

THE EFFECT OF SUPREME AUDIT AGENCY TO GOVERNMENT PERFORMANCE

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Abstract: The purpose of this study was to study the effect of the audit of the Indonesian Supreme Audit Board on Government Performance. The population is the government. The sample is the central government. The respondents are government auditors in Jakarta. The method used is quantitative method. The data used is primary data. Data was collected by means of an on-line questionnaire made from google form, and circulated to government auditors. A total of 67 (sixty seven) auditors filled out the link to the questionnaire which was circulated online. The results show that financial audits have no effect on government performance, performance audits affect government performance, and investigative audits affect government performance. The implication of this research is that the audit conducted by the Supreme Audit Agency of the Republic of Indonesia has a great influence on improving government performance, so the quantity and quality of audit need to be continuously improved.

I. INTRODUCTION

The government has issued Law Number 15 of 2004 concerning Audit of State Finance Management and Accountability and Law Number 15 of 2006 concerning the State Audit Board. In the preamble to Law Number 15 of 2004, it is stated that in order to support the success of the administration of state government, state finances must be managed in an orderly manner, obeying the laws and regulations, efficient, economical, effective, transparent, and responsible with due regard to a sense of justice and propriety. Article 2 of Law Number 15 of 2004 stipulates that the audit of state finances includes an examination of the management of state finances and examination of the responsibility for state finances and the BPK shall carry out an examination of the management and responsibility of state finances. According to Article 15 of Law Number 15 of 2006 the BPK is tasked with examining the management and accountability of state finances carried out by the Central Government, Regional Governments, other State Institutions, Bank Indonesia, State-Owned Enterprises, Public Service Agencies, Regional-Owned Enterprises, and other institutions or bodies that manage state finances. Furthermore, Article 6 also states that BPK audits include financial audits, performance audits, and audits with specific objectives. The determination of the duties of the BPK is as an external auditor of the government, representing the people of Indonesia as the owner of the Unitary State of the Republic of Indonesia. The bulk of a specific purpose audit is an investigative audit.

As a public sector organization, the Government of the Republic of Indonesia strives to achieve the specified service performance. The Government of Indonesia has implemented the Government Agency Performance Accountability System (SAKIP) since 1999 through Presidential Instruction number 7 of 1999 concerning Government Agency Performance Accountability System (SAKIP). In SAKIP, planning begins with establishing the vision, mission, goals, objectives, programs and activities.

Below is an example of 1 (one) central government entity, namely the State Secretariat. In Table 1 it can be seen that there is no relationship between budget achievement and target achievement. Regardless of the achievement of the budget, the achievement of the target remains around 100%. This is a phenomenon where performance achievements do not seem to be related to budget achievements. This phenomenon may be due to inappropriate use of the budget.

Table 1.
State Secretariat Performance Achievements

Year	Objective Achieved	Budget Realization	Audit Opinion
2013	100.00%	88.00%	WTP
2014	105.56%	82.00%	WTP
2015	100.00%	83.40%	WTP
2016	100.00%	84.68%	WTP
2017	100.00%	90.79%	WTP
2018	100.00%	81.57%	WTP
2019	100.00%	93.00%	WTP
Average	100.79%	86.21%	

(Source: LAKIP State Secretariat 2013-2019)

In Table 1 above, it can be seen that the achievement of the budget is different from the achievement of the target. Like there is no relationship between the achievement of the budget with the achievement of targets. However, in Table 1 above, it can also be seen that with an opinion that is always WTP, the target is always achieved (above 100%). Thus it appears that there is a relationship between financial statement opinions and ministry performance.

There are still inconsistencies in the results of previous studies regarding the effect of financial audit variables on performance, the effect of performance audit on performance, and the effect of investigative audit on performance.

There are previous studies on financial audits. Keith (2018) says that one of the main roles of external auditors is to protect the interests of shareholders. External auditors generally perform financial audits. This role is possible because the external auditor's reporting is free from the influence of the company. Holm & Laursen (2007) in Chin (2008) state that external auditors are agents for shareholders and to some extent also for other stakeholders. Chin (2008) concludes from his research that an independent external auditor plays a governance role to mitigate agency conflicts in emerging markets. Rahman et al. (2019) concluded from the results of his research that the external audit quality (BIG4) and the size of the audit committee had a significant positive effect on company performance, and audit committee meetings had a significant negative effect on company performance. However, Mappiasse (2018) concludes that audit opinion has no effect on government financial performance in Java. Jannah and Azwardi (2020) also conclude based on the results of their research that audit opinions have no significant effect on the financial performance of local governments in Indonesia. According to Karno and Alliyah (2021) based on the results of their research, the BPK audit opinion has a significant negative effect on the financial performance of local governments.

There are various previous studies regarding the effect of performance audit on organizational performance. Manaf (2010) concludes based on the results of his research that most respondents consider performance audits to have a bigger role for performance accountability than performance improvement. Ronald F and Thomas F (2014) conclude from the results of their research that performance audits can improve the efficiency, economy, and effectiveness of service delivery to ensure that regulations are complied with. Aprilia, Nazar et al. (2017) concluded from the results of his research that operational audit and internal control had a significant positive effect on company performance. Hermawati (2019) also concludes that performance audit has a significant positive effect on public accountability. Tefănescu and Drăgușina (2020) also conclude that performance audits contribute to improving the economy, efficiency, and effectiveness in the use of public resources. However Desmedt et al. (2017) showed based on the results of his research that a performance audit in Belgium which was conducted between 2005 and 2010 had a limited effect on the entities examined.

There are previous studies on the effect of investigative audits on organizational performance. One audit with a specific purpose is an investigative audit. The investigative audit aims to prove the existence of state losses. Christina and Brahmana (2019) concluded from the results of their examination that the results of the investigative audit were also influenced by the auditor's human resource. Mamahit & Urumsah (2018) concludes from the results of their research that a comprehensive model consisting of investigative audits, forensic audits, and whistle blowing will be better able to detect fraud. Dimitriadis et. al. (2019) concludes that investigative audits of cyber attacks are important to support mitigation of cyber attacks and mature prevention approaches. Andriani, Rahmawati, and

Kasran. (2020) shows from the results of their research that forensic accounting does not have a positive effect on fraud disclosure, and investigative audits have a positive effect on fraud disclosure. However, Rahmat et al. (2020) concluded that investigative audit procedures have no effect on the implementation of fraud.

From the results of previous studies that have been mentioned above, it can be seen that there are still inconsistencies in the results of previous studies regarding the effect of financial audit on performance, the effect of performance audit on performance, and the effect of investigative audit on performance.

Based on the discussion of the background of the research above, the question arises whether BPK's financial audit has an effect on government performance, whether BPK's performance audit has an effect on government performance, and whether BPK's investigative audit has an effect on government performance.

II. LITERATURE REVIEW

Agency Theory

The grand theory of this research is agency theory. Basically agency theory regulates the relationship between owners and managers. The relationship between owners and managers must be arranged so that managers will decide and act in the interests of the owners or shareholders. Jensen and Meckling (1976) say that shareholders can ensure that managers as agents make optimal decisions only if proper incentives are given to managers and proper monitoring is carried out on managers. Jensen and Meckling (1976) further state that the organization is seen as a nexus and set of contracts among the factors of production. The larger the organization, the more distant the relationship between the principal and the manager as an agent of the company. Scott (2015: 358) defines agency theory as a branch of game theory that studies contract design to motivate rational agents to act on behalf of the principal, if the interests of the agent are different, it will cause conflict with the principal.

The people of Indonesia are shareholders of the unitary state of the Republic of Indonesia. The legal basis for the audit of BPK is Law Number 15 of 2004 concerning Audit of State Finance Management and Accountability and Law Number 15 of 2006 concerning the State Audit Board.

Performance

Performance is the goal of all entities, including government entities. Government performance is the result of government management activities. According to Mardiasmo (2018, p. 122) the purpose of the performance measurement system should be to better communicate strategy, to measure financial and non-financial performance in a balanced way, to accommodate understanding the interests of middle and lower level managers and motivate them to achieve goal congruence, and as a means of achieving satisfaction based on a rational individual approach and collective ability.

So the purpose of performance measurement is not only to measure the achievement of the strategy, but also includes financial and non-financial information. This means that all indicators in strategic planning, both financial and non-financial indicators, must be measured for their achievement. Furthermore, Mardiasmo (2018, p. 121) states that in the public sector, the purpose of performance measurement is to help improve government performance.

Messer (2017) states that comparing actual performance with planned activities is an important management control. The implication of Messer's statement is that performance is what has actually been done, compared to the plan. So in this sense performance includes input, process, and output. Dincer et al. (2017) state that performance measurement is a process that analyzes organizational output and the effectiveness of the resources obtained. So performance includes the output and effectiveness of the use of resources. So the output and the benefits of using it are included in the performance measurement. Kask and Linton (2016) divide performance into several levels, namely no performance, low performance, medium performance, and high performance. The criteria for these levels should be set by the organization. According to Mahsun (2018: 25) performance is a description of the level of achievement of the implementation of an activity/program/policy in realizing the goals, objectives, vision, and mission of the organization contained in the strategic planning of an organization. According to Lohman (2003) in Mahsun (2018) performance measurement is an activity to assess the achievement of certain targets derived from the strategic goals of the organization.

Presidential Regulation No.29 of 2014 concerning the Performance Accountability System for Government Agencies (SAKIP) is an implementing regulation of Article 20 paragraph (3) of PP No.8 of 2006 mentioned above. With the Presidential Regulation No.29 of 2014, the Presidential Instruction No.7 of 1999 was revoked and declared invalid. In article 1 paragraph 1 Presidential Regulation no.29 of 2014, SAKIP is defined as a systematic series of various activities, tools, and procedures designed for the purpose of determining and measuring, collecting data, classifying, summarizing, and reporting performance to government agencies, in the context of accountability and improving the performance of government agencies.

Financial Audit

Financial audit is one of the accounting services. According to Aren et. al . (2017) auditing is the accumulation and evaluation of evidence about information to determine and report on the level of relationship between information and established criteria. The audit must be carried out by a competent and independent person. In Article 1 of Law Number 15 of 2004 concerning Audit of State Finance Management and Responsibility (BPK, 2004) it is stated that audit is a process of problem identification, analysis, and evaluation carried out independently, objectively, and professionally based on audit standards, to assess the truth , accuracy, credibility, and reliability of information regarding the management and responsibility of state finances. The audit standard referred to here is the State Financial Audit Standard compiled and determined by the BPK. According to Arens et al. (2017) an audit of the Financial Statements is carried out to determine whether the Financial Statements are presented in accordance with certain criteria. More Arens et al. (2017) said that usually what is used as a criterion is the International Accounting Standard (IAS), although the auditor may carry out an audit of the Financial Statements that are presented using a cash basis on another accounting basis that is suitable for the organization.

Performance Audit

Performance audit is one of the duties of the BPK audit according to the BPK Supervision Act. In Article 4 paragraph (3) of the Law of the Republic of Indonesia Number 15 of 2004 concerning Audit of State Finance Management and Accountability, it is stated that performance audit is an examination of state financial management which consists of examination of economic and efficiency aspects as well as examination of effectiveness aspects. According to the International Organization of Supreme Audit Institutions (p. 6), a performance audit conducted by the Supreme Audit Agency is an independent, objective, and reliable examination of whether businesses, systems, operations, programs, activities, or government organizations are carried out in accordance with the principles of economy, efficiency, and effectiveness, and whether it can still be improved. Regarding the understanding of performance auditing, the AICPA (2013) states that the objectives of performance audits are diverse and include an assessment of program effectiveness, economy, and efficiency; internal control; obedience; and prospective analysis. Ronald and Thomas (2014) say that a performance audit is an examination of non-profit entities or government entities or parts of these entities such as organizational units, programs, activities, functions, or management control systems with the aim of assessing performance. Deloitte (2013) states that performance audits assess the activities of organizations or agencies with the aim of determining whether the available resources have been used economically, efficiently, and effectively. The European Court of Auditor (2017) says that a performance audit is an independent, objective and reliable examination of whether a business, system, operation, program, activity or organization operates in accordance with economic, efficient and effective principles, and can it be repaired.

According to Foster and Connor (2014) with performance auditing can make organizational entities obtain program achievements that are more economical, efficient, and effective; stronger controls, and better adherence to policies and regulations. Pandit et.al.(2017) stated that an operational audit is an examination of the ongoing operations of a business. According to Raaum and Morgan (2009: 326) performance audit can answer a number of potential questions.

Investigative Audit

According to Mamahit and Urumsyah (2018) investigative audit is a form of audit to identify and reveal fraud using approaches, procedures, and techniques commonly used in a crime. So an investigative audit to reveal the existence of fraud. According to Rahmat and Sari (2020) Forensic accounting, sometimes called fraud auditing or investigative accounting, is a skill that goes beyond corporate or management fraud. According to Rozali and Darliana (2015) forensic accounting and investigative auditing are disciplines used to investigate complex cases of fraud related to law. According to Oyedokun (2015) investigative audit includes difficult forensic activities and steps. Anggaraini, Tirharyati, and Novita (2019) said that in an investigative audit an auditor begins an audit with a presumption/indication of the possibility of fraud and crime.

Hypothesis Development

Hypothesis development is carried out to answer the research questions in the introduction. The development of the hypothesis in this study is as described below.

The Effect of BPK's Financial Audit on Government Performance

Financial audit aims to assess whether the Financial Statements contain material errors and whether the preparation is in accordance with accounting standards. Audit Standards are norms that are used as guidelines in conducting audits. According to the 2016 BPK Audit Report on the Central Government Financial Statements (BPK, 2017), BPK's audit of LKPP is carried out based on the State Financial Audit Standards (SPKN), which enforces Public Accountant Professional Standards for auditing standards related to field work and reporting.

Many previous studies have shown that financial audits, including external audits, have a positive effect on organizational performance. Keith (2018) says that one of the main roles of external auditors is to protect the interests of shareholders. Keith further said (Keith, 2018) that external auditors can introduce draft provisions and policies to emphasize entity accountability. Article 13 of Law No. 15 of 2004 concerning audits of financial management and state financial responsibility also states that auditors can carry out investigative examinations to reveal indications of state/regional losses and/or criminal elements. Holm & Laursen (2007) in Chin (2008) state that external auditors are agents for shareholders and to some extent also for other stakeholders. Chin (2008) also concludes from his research that an independent external auditor plays a governance role to mitigate agency conflicts in emerging markets. Taufik (2013) concludes from the results of his research that there is a significant role of the Supreme Audit Agency in upholding good governance in districts/cities in Riau Province. Desmedt (2017) concludes from the results of his research that the Belgian BPK's performance audit conducted between 2005 and 2010 had an influence on the entity being audited. Onyekwelu and Ugwuanyi (2014) conclude from the results of their research that external auditors make a significant contribution to the growth of deposits in banks. Wijayanti and Suryandari (2020) conclude from the results of their research that the audit opinion variable has a positive effect on the financial performance of local governments. Rahman et. al. (2019) also concludes that external audit quality (BIG4) has a significant positive effect on company performance. Dewata et. al (2018) concluded from the results of his research on the audit of the Supreme Audit Agency that audit opinion had a positive effect on the performance of the districts and cities studied. Andani et. al (2019) concludes from the results of his research that audit opinion has a positive effect on the performance of the provincial government. Sir et. al (2020) also shows from the results of his research that audit opinion has a significant effect on the financial performance of local governments.

Based on the discussion above, the hypothesis of this study is as follows:

H1: BPK's financial audit has a positive effect on government performance.

The Effect of BPK Performance Audit on Government Performance

Performance audit is one of the duties of the BPK audit according to the BPK Supervision Act. In Article 4 paragraph (3) of the Law of the Republic of Indonesia Number 15 of 2004 concerning Audit of State Finance Management and Accountability, it is stated that performance audit is an examination of state financial management which consists of examination of economic and efficiency aspects as well as examination of effectiveness aspects. Regarding the understanding of performance auditing, the AICPA (2013) states that the objectives of performance audits are diverse and include an assessment of program effectiveness, economy, and efficiency; internal control; obedience; and prospective analysis. Ronald F and Thomas F (2014) say that performance audit is an examination of non-profit entities or government entities or parts of these entities such as organizational units, programs, activities, functions, or management control systems with the aim of assessing performance. Deloitte (2013) states that performance audits assess the activities of organizations or agencies with the aim of determining whether the available resources have been used economically, efficiently, and effectively. The European Court of Auditor (2017) says that a performance audit is an independent, objective and reliable examination of whether a business, system, operation, program, activity or organization operates in accordance with economic, efficient and effective principles, and can it be enhanced.

There have been many previous studies regarding the effect of performance audit on performance. Manaf (2010) concluded in the results of his research that most respondents consider performance audits to have a bigger role for performance accountability than performance improvement. Ronald F and Thomas F (2014) conclude from the results of their research that performance audits can improve the efficiency, economy, and effectiveness of service delivery to ensure that regulations are complied with; and more importantly to make the government more accountable to the public. Tremblay and Malsch (2015) state based on the results of their research that performance audit plays an important role in new public management programs because it is a tool to measure efficiency, competition, or satisfaction. Manaf and Nurul Athirah Abd. (2010) the new millennium brought a new milestone for performance audits in New Zealand which allowed more performance audits to be carried out so as to boost performance, especially the public sector. Deloitte (2013) states that performance audits assess organizational activities with the aim of determining whether the available resources have been used economically, efficiently, and effectively. The European Court of Auditor (2017) states that a performance audit is an independent, objective and reliable examination of whether a business, system, operation, program, activity or organization operates in accordance with economic, efficient and effective principles.

According to Raaum and Morgan (2009: 326) performance audit can answer a number of potential questions about performance. Thus the performance audit is very useful to improve performance. Pandit et. al. (2017) stated that in a performance audit the auditor conducts a careful examination of the economy, efficiency, and effectiveness of the company's operations used to achieve company goals. AICPA (2013) concludes that

performance audit objectives are diverse and include assessments of program effectiveness, economy, and efficiency; internal control; obedience; and prospective analysis. Aprilia et.al. (2017) concludes based on the results of their research that operational audit and internal control have a significant positive effect on company performance. Hermawati (2019) concludes that performance audit has a significant positive effect on public accountability and functional supervision has a significant positive effect on public accountability. Raudla et. al. (2015) examines whether there is a trade-off between accountability and the improvement function of performance audits. The results show that there is no trade-off between performance audits and public sector organizations in Estonia. This means that the performance audit has a positive effect on the company's performance. Tefănescu and Drăgușina (2020) concluded from the results of their research that performance audits contribute to improving the economy, efficiency, and effectiveness in the use of public resources. Ibiameke, Ojile, and Soomiyol (2016) found based on their research results that performance audits have measurable benefits for the Fadama II project and performance audits contribute to achieving the goals of the Fadama II Project. Olaoye and Adedeji (2019) conclude that total quality management, the value of public services, and the government accountability system have a significant positive effect on the efficiency of the public sector budget in Southwest Nigeria. Funkhouser and Pu (2016) discuss the concept of government performance auditing in the US and China from a comparative perspective and clarify the similarities in performance audit practices in two very different countries thereby demonstrating to public administrators the very basic nature of performance audit's contribution to effective governance. Vasiliauskienė and Daujotaitė (2019) conducted a study to present a conceptual framework for the effect of performance auditing that supports the investigation of the process of selecting performance audit topics at the Supreme Audit Agency level. The results of the study include the technique of selecting performance audit topics used by the Lithuanian and Dutch Supreme Audit Agency. Dijana and Muharemović (2017) show the impact of performance audits on increasing the efficiency and effectiveness of the education system through the activities of top audit institutions. Performance audits contribute to strengthening the legality, trustworthiness, and efficiency of institutions in the public sector, and their main objective is to provide higher quality public services through better spending of public money and higher levels of public accountability. The Canadian Audit and Accountability Foundation (2019) analyzed 22 (twenty two) auditing agencies in Canada (Federal, provincial and district). The findings were that these audit institutions used few indicators to measure the impact of performance audits, and the most frequently used indicators were the level of implementation of follow-up audits and auditee satisfaction surveys. Gilberto and Mury (2020) conducted a study to analyze the impact of the adoption of private textbooks for the primary school network of a municipal government located in southern Brazil. The results showed that school grades increased due to the use of these books.

Based on the description above, the hypothesis is as follows:

H2: BPK's performance audit has a positive effect on government performance.

The Effect of BPK's Investigation Audit on Government Performance

Due to the benefits of seeing the difference between conditions and predetermined criteria or standards and correcting existing gaps, audit activities, both financial audits, performance audits, and investigative audits will improve the performance of an entity, both commercial entities and public entities. Audit corrections resulting from an audit activity will improve the achievement of organizational goals, both towards financial accounting standards and towards the targets that have been set. Thus, all audit activities will have a positive effect on improving organizational performance.

There are previous studies on investigative audits. Wiharti and Novita (2020) conclude from the results of their research that investigative audits have a significant effect on the detection of fraud in the procurement of goods and services. Mulyadi and Nawawi (2020) show from the results of their research that the variables of forensic audit, investigative audit procedures, and professionalism have proven to have an effect on fraud prevention. Mamahit and Urumsyah (2018) also conclude from the results of their research that investigative skills have a positive effect on fraud detection. Dimitriadis et. al. (2019) concludes that investigative audits of cyber attacks are important to support mitigation of cyber attacks and mature prevention approaches. Tirharyati, Anggaraini, and Novita (2019) concluded from their research that in an investigative audit an auditor starts an audit with a presumption/indication of the possibility of fraud and crime. Oyedokun (2015) argues based on the results of his research that investigative audits include difficult forensic activities and steps. These steps are needed to unmask a fraud case. Darliana (2015) says that forensic accounting and investigative auditing are disciplines used to investigate complex cases of fraud related to law. Achyarsyah and Rani (2020) argue based on the results of their research that investigative audits affect the disclosure of fraud in financial reporting. Andriani, Rahmawati, and Kasran (2020) conclude from the results of their research that investigative audits have a positive effect on fraud disclosure.

Based on the discussion above, the hypothesis is as follows:
H3: BPK's investigative audit has a positive effect on government performance.

III. RESEARCH METHOD

Research Design

This research is a research on the effect of the audit of the Supreme Audit Agency (BPK) on government performance. The research design is based on the research questions presented in the introduction section and the relationship between the research variables, both independent and dependent variables. The research approach uses quantitative methods, with the aim of testing audit factors or variables that affect the performance of the government.

The unit of analysis is the organization, namely the Government. The Supreme Audit Agency (BPK) is the auditor of the Government. The audits conducted by BPK in accordance with the laws and regulations are financial audit, performance audit, and investigative audits. The Government as the auditee prepares the financial report and performance report and send the reports to Supreme Audit Agency. The type of data to be used is primary data.

Definition of Operational Variables and Their Measurement

This study is about the effect of the audit of the Supreme Audit Agency (BPK) on government performance. The dependent variable in this study is government performance. BPK audit is divided into 3 (three) variables, namely financial audit, performance audit, and investigative audit. So the independent variables of this research are BPK's financial audit, BPK's performance audit, and BPK's investigative audit.

Method of collecting data

The population of this study is the government agencies. The type of data used is primary data. The method of data collection is using an online questionnaire made from google form. The questionnaire used was tested for reliability and validity with Cronbach Alpha and Pearson Correlation indicators. The sample in this study is the central government in Jakarta. Sample selection was done purposively. The criteria for respondents are government auditors who have examined ministries and agencies.

Data Analysis Method

The data that has been collected from the respondents were analyzed using statistical analysis tools, namely multiple linear regression analysis with the following equation model:

$$KPP = a + b_1AK + b_2AKIN + b_3AI + \mu$$

Where:

KPP = Government Performance.

AK = Financial Audit.

AKIN = Performance Audit.

AI = Investigative Audit.

Data processing using eviews 9. Basically the data analysis carried out includes classical assumption test, outlier test, regression test, simultaneous significance test (F test), and individual test (t test).

IV. RESULTS AND DISCUSSION

Results

The population is the government of the Republic of Indonesia. The sample is the central government. The respondents are government auditors. The criteria for respondents are government auditors who have examined the central government. A total of 67 (sixty seven) government auditors filled out online questionnaire made from google form. Data processing is done with eviews 9. Descriptive data from research data are presented in Table 2.

Table 2

Descriptive Data

	KPP	C	AK	AKIN	AI
Mean	32.16418	1.000000	28.22388	31.61194	17.91045
Median	33.00000	1.000000	28.00000	32.00000	18.00000
Maximum	36.00000	1.000000	32.00000	36.00000	20.00000
Minimum	26.00000	1.000000	23.00000	27.00000	14.00000
Std. Dev.	2.931527	0.000000	2.503458	2.575851	1.658142
Skewness	-0.359125	NA	-0.186393	0.017616	-0.459423
Kurtosis	1.994830	NA	2.465415	2.342774	2.254686

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Jarque-Bera	4.260785	NA	1.185762	1.209315	3.907696
Probability	0.118791	NA	0.552732	0.546261	0.141728
Sum	2155.000	67.00000	1891.000	2118.000	1200.000
Sum Sq. Dev.	567.1940	0.000000	413.6418	437.9104	181.4627
Observations	67	67	67	67	67

(Source: Processed Data).

The research data passed the classical assumption test consisting of the normality test, serial correlation test, heteroscedasticity test, and multicollinearity test.

The regression results are presented in table 3.

Table 3

Regression Results

Dependent Variable: KPP

Method: Least Squares

Date: 01/18/22 Time: 22:51

Sample: 1 67

Included observations: 67

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.279513	2.703608	0.103385	0.9180
AK	0.055086	0.100688	0.547099	0.5862
AKIN	0.770103	0.109934	7.005129	0.0000
AI	0.334188	0.162918	2.051262	0.0444
R-squared	0.708877	Mean dependent var		32.16418
Adjusted R-squared	0.695014	S.D. dependent var		2.931527
S.E. of regression	1.618950	Akaike info criterion		3.859278
Sum squared resid	165.1230	Schwarz criterion		3.990901
Log likelihood	-125.2858	Hannan-Quinn criter.		3.911362
F-statistic	51.13457	Durbin-Watson stat		1.954282
Prob(F-statistic)	0.000000			

(Source: Processed Data)

From table 3 above, it can be seen that the adjusted R squared is 69%. This means that 69% of the changes in the government performance variable can be explained by the BPK audit variable.

Prob (F-Statistic) 0.00 % < 0.05. This means that the overall independent variable of BPK audit has an effect on the independent variable of government performance.

From table 3 above, it can be seen that the results of the regression of the influence of the independent variables on the dependent variable. The financial audit variable has no effect on government performance, with a coefficient of 0.05 and a prob of 0.59 > 0.05. This means that the financial audit variable has no effect on government performance. The performance audit variable has an effect on government performance, with a coefficient of 0.77 and a prob of 0.00 < 0.05. This means that the performance audit variable has a significant positive effect on government performance. The investigative audit variable has an effect on government performance, with a coefficient of 0.33 and a prob of 0.04 < 0.05. This means that the investigative audit variable has a significant positive effect on government performance.

V. Discussion

Effect of Financial Audit on Government Performance

The results of this study prove that BPK's financial audit has no effect on government performance. The purpose of the financial audit of the Supreme Audit Agency is to provide an audit opinion on the fairness of the

government's financial statements. According to Arens et al. (2017) an audit of financial statements is carried out to determine whether the Financial Statements are presented in accordance with certain criteria such as International Accounting Standards (IAS), cash basis, or other accounting basis suitable for the organization. Audit opinion is the main output of a financial audit, whose audit objective is to assess the fairness of government financial statements. The findings are usually in the form of non-compliance with regulations and guidelines. Thus, the recommendations on the audit results are only suggestions for compliance with regulations and guidelines so that they have less impact on improving government performance.

The results of this study are in line with the results of research by Mappiasse (2018), Jannah and Azwardi (2020), and Karno and Alliyah (2021).

Effect of Performance Audit on Government Performance

The BPK performance audit variable has a significant positive effect on government performance. The objective of BPK's performance audit is to improve government performance. The purpose of the audit is to increase the economy, effectiveness, and efficiency of government activities. It is evident that the results of the BPK audit can indeed improve government performance.

The results of this study are in line with the results of research by Manaf (2010), Ronald F and Thomas F (2014), Tremblay and Malsch (2015), Manaf and Athirah (2010), Deloitte (2013), European Court of Auditors (2017), Raaum and Morgan (2009: 326), Pandit et al. (2017), AICPA (2013), Aprilia et al. (2017), Hermawati. (2019), Raudla et al. (2015), Tefănescu and Drăgușina. (2020), Ibiameke, Ojile, and Soomiyol (2016), Olaoye and Adedeji. (2019), Funkhouser and Pu (2016), Vasiliauskienė and Daujotaitė (2019), Dijana and Muharemović (2017), Canadian Audit and Accountability Foundation (2019), and Gilberto and Mury (2020).

The Effect of Investigative Audits on Government Performance.

The results of this study indicate that the investigative audit has an effect on government performance. The purpose of BPK's investigative audit is to prove the existence of fraud in government activities. According to Mamahit and Urumsyah (2018) investigative audit is a form of audit to identify and reveal fraud by using approaches, procedures, and techniques commonly used in revealing a crime. Oyedokun (2015) concludes from the results of his research that investigative audits include difficult forensic activities and steps needed to uncover a fraud case. According to him, investigative audits are difficult because they have to provide data to prove cases in the judicial process with evidence that meets the requirements of the court. In the judicial process, a minimum of 2 (two) types of evidence are required for one case.

The results of this study are in line with Wiharti and Novita (2020), Mulyadi and Nawawi (2020), Mamahit and Urumsyah (2018), Dimitriadis et al. (2019), Chopade and Pachghare (2019), Tirharyati, Anggaraini, and Novita (2019), Oyedokun (2015), Darliana (2015), Rahmat and Sari (2020), Achyarsyah and Rani (2020), and Andriani, Rahmawati, and Kasran (2020).

VI. CONCLUSION

The purpose of this study was to study the effect of the audit of the Indonesian Supreme Audit Agency on Government Performance. The population is the government. The sample is the central government. The respondents are government auditors in Jakarta.

The method used is the quantitative method. The data used is primary data. Data was collected by means of an on-line questionnaire made from google form, and circulated to government auditors. A total of 67 (sixty seven) auditors filled out the link to the questionnaire which was circulated online.

The results showed that the financial audit variable had no effect on government performance, the performance audit variable had an effect on government performance, and the investigative audit variable had an effect on government performance.

The implication of this research is that the audit conducted by the Supreme Audit Agency of the Republic of Indonesia has a great influence on improving government performance.

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