the New Order, the DPRD was placed as part of the regional government or executive structure (in accordance with Article 11 of Law Number 5 of 1974). In addition to the differences in the position of the DPRD, Law Number 22 of 1999 with Law Number 32 of 2004 and Law Number 23 of 2014 also differ in terms of the functions, duties and authorities and rights of the DPR. In Law Number 22 of 1999, the function of the DPRD is not explicitly stated, while in Law Number 23 of 2004, the DPRD has three functions, namely the legislative, budgetary, and supervisory functions. Likewise in Law Number 23 of 2014, the DPRD has all three functions but for the legislative function the term is changed to the function of forming regional regulations (Makma, 2022).

1.1. Direct Supervision

Direct supervision is a monitoring and evaluation process carried out directly on an activity or project by a party that has the authority and responsibility to ensure that the implementation of the activity is in accordance with the plans and standards that have been set. In the context of government, direct supervision is often carried out by agencies or institutions responsible for a program or project, by going directly to the field to observe, examine, and assess each stage of implementation. The main purpose of direct supervision is to ensure compliance with regulations and policies, identify deviations or problems early on and provide solutions or recommendations for improvement if necessary (Indartini, 2016).

1.2. Indirect Supervision

Indirect supervision by the DPRD on the implementation of the APBD aims to ensure that the use of the regional budget is in accordance with the plans and applicable regulations. The DPRD carries out this supervision by evaluating financial reports submitted by the regional government, such as budget realization reports, financial reports, and performance reports, to assess whether budget implementation is in accordance with the stated objectives. The DPRD can also conduct studies on policies related to budget use and provide recommendations to the regional government for improvements to policies that are considered ineffective or inefficient. In addition, the DPRD involves the public and the media in supervision to obtain additional input and

information that can be used to increase the effectiveness of supervision. With this indirect supervision, the DPRD aims to ensure transparency, accountability, and effectiveness in the use of the APBD so that it can provide optimal benefits for the community and regional development (Azifi, 2022).

2. Principles and Policies for Preparing the Regional Revenue and Expenditure Budget (APBD)

The APBD is basically a policy tool used to improve public services and community welfare in the region. The APBD is an important instrument in running the wheels of regional government. Behind its role as a financial tool [Ilham, 2021] Based on Article 1 paragraph (9) of the Regulation of the Minister of Home Affairs Number 13 of 2006 concerning Guidelines for Regional Financial Management, the Regional Revenue and Expenditure Budget which is continued by the APBD is the annual financial plan of the regional government which must be jointly approved by the regional government with the DPRD and stipulated by regional regulations. The preparation of the APBD itself is a long process through several stages starting with the gathering of community aspirations which are then discussed through the Development Coordination Meeting (Rakorbang) at each level (Naki, 2021).

According to the Decree of the Minister of Home Affairs Number 29 of 2002, important aspects that must be considered in the preparation of the direction and general corimako of the APBD include the following factors: regional strategic plans, evaluation of government performance results in the previous period, input from the Regional People's Representative Council (DPRD), and direction from the central government. The direction and general policy of the APBD that is formulated must include general guidelines and provisions that are approved as a basis for preparing the APBD. Within the framework of the performance budget, the direction and general policy of the APBD not only function as a budget planning tool, but also as a basis for evaluating regional financial performance (Ma'ruf, 2019).

3. Supervisory Function of the Regional People's Representative Council (DPRD)

Supervision is the process of evaluation and steps taken to ensure the performance of an organization objectively, as well as planning strategies to achieve organizational

goals. In the big Indonesian dictionary, supervision has the same meaning as control, likewise in English, control is interpreted as supervision [Potorondo, 2022]. Government Regulation No. 105 of 2000 concerning Regional Financial Management and Accountability Article 4 emphasizes that regional financial management must be carried out in an orderly manner, in accordance with applicable laws and regulations, with efficiency, effectiveness, transparency, and accountability, and by paying attention to the principles of justice and compliance. This shows that in regional financial management, it is important to comply with applicable regulations, apply efficiently, effectively, and transparently, and be accountable, not based on personal interests or certain project orders in planning the budget, and this will be related to the DPRD's supervisory function to ensure that the APBD that has been distributed is implemented according to the needs of the community (Hakim, 2019).

To improve the performance of DPRD supervision, adequate human resources are needed, as well as adequate support for facilities and infrastructure. With optimal implementation of the main tasks, the accountability of supervision in the regions will increase, and supervision can be effective in suppressing KKN practices. This will help in realizing the professionalism of regional supervision normatively and functionally

4. Regional Financial Management Based on Good Governance Principles

Good Governance can be interpreted in general as the ability required by a country in managing resources and solving its problems openly, transparently, responsibly, fairly, and responsively to the needs of its people. The role of DPRD supervision of local governments plays an important role in realizing Good Governance in Indonesia, especially at the regional level (Pora, 2023). In general, the principles of good governance have been explained in Law Number 30 of 2014 concerning Government Administration. There are a series of characteristics or principles that must be followed in running an effective government, including participation, compliance with the law, openness, responsiveness, spirit of consensus, justice, effectiveness, efficiency, accountability, and a clear vision. Basically, to achieve good governance, all of these principles must be optimally applied in government administration at the village level. However, there are still shortcomings in implementing these principles fully (Sutrisna, 2023).

According to (Suparji, 2021) the principles of Good Governance Legislative Regulation are as follows:

1. Law No. 17 of 2003 concerning State Financial Governance.
2. Law No. 1 of 2004 concerning State Treasury Governance.
3. Law No. 15 of 2004 concerning Audit of State Financial Management and Accountability.
4. Law No. 15 of 2006 concerning the Audit Board.

METHODS

1. Population and Sample

This study involves regional representative body of the people at the district level in Deli Serdang Regency, North Sumatra. The Deli Serdang DPRD has 50 members spread across 12 political parties, with the majority of votes won by the Great Indonesia Movement Party.

2. Data Types and Data Sources

This study uses quantitative methods. According to [Sugiyono, 2017] quantitative research methods are research methods based on the philosophy of positivism. This method uses certain populations and samples and conducts quantitative or statistical data analysis with the aim of testing the established hypothesis. Primary data and secondary data are used in data sources. Observation, interviews, and documentation studies are data collection methods.

3. Data Analysis Techniques

This research uses quantitative data analysis techniques, which means testing and analyzing data with numerical calculations and then producing conclusions. The data analysis method used is structural equation modeling-partial least squares (SEM-PLS). Structural equation model. SEM is a further development of path analysis, where the causal relationship between exogenous and endogenous variables can be determined more completely. By using SEM, not only the causal relationship (direct and indirect) between

the observed variables or constructs can be detected, but also the components that contribute to the formation of the construct can be measured accurately. Thus, the causal relationship between variables or constructs becomes more informative, complete, and accurate.

RESULTS

1. Data Analysis Results

1.1. Outer Model

a. Validity Test

Based on the results of the validity test using SMARTPLS in Table 1, it can be seen that the loading factor value on the statement items of each variable is more than 0.7. This indicates that the instrument of each variable is declared valid.

b. Reliability Test

To evaluate composite reliability, there are two measuring instruments, namely internal consistency and Cronbach's alpha. In this measurement, if the value obtained is more than 0.70, then the construct is considered to have high reliability (Ghozali & Latan, 2015). The results of data processing for reliability testing are as follows:

Table 1. Reliability Test Results

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Effectiveness of Supervision	0.720	0.802	0.827	0.547
Implementation of APBD	0.744	0.716	0.773	0.549
Direct Supervision	0.802	0.744	0.763	0.517
Indirect Supervision	0.760	0.712	0.745	0.528

Source: SMARTPLS4 Output Results (2024)

The Direct Supervision (X1), Indirect Supervision (X2), APBD Implementation (Y), and Supervision Effectiveness (Z) variables above show very consistent results with Cronbach's Alpha values of more than 0.70, as shown in Table 4.2 above. Therefore, the items from these variables can be used for further measurement.

1.2. Inner Model

a. R-Square

The evaluation of the inner model begins by looking at the R-square value for each dependent latent variable. This interpretation is similar to the interpretation in regression. Changes in the R-square value are used to assess the substantive influence of the independent latent variable on the dependent latent variable. R-Square values of 0.75, 0.50, and 0.25 indicate that the model has strong, moderate, and weak strength (Ghozali & Latan, 2015). The results of data processing for the R-Square test are as follows:

Table 2. R-Square Test Results

	R Square	R Square Adjusted
Effectiveness of Supervision	0.530	0.497
Implementation of APBD	0.374	0.294

Source: SMARTPLS4 Output Results (2024)

Based on the results of data processing for R-Square in Table 2, the R-Square value for Supervisory Effectiveness is 0.530, which indicates that the regression model of the influence of direct supervision and indirect supervision on the effectiveness of supervision has moderate strength because the R-Square value is greater than 0.50 and less than 0.75 ($0.50 < 0.530 < 0.75$). While the R-Square value for APBD Implementation is 0.374, which indicates that the regression model of the influence of direct supervision and indirect supervision on the implementation of APBD through effectiveness. supervision has weak strength because the R-Square value is less than 0.50 and greater than 0.25 ($0.25 < 0.374 < 0.50$).

b. Q-Square

Q-Square measures how well the model and its parameter estimates produce the observed values. A Q-Square value greater than 0 indicates that the model has predictive relevance, while a Q-Square value less than 0 indicates that the model has less predictive relevance. (Ghozali & Latan, 2015). The results of data processing for the Q-Square test are as follows:

Table 3. Q-Square Test Results

	SSO	SSE	Q ² (=1-SSE/SSO)
Effectiveness of Supervision	400,000	384,572	0.039
Implementation of APBD	400,000	387,799	0.031
Direct Supervision	450,000	450,000	
Indirect Supervision	350,000	350,000	

Source: SMARTPLS4 Output Results (2024)

Based on the results of data processing for Q-Square in Table 4.4, a Q-Square value greater than 0 is obtained. Where the Q-Square value for Supervisory Effectiveness is 0.039 greater than 0 ($0.039 > 0$) which indicates that the regression model of the influence of direct supervision and indirect supervision on the effectiveness of supervision has predictive relevance. While the Q-Square value for APBD Implementation is 0.031 greater than 0 ($0.031 > 0$) which indicates that the regression model of the influence of direct supervision and indirect supervision on the implementation of APBD through the effectiveness of supervision has predictive relevance.

c. Statistical Test

Hypothesis testing can be seen from the t-statistic value and probability value. For hypothesis testing using statistical values, at alpha 5%, the t-statistic value used is 1.696. The criteria for accepting or rejecting the hypothesis are H_a is accepted and H_0 is rejected when the t-statistic > 1.696 . To reject or accept the hypothesis based on probability, H_a is accepted if the p value < 0.05 (Ghozali & Latan, 2015). The results of data processing for hypothesis testing are as follows:

1). Direct Effect

a. Equation 1 ($Z = \alpha + \beta_1 X_1 + \beta_2 X_2 + \epsilon$)

Table 4. Results of Hypothesis Testing of Equation 1

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Direct Supervision -> Supervision Effectiveness	0.294	0.313	0.291	1,828	0.003
Indirect Supervision -> Supervision Effectiveness	0.354	0.042	0.380	1,933	0,000

Source: SMARTPLS4 Output Results (2024)

Based on the test results in Table 4, the direct influence of Direct Supervision and Indirect Supervision on Supervision Effectiveness can be explained as follows:

The influence of Direct Supervision (X1) on Supervision Effectiveness (Z). Based on the test results in Table 4, the regression coefficient value is 0.294 and the t-statistic value is 1.828 with a probability value of 0.003. The probability value is greater than the established error tolerance ($0.003 < 0.05$). This shows that Direct Supervision

1. Has a positive and significant effect on Supervisory Effectiveness, so H1 is accepted.
2. Influence Indirect Supervision (X2) on Supervisory Effectiveness (Z). Based on the test results in Table 4, the regression coefficient value is 0.354 and the t-statistic value is 1.933 with a probability value of 0.000. The probability value is smaller than the specified error tolerance ($0.000 < 0.05$). This shows that Indirect Supervision has a positive and significant effect on Supervisory Effectiveness, so H2 is accepted.

b. Equation 2 ($Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4Z + \varepsilon$)

The results of data processing for testing the hypothesis test in equation 2 are as follows:

Table 5. Results of Hypothesis Testing of Equation 2

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Direct Supervision -> Implementation of APBD	0.367	0.193	0.354	1,875	0.003
Indirect Supervision -> Implementation of APBD	-0.004	0.058	0.349	1,911	0.001
Effectiveness of Supervision -> Implementation of APBD	0.348	0.177	0.298	1,827	0.002

Source: SMARTPLS4 Output Results (2024)

Based on the test results in Table 5, the direct influence of Direct Supervision, Indirect Supervision and Effectiveness of Supervision of APBD Implementation can be explained as follows:

1. The influence of Direct Supervision (X1) on APBD Implementation (Y). Based on the test results in Table 5, the regression coefficient value is 0.144 and the t-statistic

value is 1.046 with a probability value of 0.298. The probability value is greater than the specified error tolerance ($0.298 > 0.05$). This shows that Direct Supervision has a positive and significant effect on APBD Implementation, so H3 is accepted.

2. Influence Indirect Supervision (X2) on APBD Implementation (Y). Based on the test results in Table 4.6, the regression coefficient value is 0.114 and the t-statistic value is 2.672 with a probability value of 0.009. The probability value is smaller than the specified error tolerance ($0.009 < 0.05$). This shows that Indirect Supervision has a positive and significant effect on APBD Implementation, so H4 is accepted.
3. Influence Effectiveness of Supervision (Z) on APBD Implementation (Y). Based on the test results in Table 5.6, the regression coefficient value is 0.105 and the t-statistic value is 2.258 with a probability value of 0.000. The probability value is smaller than the specified error tolerance ($0.000 < 0.05$). This shows that Effectiveness of Supervision has a positive and significant effect on APBD Implementation, so H5 is accepted.

2). Indirect Effect

Testing of indirect effects can be seen in Table 6 below:

Table 6. Results of Indirect Influence

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Direct Supervision -> Supervision Effectiveness -> APBD Implementation	0.102	0.073	0.139	1,734	0.004
Indirect Supervision -> Supervision Effectiveness -> APBD Implementation	0.123	0.017	0.122	1,892	0.003

Source: SMARTPLS4 Output Results (2024)

Based on the calculation results in Table 6, the indirect effect is Direct Supervision (X1) and Indirect Supervision (X2) on the Implementation of the Regional Budget (Y) through Supervision Effectiveness (Z) can be explained as follows:

Direct Supervision (X1) on APBD Implementation (Y) through Supervision Effectiveness (Z). Based on the results in Table 6, the t value is 1.734 with a P-Value of 0.004, because the t-statistic value is greater than the t table, which is 1.696 ($1.734 >$

1.696) and the P-Value is smaller than 0.05 ($0.004 > 0.05$), so it is concluded that there is a positive and significant influence of Direct Supervision on APBD Implementation through Supervision Effectiveness, then H6 is accepted.

Indirect Supervision (X2) on APBD Implementation (Y) through Supervision Effectiveness (Z). Based on the results in Table 4.7, the t value is 1.892 with a P-Value of 0.003, because the t-statistic value is greater than the t table, which is 1.696 ($1.892 > 1.696$) and the P-Value is smaller than 0.05 ($0.003 > 0.05$), so it is concluded that there is a positive and significant influence of Indirect Supervision on APBD Implementation through Supervision Effectiveness, then H7 is accepted.

DISCUSSION

The Influence of Direct Supervision on Supervision Effectiveness

The results of the statistical analysis for testing the first hypothesis were obtained the regression coefficient value obtained was 0.294 and the t-statistic value was 1.828 with a value of probability of 0.003. The value probability greater than the established error tolerance ($0.003 < 0.05$), so it can be concluded that direct supervision has a positive and significant effect on the effectiveness of supervision and H1 is accepted.

According to the theory of direct supervision put forward by Siagian (2014:115), namely direct inspection, on the spot observation, and on the spot report, if associated with the answers from respondents, it can be said that this study is not in line with the theory of Siagian (2014:115). Because in the theory of Siagian (2014:115) superiors should often review their subordinates' workspaces, often conduct direct observations on the spot before activities are carried out, and superiors directly provide responses to the results of work reports.

The results of this study are in line with the research conducted by Rahman (2018) which stated that direct supervision has a positive and significant effect on the effectiveness of supervision. The same results were also obtained by research conducted by Purwadi (2017) which stated that direct supervision has a positive and significant effect on the effectiveness of supervision. The relationship between direct supervision variables and the effectiveness of supervision has a significant position in influencing the

effectiveness of supervision, this is shown in the analysis that direct supervision is one of the factors that has a positive, significant and real effect on work effectiveness.

The Influence of Indirect Supervision on Supervision Effectiveness

The results of the statistical analysis for testing the second hypothesis were obtained the regression coefficient value is 0.354 and the t-statistic value is 1.933 with a value of probability of 0.000. Value probability is smaller than the established error tolerance ($0.000 < 0.05$). This indicates that Indirect Supervision has a positive and significant effect on Supervision Effectiveness, so H2 is accepted..

Indirect supervision is supervision that is carried out from a distance, because the leader does not directly supervise his subordinates. Indirect supervision is supervision that is carried out from a distance, this supervision is carried out through reports submitted by subordinates. The report can be in the form of an oral report and a written report. "According to Terry (2003:168) is: "Oral reports contain the results of interviews and group discussions, while written reports contain descriptions or statistical data. Oral reports are good enough for situations that can be questioned, especially to eliminate misunderstandings or to obtain additional information.

The Influence of Direct Supervision on APBD Implementation

The results of statistical analysis for testing the third hypothesis obtained a regression coefficient value of 0.144 and a t-statistic value of 1.046 with a probability value of 0.298. The probability value is greater than the specified error tolerance ($0.298 > 0.05$). This shows that Direct Supervision has a positive and significant effect on APBD Implementation, so H3 is accepted.

Direct supervision allows supervisors to obtain accurate and up-to-date information on conditions in the field, so that they can provide more appropriate and relevant feedback. This process can also increase accountability and transparency because the supervised parties know that they are under close monitoring. In direct supervision, supervisors have the opportunity to interact with program implementers, the community, or other parties involved, so that they can obtain various perspectives and input that are useful for improving the quality of the implementation of executive programs (Regional Heads, Deputy Regional Heads and regional apparatus) which are more strategic policy

in nature and not technical or administrative supervision, because the DPRD is a political institution such as the use of the allocated budget is misused for things that are detrimental to the people and the state.

The results of this study are in line with the research conducted by Purwadi (2017) which stated that direct supervision has a positive and significant effect on the implementation of the APBD. The same results were also obtained by research conducted by Rahman (2018) which stated that direct supervision has a positive and significant effect on the implementation of the APBD. The relationship between direct supervision variables and APBD implementation has a significant position in influencing APBD implementation, this is shown in the analysis that direct supervision is one of the factors that has a positive, significant and real effect on APBD implementation.

The Influence of Indirect Supervision on APBD Implementation

The results of statistical analysis for testing the fourth hypothesis obtained a regression coefficient value of 0.114 and a t-statistic value of 2.672 with a probability value of 0.009. The probability value is smaller than the specified error tolerance ($0.009 < 0.05$). This shows that indirect supervision has a positive and significant effect on APBD Implementation, so H4 is accepted.

Indirect supervision by the DPRD on the implementation of the APBD aims to ensure that the use of the regional budget is in accordance with the plans and applicable regulations. The DPRD carries out this supervision by evaluating financial reports submitted by the regional government, such as budget realization reports, financial reports, and performance reports, to assess whether budget implementation is in accordance with the stated objectives. The DPRD can also conduct studies on policies related to budget use and provide recommendations to the regional government for improvements to policies that are considered ineffective or inefficient.

The Influence of Supervision Effectiveness on APBD Implementation

The results of statistical analysis for testing the fifth hypothesis obtained a regression coefficient value of 0.105 and a t-statistic value of 2.258 with a probability value of 0.000. The probability value is smaller than the specified error tolerance (0.000

<0.05). This shows that Supervisory Effectiveness has a negative and significant effect on APBD Implementation, so H5 is accepted.

Supervision is the process of evaluation and steps taken to ensure the performance of an organization objectively, as well as planning strategies to achieve organizational goals. In the big dictionary of the Indonesian language, supervision has the same meaning as control, as well as in English, control is interpreted as supervision (Syafitri et al., 2019).

The results of this study are in line with the research conducted by Purwadi (2017) which stated that the effectiveness of supervision has a negative and significant effect on the implementation of the APBD. The same results were also obtained by research conducted by Rahman (2018) which stated that the effectiveness of supervision has a negative and significant effect on the implementation of the APBD. The relationship between the variables of the effectiveness of supervision and the effectiveness of supervision has a significant position in influencing the implementation of the APBD, this is shown in the analysis that the effectiveness of supervision is one of the factors that negatively and significantly affects the implementation of the APBD.

The Influence of Direct Supervision on APBD Implementation through Supervision Effectiveness

The results of the statistical analysis for testing the sixth hypothesis obtained a t value of 1.734 with a P-Value of 0.004, because the t-statistic value is greater than the t table, namely 1.696 ($1.734 > 1.696$) and the P-Value is smaller than 0.05 ($0.004 > 0.05$), so it is concluded that there is a positive and significant influence of Direct Supervision on APBD Implementation through Supervision Effectiveness, so H6 is accepted.

The results of this study are in line with research conducted by Saleh (2021) which states that direct supervision has a positive and significant effect on the implementation of the APBD through the effectiveness of supervision. The same results were also obtained by research conducted by Rahman (2018) which stated that direct supervision has a positive and significant effect on the implementation of the APBD through the effectiveness of supervision. The relationship between direct supervision variables and the implementation of the APBD through the effectiveness of supervision has a significant position in influencing the implementation of the APBD.

The Influence of Direct Supervision on APBD Implementation through Supervision Effectiveness

The results of the statistical analysis for testing the seventh hypothesis obtained a t value of 1.892 with a P-Value of 0.003, because the t-statistic value is greater than the t table, namely 1.696 ($1.892 > 1.696$) and the P-Value is smaller than 0.05 ($0.003 > 0.05$), so it is concluded that there is a positive and significant influence of Indirect Supervision on APBD Implementation through Supervision Effectiveness, so H7 is accepted.

The accountability report carried out by the executive is very important to be carried out to see whether the APBD is in accordance with what has been planned or not, also as a measure of how far the DPRD members can carry out the mandate given by their elections to ensure the welfare of the people, therefore the DPRD supervises the executive. The APBD calculation report and APBD calculation note are the accountability of the regional government for all receipts and use of the APBD expenditure budget which is in fact public funds.

The results of this study are in line with the research conducted by Purwadi (2017) which stated that indirect supervision has a positive and significant effect on the implementation of the APBD through the effectiveness of supervision. The same results were also obtained by research conducted by Saleh (2021) which stated that indirect supervision has a positive and significant effect on the implementation of the APBD through the effectiveness of supervision. The relationship between indirect supervision variables and the implementation of the APBD through the effectiveness of supervision has a significant position in influencing the implementation of the APBD.

CONCLUSION

This study examines direct supervision and indirect supervision carried out by the Deli Serdang Regency DPRD which influences the implementation of the APBD with the effectiveness of supervision being a mediating variable. Based on the results of the analysis and discussion, the following conclusions are obtained:

1. Direct supervision has a positive and significant effect on the effectiveness of supervision. Direct supervision has a positive and significant effect on the implementation of the APBD.
2. Indirect supervision has a positive and significant effect on the effectiveness of supervision. Indirect supervision has a positive and significant effect on the implementation of the APBD.
3. The effectiveness of supervision has a positive and significant impact on the implementation of the APBD.
4. Direct supervision has a positive and significant impact on the implementation of the APBD through the effectiveness of supervision.
5. Indirect supervision has a positive and significant effect on the implementation of the APBD through the effectiveness of supervision.

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