

Analysis of the Ratio of Growth, Effectiveness and Budget Efficiency at the Ministry of Religious Affairs of the Republic of Indonesia in 2017 – 2022

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ABSTRACT

A budget is a written plan regarding the activities of an organization which is expressed quantitatively for a certain period or period and is generally expressed in units of money. The Ministry of Religion of the Republic of Indonesia is one of the ministries that has authority over the State revenue and expenditure budget. The Ministry of Religion is ranked 2nd with the largest APBN ceiling after the Police of the Republic of Indonesia. The ratios for assessing financial performance in the Ministry of Religion used in this research include: Growth Ratio, Effectiveness and Efficiency Ratio. This research aims to analyze the level of Growth, Effectiveness and Efficiency Ratios during the 2017-2022 period to see the financial performance of the Ministry of Religion of the Republic of Indonesia. In writing this journal, a quantitative descriptive analysis method was used. The results of this research show that the financial performance of the Ministry of Religion using the Growth Ratio or the Ministry of Religion's budget growth ratio is around 4.39% every year. The Ministry of Religion's budget effectiveness ratio is relatively high at an average level of 112%, which means that budget realization is able to exceed the set targets. The highest achievement of 121% was recorded in 2017. The Ministry of Religion's budget efficiency ratio for 2017-2022 is at an average of 0.97%, which is very efficient considering the nature of the public sector budget, the smaller the efficiency ratio, the better the government's performance.

Keywords: Growth Ratio, Effectiveness Ratio, Efficiency Ratio.

INTRODUCTION

Budget plays an important role in an organization, where the budget is a financial plan that is prepared systematically in supporting the implementation of an organization's activity program. Along with the demands in the community for transparency and public accountability, it requires every government organization to be able to improve and improve its performance to be more oriented towards the creation of good public and good governance (Tamasoleng, 2015). A budget is a written plan of an organization's

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activities that is expressed quantitatively for a certain period of time or period and is generally expressed in units of money. Broadly speaking, the budget is a management tool to achieve goals to be achieved in the future, so that in the preparation process, data and information, both controlled and uncontrollable, are needed to be used as

estimation material in budget preparation. This is because the data and information will affect the accuracy of estimates in the budget planning process of an activity or program (Julita, 2011).

The Ministry of Religious Affairs of the Republic of Indonesia is one of the ministries that has the authority to budget the State. The Ministry of Religious Affairs is ranked 2nd with the largest state budget ceiling after the Indonesian National Police. In the Ministry of Religious Affairs, over the past few years, it has been included in the 10 K/L which has the largest APBN ceiling. In the 2017-2023 fiscal year, the Ministry of Religious Affairs' budget has increased, from Rp60.18 trillion in 2017. Based on the Explanation of Law Number 17 of 2003 concerning State Finance article 9 paragraph (g) mandates that the Minister/Head of the Institution as the User of Budget/User of Goods has the task of compiling and submitting financial statements of the State Ministry/Institution he leads. Financial Statements are a form of government accountability for the implementation of the State Budget in the form of Budget Realization Reports, Balance Sheets, Cash Flow Statements, and Notes to Financial Statements. The Minister of Religious Affairs as a Budget User/User of Goods within the Ministry of Religious Affairs is obliged to carry out accounting and accountability reports for the implementation of the State Budget within the ministry he leads. The preparation of the Financial Statements of the Ministry of Religious Affairs refers to Government Regulation Number 71 of 2010 concerning Government Accounting Standards and the rules of sound financial management in the Government. This Financial Statement has been prepared and presented on an accrual basis so that it will be able to present transparent, accurate and accountable financial information. This Financial Report is expected to provide useful information to report users, especially as a means to increase accountability and transparency of state financial management at the Ministry of Religious Affairs. In addition, this financial statement is also intended to provide information to management in decision making in an effort to realize good governance. In an effort to realize the budget plan at the Ministry of Religious Affairs, transparency regarding the budget in each ministry is needed., In its role to realize the vision of a professional and reliable Ministry of Religious Affairs in building a pious, moderate, intelligent and superior society to realize an advanced Indonesia that is sovereign, independent, and personable based on mutual cooperation. In practice, an analysis related to the budget that has been delegated by the government through the secretariat at the Ministry of Religious Affairs is needed, this aims to find out how the growth of financial realization in the Ministry of Religious Affairs, besides that it is hoped that analyzing the data can make how to evaluate the report based on the activities that have been carried out.

Studies that discuss the financial performance of the Ministry of Religious Affairs of the Republic of Indonesia include: Sheila Desti Rahmi, Jenny Morasa, Victorina Z. Tirayoh, regarding the Analysis of the 2018 - 2020 Budget Realization Report at the Regional Office of the Ministry of Religious Affairs of North Sulawesi Province in 2023; Nova Abriano, Muhammad Yusuf, Aulia Rahmah in 2023, Analysis of the Effectiveness and Efficiency of Financial Statement Realization at the Office of the Ministry of Religious Affairs of Hulu Sungai Tengah Regency in 2019-2021.

Financial statement analysis is very helpful in the process of assessing achievements at the Ministry of Religious Affairs and has an impact on every future

decision-making. Financial performance helps an organization to evaluate the strengths and weaknesses of the organization, as well as make organizational financial decisions. Good financial performance shows an organization or company can work efficiently and effectively. One tool to measure company performance that is often used is financial ratio analysis. Financial ratio analysis is an analytical instrument to explain various relationships and financial indicators aimed at showing changes in financial condition or operations in the past and provide company leaders to make decisions or considerations about what needs to be done by the company in the future (Dani Usmar, 2015). To be able to analyze the finances of an organization can be done through several types of financial ratios. Based on the results of calculating several types of financial ratios, it can create diverse results also based on the needs of each analysis. In measuring the performance of a government organization, there are several performance measures used, including the Growth Ratio, Effectiveness Ratio, and Efficiency Ratio. The Growth Ratio is used to assess whether the financial performance of the State Budget has increased positive or negative growth in one or several periods. A significant increase is considered an indication of improved performance, while negative growth can be a warning against a potential decline in financial performance.

The Effectiveness Ratio reflects the ability of a ministry, such as the Ministry of Religious Affairs, to realize the original planned revenue compared to a predetermined target. The ministry is considered effective if the ratio achieved reaches a minimum of 1 or 100 percent, demonstrating the ability to realize income in accordance with the real potential of the institution. The Efficiency Ratio, on the other hand, is a comparison between the costs incurred to obtain revenue with the realization of revenue received. A ministry is considered efficient if its efficiency ratio is less than 1 or below 100 percent. Despite achieving revenue targets, efficiency is measured to ensure that costs incurred do not exceed the realization of revenue received. The criteria for assessing financial performance are outlined in a table, where the presentation of financial performance is classified into certain criteria. For example, growth ratios with low, medium, and high criteria, and effectiveness and efficiency ratios with criteria that include very effective, effective, moderately effective, less effective, and ineffective. These tables provide guidelines for evaluating the financial performance of government organizations, facilitating the interpretation of the results of analyzes performed.

RESEARCH METHODS

Types of Research

The type of data obtained in this study is in the form of numerical data from the Ministry of Religious Affairs budget from 2017 to 2022. The data comes from the Financial Statement Information of the Ministry of Religious Affairs (LKKA) during the period. The data includes details of the allocation of funds for employee expenditures, capital goods, programs, and activities of the Ministry of Religious Affairs.

Data collection is carried out through a review of the Ministry of Agriculture's report documents. The data is then processed numerically using simple calculations. The processed products are presented in table form to facilitate understanding.

Data analysis focuses on describing the general picture of the MORA budget allocation and the pattern of growth or decline each year. Descriptive descriptions are included to support the presentation of quantitative results without complex statistical testing. The aim is to see budget trends and the performance of the Ministry of Religion program for the last five years. **Data Analysis Techniques**

In this study, the data analysis used by the author is descriptive analysis, which is a method that aims to describe facts accurately and clearly through consideration of

the Financial Performance Ratio of the Ministry of Religious Affairs using data sources from the Ministry of Religious Affairs for Fiscal Year 2017 - 2022.

1. Growth Ratio

The growth ratio measures how much the Ministry of Religious Affairs institution is able to maintain and improve its success achieved from period to period. The growth ratio is said to be good, if every year it experiences positive growth or increases.

2. Effectiveness Ratio

The effectiveness ratio describes the ability of the Ministry of Religious Affairs to realize the original revenue of the planned institution compared to the target set based on the real potential of the Ministry of Religious Affairs institution. The ability of the Ministry of Religious Affairs institution is categorized as effective if the ratio achieved reaches at least 1 (one) or 100 percent.

3. Efficiency Ratio

The efficiency ratio is a ratio that describes the comparison between the amount of costs incurred to obtain income with the realization of income received. For this reason, the Ministry of Religious Affairs needs to carefully calculate how much it costs to realize all the income it receives so that it can be known whether its revenue collection activities are efficient or not. The efficiency ratio is a ratio that shows the ratio of the amount of costs incurred in terms of revenue generation to the realization of revenue received by local governments. The smaller the efficiency ratio, the better the performance of local governments". (Mardiasmo, 2013)

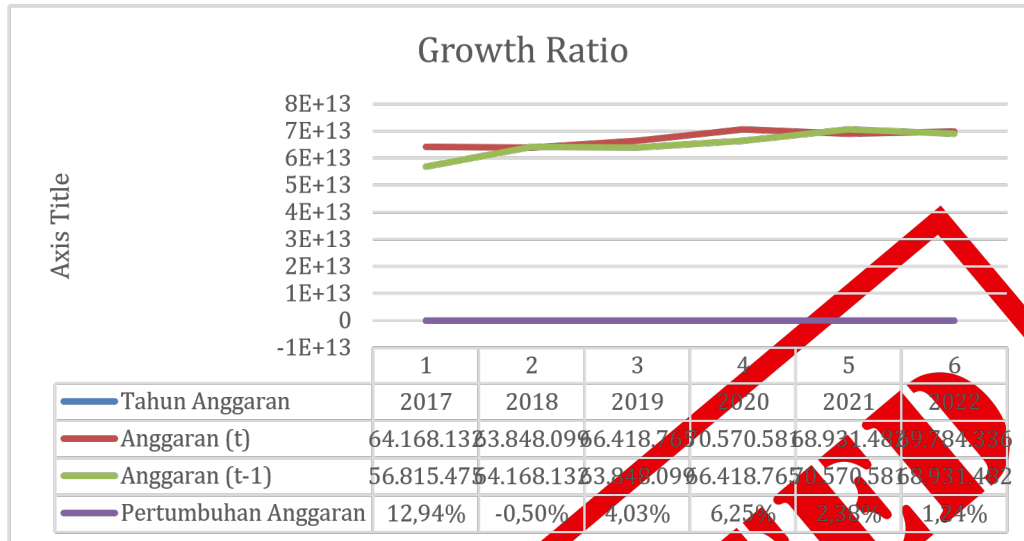
RESULTS AND DISCUSSION

Growth Ratio

From the results of Financial Data Processing by the Secretariat of the Ministry of Religious Affairs from the fiscal year 2017 - 2022 which is the Budget from the government given to the Ministry of Religious Affairs Institution, the Budget Growth Ratio can be calculated as in Table 1 below:

Table 1. Calculation of Budget Growth Ratio of the Ministry of Religious Affairs of the Republic of Indonesia

Fiscal Year	Budget (t)	Budget (t-1)	Budget Growth
2017	64,168,132,502,000	56,815,475,045,000	12.94%
2018	63,848,099,224,000	64,168,132,502,000	-0.50%
2019	66,418,765,942,000	63,848,099,224,000	4.03%
2020	70,570,581,962,000	66,418,765,942,000	6.25%
2021	68,931,482,470,000	70,570,581,962,000	2.38%
2022	69,784,336,880,000	68,931,482,470,000	1.24%
Average			4.39%



The budget allocation of the Ministry of Religious Affairs shows a positive increasing trend from year to year. Based on data from the last five years, the average budget growth of the Ministry of Religion is around 4.39% every year. This achievement indicates the government's commitment through the MORA to continue to improve religious services and programs.

Nevertheless, the increase in the MORA budget is still moderate and stable in the range of 1-6% from 2019 to 2022. However, in 2017 there was a fairly high jump reaching 12.94% from the previous year. However, in 2018 the budget experienced a significant decrease of 0.50%. After 2019, the MORA budget achievement returned to normal.

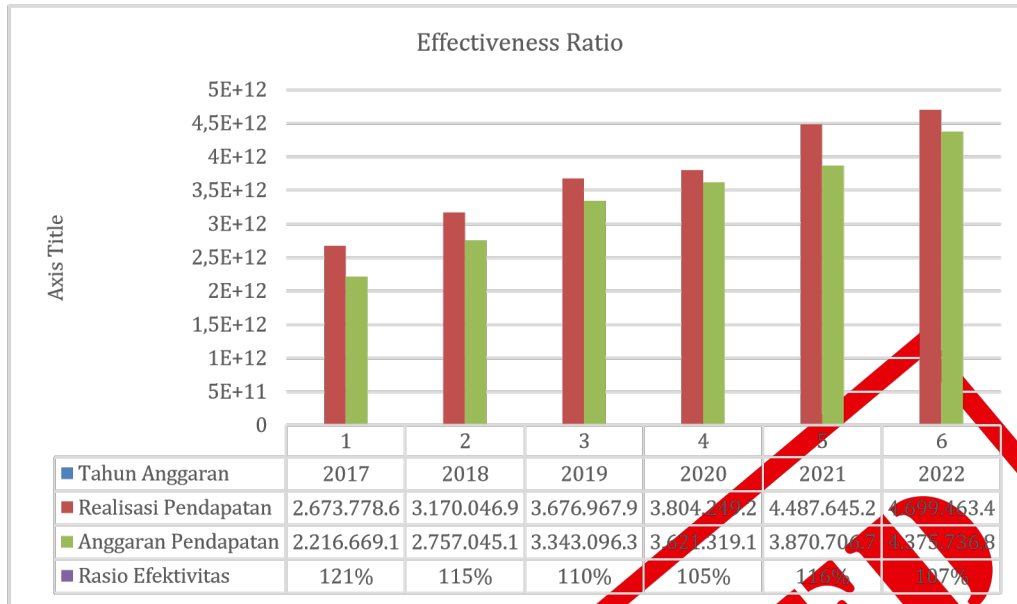
This pattern of budget fluctuations broadly reflects the neat, efficient, and responsive management of the MORA budget to the needs of public services. However, challenges ahead remain related to optimizing program implementation and budget absorption in order to have a real impact on the community.

Effectiveness Ratio

From the results of the Ministry of Religious Affairs Financial Data Processing from the fiscal year 2017 - 2022 which is the budget from the government given to the Ministry of Religious Affairs, the Budget Effectiveness Ratio can be calculated as in Table 2 below:

Table 2. Calculation of the Budget Effectiveness Ratio of the Ministry of Religious Affairs of the Republic of Indonesia

Fiscal Year	Revenue Realization	Revenue Budget	Effectiveness Ratio
2017	2,673,778,697,077	2,216,669,110,750	121%
2018	3,170,046,922,659	2,757,045,185,000	115%
2019	3,676,967,931,627	3,343,096,398,000	110%
2020	3,804,249,265,711	3,621,319,148,000	105%
2021	4,487,645,220,648	3,870,706,752,000	116%
2022	4,699,463,411,917	4,375,736,854,000	107%
Average			112%



Based on data from the realization and budget of the Ministry of Religion Revenue 2017-2022, the achievement of the budget effectiveness ratio is quite high with an average of 112%. That is, the realization of budget absorption is able to exceed the set target. This shows realistic MORA budget planning in accordance with the needs and capabilities of program implementation.

The highest achievement occurred in 2017 at 121%, allegedly due to several additional programs at the Ministry of Agriculture. In addition, the achievement of budget effectiveness has been relatively stable in the range of 105% to 115% over the last five years. This pattern generally represents the good and well-managed budget performance of the MORA budget.

However, challenges ahead in optimizing the MORA budget still exist. The stability of effectiveness achievement needs to be maintained so as not to fluctuate sharply considering the impact on macro fiscal stability. In addition, efforts to improve the quality of outputs and outcomes from the implementation of MORA programs are also important to ensure that the budget has a real impact on the community.

Broadly speaking, the budget achievements of the Ministry of Religion are quite good. Prudent and results-oriented budget management needs to be continuously improved to support the achievement of the MORA's five-year strategic plan target.

Efficiency Ratio

From the results of Financial Data Processing by the Ministry of Religious Affairs from the 2017-2022 fiscal year which is the Budget from the government given to the Ministry of Religious Affairs, the Budget Efficiency Ratio can be calculated as in Table 3 below:

Table 3. Calculation of the Budget Efficiency Ratio of the Ministry of Religious Affairs of the Republic of Indonesia

Fiscal Year	Realization of Shopping	Budget	Efficiency Ratio (%)
2017	60,179,556,318,996	64,168,132,502,000	0.94%
2018	59,380,999,210,267	63,848,099,224,000	0.93%
2019	66,418,765,942,000	63,946,369,726,213	1.04%
2020	67,984,181,158,634	70,570,581,962,000	0.96%

2021	68,591,964,324,339	68,931,482,470,000	1.00%
2022	67,632,772,626,665	69,784,336,880,000	0.97%
Average			0.97%



Based on data on Efficiency and Revenue budget of the Ministry of Religion 2017-2022, the achievement of the average Efficiency ratio is 0.97%. This means that the realization of the absorption of the existing budget is appropriate and efficient based on existing needs. This shows realistic MORA budget planning in accordance with the needs and capabilities of program implementation.

CONCLUSION

In the 2017-2022 period, the budget of the Ministry of Religious Affairs (Kemenag) showed positive growth with an average of 4.93% per year. The highest growth was recorded in 2017, reaching 12.94%, which resulted in a total budget of Rp 64,168,132,502,000, showing the government's commitment to improving the quality of religious services. Furthermore, the effectiveness of the MORA budget is considered high with an effectiveness ratio reaching an average of 112%. This indicates that the realization of the MORA budget is able to exceed the target that has been set. The peak achievement occurred in 2017 with an effectiveness ratio of 121%, where the realization of Rp 2,673,778,697,077 exceeded the budget of Rp 2,216,669,110,750.

The MORA budget efficiency ratio during the period reached an average of 0.97%, indicating a good level of efficiency for the public sector. The smaller the efficiency ratio, the better the government's performance, and the MORA budget is considered to be very efficient considering the nature of the public sector budget. Overall, the results of the analysis of the three ratios show that the budget performance of the Ministry of Religion is quite good. The challenge ahead is to maintain the stability of budget performance achievements and continue to improve the quality of outputs and outcomes of religious programs. Thus, the government is expected to continue to be committed to supporting the improvement of religious services in accordance with the needs of the community.

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