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Analysis of the Effectiveness and Efficiency of Budget Expediture Implementation at Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng for the Period 2021- 2023

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ABSTRACT

This study aims to analyze the effectiveness and efficiency of expenditure budget implementation at the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng during the 2021–2023 period. A quantitative descriptive approach was employed using a single research variable, namely the effectiveness and efficiency of budget expenditure implementation. The study utilized expenditure budget reports and budget realization reports from 2021 to 2023 as the primary data sources. Data were collected through documentation, interviews, and literature review and analyzed using descriptive quantitative techniques. The findings reveal that the average effectiveness level of budget expenditure implementation reached 94.95%, indicating that the agency effectively realized its planned expenditure budget. However, the efficiency analysis shows that budget utilization ranged from less efficient to inefficient, suggesting that financial resources were not utilized optimally and that unnecessary expenditure had not been minimized. These findings indicate that although budget realization was effective, improvements in budget management are necessary to enhance efficiency and optimize public financial performance.

Keywords: *Budget Expenditure, Budget Efficiency, Budget Effectiveness, Financial Management, Budget Realization*

1. INTRODUCTION

The implementation of regional financial management has become an important aspect of achieving good governance in Indonesia. Government institutions are required to manage public funds transparently, accountably, effectively, and efficiently to ensure that public services are delivered optimally. Within the framework of regional autonomy, expenditure budgets serve as strategic instruments for planning, implementing, and controlling government programs and activities. Therefore, evaluating the effectiveness and efficiency of budget implementation is essential to assess the performance of public sector organizations and to ensure that public resources are utilized responsibly [1], [2].

Budget effectiveness reflects the extent to which planned expenditure targets are successfully realized, whereas budget efficiency measures the government's ability to achieve desired outputs using the minimum possible resources. The application of the value for money concept emphasizes that public expenditure should not only achieve predetermined objectives but also optimize the use of available financial resources [3]. Previous studies have reported varying findings regarding the effectiveness and efficiency of government expenditure. Some studies concluded that budget implementation was effective and efficient, while others found that although expenditure realization was effective, efficiency remained relatively low due to suboptimal allocation and utilization of resources [4], [5]. These inconsistencies indicate the need for further evaluation in different government institutions.

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The Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng is responsible for maintaining public order, enforcing regional regulations, providing community protection, and delivering fire and rescue services. These responsibilities require adequate financial support and effective budget management. Although expenditure realization has generally met planned targets, the extent to which budget implementation has been both effective and efficient during the 2021–2023 fiscal years has not been comprehensively examined. Consequently, an evaluation of budget performance is necessary to determine whether financial resources have been utilized optimally in supporting institutional objectives.

This study employs a quantitative descriptive approach by analyzing expenditure budget reports and budget realization reports for the 2021–2023 period. The analysis focuses on measuring the effectiveness and efficiency ratios of budget implementation using established government financial performance indicators. The findings are expected to provide an objective assessment of the institution's budget performance and identify areas requiring improvement in financial management.

The novelty of this research lies in its evaluation of expenditure budget implementation at the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng using the most recent three-year budget realization data (2021–2023). Unlike previous studies that generally focused on broader local government institutions or earlier periods, this study provides updated empirical evidence regarding budget performance within a regional public safety agency. The results are expected to contribute to improving public financial management practices and serve as a reference for future studies on budget effectiveness and efficiency in local government institutions.

2. LITERATURE REVIEW

2.1 *Effectiveness*

Effectiveness refers to the extent to which an organization achieves its predetermined goals and objectives. According to [7], effectiveness is the relationship between outputs and organizational objectives, where higher achievement of planned outcomes indicates greater effectiveness. Similarly, [3] states that effectiveness measures the success of an organization in realizing the targets that have been established. In the context of public sector financial management, budget effectiveness is assessed by comparing the realized expenditure with the planned expenditure budget. A higher realization rate indicates better performance in implementing government programs and activities.

2.2 *Efficiency*

Efficiency refers to the ability of an organization to utilize available resources economically while producing the expected outputs. [2] explains that efficiency measures the relationship between inputs and outputs, where lower resource consumption for a given level of output reflects better performance. [5] also emphasize that efficiency indicates the extent to which government expenditure is managed without unnecessary waste.

3. METHODS

This study employed a quantitative This study employed a quantitative descriptive research design to evaluate the effectiveness and efficiency of expenditure budget implementation at the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng. A quantitative descriptive approach was chosen because it enables the researcher to objectively measure budget performance using numerical data and describe the actual condition of expenditure budget implementation during the 2021–2023 fiscal years.

The research was conducted at the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng, South Sulawesi, Indonesia. Data collection was carried out in July 2025 after obtaining official permission from the agency. The population consisted of all budget realization reports of the agency, while the sample comprised the expenditure budget reports and budget realization reports for the 2021–2023 fiscal years. A purposive sampling technique was employed because the selected reports were complete, officially approved, and considered representative for evaluating budget performance.

Data were collected through documentation, semi-structured interviews, and literature review. Documentation was used to obtain expenditure budget reports, budget realization reports, and other supporting financial documents. Interviews were conducted with the Head of the Finance Subdivision and the Treasurer to obtain additional information regarding budget implementation and financial management practices.

The collected data were analyzed using descriptive quantitative analysis to assess the effectiveness and efficiency of expenditure budget implementation during the 2021–2023 fiscal years. The effectiveness ratio was calculated by comparing budget realization with the allocated expenditure budget, while the efficiency ratio was measured by comparing direct expenditure realization with total expenditure realization. The results were interpreted using the effectiveness and efficiency criteria established by the Ministry of Home Affairs Decree No. 690.900-327 of 1996.

4. RESULTS AND DISCUSSION

This study evaluates the effectiveness and efficiency of expenditure budget implementation at the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng during the 2021–2023 fiscal years. The analysis was conducted using expenditure budget reports and budget realization reports obtained from the agency. The financial data were analyzed to determine the extent to which the allocated budget was realized and to assess the agency's performance in managing expenditure effectively and efficiently over the three-year period.

Table 1. Expenditure Budget and Budget Realization (2021–2023)

Description	2021	2022	2023
Budget Allocation (IDR)	10,109,407,710	10,191,085,216	10,191,450,570
Budget Realization (IDR)	9,592,878,138	9,669,171,792	9,690,197,600

Source: Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng (2025), processed by the author

Table 1 shows that the expenditure budget slightly increased during the observation period. Budget realization also increased annually; however, realized expenditure remained below the allocated budget, indicating the existence of unspent funds at the end of each fiscal year. The effectiveness ratio was calculated by comparing budget realization with the allocated expenditure budget. The results are presented in Table 2.

Table 2. ffectiveness of Budget Implementation

Year	Budget Allocation (IDR)	Budget Realization (IDR)	Effectiveness (%)	Category
2021	10,109,407,710	9,592,878,138	94.89	Effective
2022	10,191,085,216	9,669,171,792	94.88	Effective
2023	10,191,450,570	9,690,197,600	95.08	Effective
Average			94.95	Effective

Source: Processed Data (2025)

Table 2 indicates that the effectiveness ratio remained consistently above 94% throughout the study period, with an average of 94.95%. Based on the effectiveness criteria, expenditure budget implementation was classified as effective, indicating that the agency successfully realized most of its planned expenditure budget. The efficiency ratio was measured by comparing direct expenditure realization with total expenditure realization. The results are presented in Table 3.

Table 3. Efficiency of Budget Implementation

Year	Direct Expenditure Realization (IDR)	Total Expenditure Realization (IDR)	Efficiency (%)	Category
2021	9,592,878,138	9,592,878,138	100.00	Less Efficient
2022	9,670,601,792	9,669,171,792	100.01	Inefficient
2023	9,690,197,600	9,690,197,600	100.00	Less Efficient
Average			100.00	Less Efficient

Source: Processed Data (2025)

The efficiency analysis demonstrates that the expenditure budget was categorized as less efficient to inefficient. The average efficiency ratio of 100% indicates that expenditure utilization was not yet optimal and that financial management still requires improvement to reduce unnecessary spending. The findings demonstrate that expenditure budget implementation at the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng was effective during 2021–2023, with an average effectiveness ratio of 94.95%. This result suggests that the agency successfully implemented most of its planned programs and activities, reflecting sound budget execution and financial planning. The high effectiveness ratio also indicates that budget realization was closely aligned with the approved expenditure plan.

These findings support the concept of effectiveness in public sector financial management, which emphasizes the achievement of predetermined objectives through appropriate budget realization. The results are consistent with previous studies reporting that government institutions with effectiveness ratios above 90% generally demonstrate satisfactory budget performance [7]. Similarly, the findings agree with the study conducted by Lasupu et al. [8], who reported that budget implementation in a regional government institution was categorized as effective.

In contrast, the efficiency analysis reveals that budget utilization remained less efficient. The average efficiency ratio of 100% indicates that expenditure was almost entirely consumed in implementing programs and activities, leaving limited room for cost optimization. This finding implies that although organizational objectives were achieved, financial resources were not utilized as economically as expected. Therefore, greater attention should be given to expenditure control, budget prioritization, and cost efficiency in future budget implementation.

The results differ from those reported by Sari et al. [9], who found that local government expenditure was both effective and efficient. The difference may be attributed to variations in organizational characteristics, expenditure composition, and operational responsibilities. As a public safety institution, the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran requires substantial operational expenditures to support law enforcement, public order, fire protection, and emergency response services. Consequently, maintaining budget efficiency while ensuring service quality remains a significant challenge

CONCLUSION

This study concludes that the implementation of the expenditure budget at the Dinas Satuan Polisi Pamong Praja dan Pemadam Kebakaran Kabupaten Bantaeng during the 2021–2023 fiscal years was effective, with an average effectiveness ratio of 94.95%, indicating that the agency successfully realized its expenditure budget in accordance with the planned targets and supported the implementation of its programs and activities. However, the efficiency analysis shows that budget implementation was categorized as less efficient to inefficient, with an average efficiency ratio of 100%, suggesting that budget utilization has not yet been fully optimized and that the agency still faces challenges in minimizing unnecessary expenditure. These findings indicate that while the agency has achieved its budget realization targets, greater attention should be given to improving expenditure efficiency through better budget planning, expenditure control, and financial resource management to enhance overall public financial performance.

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