Accountability of Local Regional Financial Management Based Tri Hitu Karana (Study at Badung Government -Indonesia)

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ABSTRACT
This research was conducted in Badung which run the government and regional development based on philosophy of Tri Hitu Karana (THK). This research purpose is to find a form of financial accountability in financial management areas based on THK as meaning in actors understanding. This study uses an interpretive paradigm with case study approach. Therefore researchers themselves become research instrument. The informants are the accountability perpetrators in Badung Government and other relevant informants. The data was collected by passive observation, interviews, documentation and triangulation. Analysis method is model of Miles and Huberman. Research results showed that religious ethics and "religious spirit" plays an important role to increase the "accountability". THK-based accountability model is the enculturation result of values and religious ethics and "religious fervor" into formal accountability model. Accountability model is built based on surada and bhakti, religious ethics, laws and government regulation. Accountability in perspective THK shall include religious, environmental and social accountability.

INTRODUCTION
Economic reform in Indonesia changes the political system, social and community to promote accountability as one important concept in politics and economics. Past research has shown the passage of government's power legitimized by requirements of public accountability (Stewart, 1984). Past research has also shown public sector reforms in many countries were driven by a need to maintain deregulation accountability (Jones, 1977). This shows the importance of accountability in efforts to achieve sustainable development of a country. Therefore, researchers conducted a study on local government sector.

Accountability is a very sacred vocabulary in current reform era. Accountability literally can be interpreted as responsibility. Accountability in context of financial management is accountable for resource management and policy implementation is entrusted to report entity to achieve the goals set periodically. Therefore, accountability implies a requirement for an entity to be able to answer the functions, programs and activities or policies with respect to purpose and public resources usage and need to be accountable to public.

Government accountability has created reforms in various fields in implementation of regional administration. One of them is the financial management reform. The reforms were carried out in efforts to achieve accountability of in management by issuing Act and Regulations.

The regulation was made to satisfy of all parties by giving a number of instruments of formal accountable form in reporting systems such as financial reports, budget realization reports or other reports, as well as various other verification tools. Financial management is carried out by general principles of financial management as set out in Regulation No. 13 year 2006 Article 4 paragraph (1) below:

Finance area is managed in orderly, obedient to laws and regulations, effective, efficient, economical, transparent, and accountable to principles of fairness, decency, and benefits to society.

This regulation demands for transparency and accountability in financial management. But in practice, accountability to emphasizes the formal aspect is often less satisfactory for some groups, because such liability may be engineered. Reports can be made, but does not describe the actual condition. Therefore, it takes another form of
accountability. Accountability is another form that more substantial. It is evident though regulatory legislation related to financial management but still irregularities and non-compliance. This can be seen in summaries of Audit Board of Indonesia Semester I year 2011 (September, 2011) as a result of disobedience, entire loss of Indonesia Government to reach more than Rp 187 trillion. This condition is certainly inconsistent with expectations of society as a principal.

Based on these issues, this study was conducted to examine the financial management accountability. This research was conducted within scope of Local Government (LG) in Badung. It was chosen because of existence of Badung traditional institution of indigenous village as a container to create community character and uniqueness. This condition can discover a different form of accountability with other local governments outside the Bali province. This thinking is also based on results of previous studies of Verma (2002) to shows the cultural and social context and political processes is estimated to affect all stages of change in accounting and accountability.

**Culture as a framework of accounting practices and accountability:**

Culture is a concept borrowed from anthropology. Anthropologists believe that culture provides a solution to problem of adaptation to environment. Anthropologists have various different definitions and vague. However, for this study purposes, culture is defined as the norms, beliefs and values are widely spread to guides the daily life of community. This culture determines the choice of community to explain and rationalize the existing social phenomena and ultimately determine the solution of social problems.

Organizational culture is a system, beliefs and values shared within organization and guide the behavior of the members (Ahrens and Mollona, 2007). Organizational culture is a sub-culture of wider culture, organization culture so it could be a sub-culture of culture that surrounds it (Ahrens and Mollona, 2007).

There are several application domains for concept of value. They are religious, ethical, aesthetic, economic, political, social, and so forth that can shape the culture. Cultures may take the form of a norm to define and prohibit certain behavior. Norma specifies what should be done and should not be done and purpose of life. Culture is a set of values inherent in organization and basis for organization's personnel in dealing with problems arise.

Culture becomes a concept to explain the true value of a society system or the values held collectively, broad tendency to prefer the certain matters than other (Hosted et., Al, 1990). The spread of these values generate social norms which produces processes and structures of intellectual, organizational and political, and ultimately resulted in expectations of self-fulfillment in people's perception of reality, which reinforces the norm of society.

Badung Government has a development vision of "Moving together build Badung based Tri Hita Karana (THK) " to create fair society towards prosperity and steady. THK is religious ethics. Ethics is formed from a set of values and norms of behavior that comes directly or indirectly from the religious teachings that eventually shapes individual behavior and work ethic of organization's members.

**Methodology:**

**Interpretive paradigm:**

This study uses an interpretive paradigm. Interpretive paradigm in many cases are also referred to as a constructive paradigm to emphasizes that the research is basically done to understand reality of world as it is (Ludigo, 2005: 52). Therefore, interpretive paradigm is a paradigm that is used to search for meaning in social life. The interpretive paradigm see research as a basic building of a construction process of basic science to explain life and social events as well as understand man through a common sense that has meaning or meanings system used by some people to interpret their lives.

**Data Collection Technique:**

This study uses primary and secondary data. Data is collected by passive observation, interviews and documentation. Observations were carried out by observing and participating in various activities undertaken in implementing the tasks of informants in local government that became the research site. Researchers observe by 5W and 1H namely "what, who, when, where, why, how".

Non-standard interview techniques refer to interview guide. The informants are several financial management of elected officials. Selection of informants is based on consideration that informants are persons having authority in decision making and also understand the philosophy of THK. Engineering documentation has form of text, images, or the monumental works of persons.

**Research Result:**

**Pakraman: Container in Forming Community Character:**

Public life in Bali since from ago has known the existence of a social institution called the Village People and now is known as Pakraman (Bali Provincial Regulation No. 3 of 2001). Regional Regulation defines Pakraman as a "unity of indigenous people in Province of Bali which has a unity of tradition and social manners of Hindu community living for generations in heaven bond or three heaven village that have a particular area and
own property and right to take care of themselves (Article 1 paragraph 4).

Pakraman in Bali has its own custom rules contained in awig-awig (rules/customary law). Pakraman. The rules in awig-awig Pakraman are used as guidelines to regulate the behavior of all villagers’ lives that live in rural areas. Therefore, it can be said that function and role of Pakraman in Bali governs all life behavior of villagers who live in rural areas or it can be said as function and role of Pakraman in Bali that regulate ordinary villagers custom (traditions) and religious. In carrying out its functions, each Pakraman have autonomous status within meaning of each Pakraman stand alone according awig-awig that have been formulated, implemented and used as guidelines for action by all villagers who live in the villages.

Pakraman in Bali has distinctiveness. It is based on philosophy of Tri Hita Karana (THK) which is embodied in its activities. Physically embodiment of THK's conception of life Pakraman can be seen in three elements of Pakraman, namely: 1) Pawonggan element, namely villagers pakraman (village manners) which is an element of realizing Manusia (human); 2) Palemahan element, ie the region Pakraman (palemahan village) which embodies elements of Bhuana; 3) Parahyangan element as places of worship belonging to Pakraman (three heaven/celestial village) as embodiment of element Sanghyang Jagat Karana.

THK as a Regional Development Vision in Badung:

The core of THK conception is harmony or equilibrium value. Besides the harmony and Godhead value, THK also shows family values / togetherness. The values of Godhead can be seen from Sanghyang Jagat Karana element that requires a balanced relationship between humans and Sanghyang Jagat Karana/God the Creator. Family values reflected in human element that requires a harmonious relationship between man and his fellow man, both as individuals and groups.

These values correspond to nature of mind in traditional Indonesian people who are cosmic, religious, magical and communal (Hadiukusuma, 1978: 20-21). Indonesian people view generally sees humans as part of universe that cannot be separated with Creator, which is God Almighty. Paced life harmonious, balanced and sustainable as well as a conception of thinking becomes a reflection of THK philosophy.

The three pillars of THK are implemented in mission area to include the construction of three fields of Godhead, Human Resources and Regional. Belief field (Parahyangan) through higher srada and bhakti community of religious teachings and an increase in existence of indigenous cultures in order to put Bali in contemporary era. Higher srada and bhakti is an effort to establish human devotion to God Almighty and improve the harmony of human relationships with God. It is consistent with meaning of srada and bhakti as presented by informants 2. Srada means confidence that five srada and bhakti is respectful, prostrate, known as catur ghuru bhakti.

The explanation shows that through srada and bhakti, government wants to form a man who always maintains harmonious relationships with all three things: man with God, man to man and man to nature and environment through increased srada and bhakti to create noble human characters and human beings.

Enculturation: Way in Realizing THK-Based Accountability:

Regional autonomy has been rolled out by government of Indonesia to encourage good governance paradigm. It was emerged as the main base in financial management area. It is consistent with meaning of good government governance, public transparency, good performance and accountability of local government demands that must be met.

In responding to society demands, Badung District Government defined sixth construction mission of "embody good governance, clean and authoritative in frame THK". Given the legal framework in area of financial management centralization, as described previously, consciously or unconsciously this is indicated in development process in area of financial management accountability. Badung regency government will makes enculturation namely the inclusion of local cultures to local government organizations.

Indications enculturation process is reinforced by Provincial Government of Badung generally and in particular to emphasize the concept of THK in all aspects of development and community life as well as in running the government in an effort to materialize "Sustainability of Bali".

In this study context, enculturation is to enter religious ethical values as a frame of THK accountability in financial management. Researchers used a case study approach in an effort to formulate ethical values, religious concept enculturation in financial management accountability.

Religious Accountability:

Parahyangan dimenion depicts a harmonious relationship between man and God. Harmony is realized through increased srada and bhakti. Forms of human devotion to God are manifested in form of rituals (yadnya).

Ritual is a form of human gratitude to God Almighty. Based on observations and interviews, researchers found that ritual is a form and manifestation of religious accountability. This is found while excavating the meaning of THK philosophy. Implementation of ritual was based on faith/trust and bhakti (srada and bhakti).

The first belief is convinced of existence of God. The second is the trust and confidence of belief in
atman. Atman is small sparks of God which gives life, which is in every being in universe. It was as stated by informants 2 below:

Philosophical meaning of Atman: atman in human body is called jivatman namely that gives live to human beings and all living things. Atman and body is same as coachman and carriage, coachman is atman to drive the carriage and the carriage is the body. Atman was from the Lord as the sun and atman as the rays that turn on living things. The human body does not die while atman will die who inhabit heaven or hell and be reborn again and again. Man who received the atman should accountable by maintaining existing bodies atman with thought, said and act in accordance with religious teachings.

The third belief is law of karma (kharmaphala). Karma means action and phala meaning fruits, results, or reward. So karmaphala means results of one’s actions. Karmaphala give confidence to people about the nature of God Almighty and Most Justice to encourage people to direct all action to always do good deeds. Belief in existence of karma law is associated with fourth belief in rebirth (samsara/punarbhava). Bad or good human deeds in life now will affect people's lives in present and also in future.

Trust/confidence is the basis of human need at Sang Hyang bhakti Widhi Wasa (God Almighty). Bhakti means prostration, love, and devotion to God. Human devotion to God is manifested in form of rituals (yadnya), and run religious teachings to realize the tri Parisudha in everyday life. As stated by informant 3 below:

Tri Kaya Parisudha means running religious teachings because Tri Kaya Parisudha mean Tri (three), Kaya (basic human behavior), Parisudha (must be purified). It means the three basic human behaviors which must be purified, namely: Manacika means good thinking, Wacika means saying good and Kayika means doing good. Good thinking will arise as a kind word that embodies good deeds.

Tri-Kaya Parisudha explains three basic types of acts that constitute the ethical teachings which include good think (manacika), good word (wacika), and good action (Kayika). Three things will embody a harmonious life of human relationship with God, humans and environment and humans with other humans.

Concrete form of religious teachings in an effort to realize the Tri Kaya Parisudha is done by executing/implementing yadnya (ritual), Yadnya is five Yadnya. Informant 2 explains yadnya below:

Hindu religion has panca yadnya. Panca means five, Yadnya means sincere offering. The first, Dewa Yadnya: sincere offering is presented to Ida Sang Hyang Widhi Wasa. Secondly, sage Yadnya: sincere offering is presented to sage and follow all his teachings. Third, Pitra Yadnya: sincere offerings to ancestors. Fourth, Manusa Yadnya: a sincere dedication to safety and well-being of human descent. And fifth, Bhuta Yadnya: a sincere dedication to bhuta kala.

The above description shows that Parahyangan is a direction of every human (Hindus) to bring him to Creator (sangkan paraning dumadi) which manifested in form of a sacred place. Relative dimensions of this Parahyangan are manifested in so many ritual activities by people and so much time and they do it with sincerity.

This describes the relationship of God as principal and a human being as an agent. In context of accountability, above description illustrates how humans accountable for any acts to God "Creator", it is often called "religious accountability". Religious Accountability reflects the individual’s relationship with Almighty (vertical relationship) through meaning conveyed by each individual and observations of researchers in daily lives of actors, as revealed Informant 4 below:

Outside the context of applicable provisions in private as religious, people looks accountability in any activity undertaken that must responsible to Lord, because every work we do must be good karma and bad karma. There is a term ala ulah ala tinemu ayu kinardi ayu pinangghih which means he does bad deeds will get bad and doing good deeds will also get good.

The informant statement explains that what we do in life should be accounted in presence of God Almighty. Every act in life brings karma. Human life is always trying to improve karma, therefore must always strive to do the right thing. Therefore, carrying out duties as a financial manager properly in accordance with applicable regulations is an effort to improve karma. Implementation of this task rightly without known by others and is known only by God. In this aspect is quite clear accountability of implicit honesty. This is similar to explanation of one informant below:

Each activity must accountable both to boss, society and God. It was clear in spirit and letter of oath to become the Civil Service or occupy new positions. They spell this oath was witnessed by community and also witnessed by God and how to account to God.

The explanation shows the relationships to puts the actors as agent and God as the principal that expressed in activities of daily life. Forms of religious accountability are fidelity to run the activities of religious community, living bhakti as a form of thanksgiving for life received (karma). It also reflects the religious accountability in realm of honesty because it emphasizes to do right by karma that is not known by anyone.

Environmental Accountability (Ecology Accountability):
These dimension is based on belief that atman explain that living beings in this world is God's
creation as a human. It is as described by informant 2 as follows:

As I have said about Atman philosophy, atman in human body called jiwatman namely to give life to human beings and all living things. This means that all living creatures can get live by atman, both plants, animals/animal and human. Therefore, we must love each other as living things as well as love ourselves, because they are God’s creation. Example: Maintaining flower plants such as orchids, roses and others, watered every day, escorted by singing/humming, done every day with love then the flowers will provide beautiful flowers and long lasting and continuous to flower. Likewise, pets are given fed every day and cherished then the animal will give better benefits to humans, fatter, many lay eggs and so on. Love all living creatures means also to love ourselves and God’s creation. Responding to nurture, care for environment well.

Based on above explanation, researchers conducted observations to understand meaning of accountability in this dimension. Observations and interviews of accountability in this dimension are not only in physical form, but religiously. It is as stated by informant 2 below:

Yes sir, office is rather quiet, the misses get permission to prepare offerings (infrastructure and facilities for ceremony), now is rahinan (feast/ceremony) Tumpek Bubuh. And some of them go mebanten in PuspeM temple (central government).

Tumpek bubuh is a ritual to be grateful for what has been received by humans from nature. A natural sustainable becomes basis for human capital to build a prosperous life. Nature gave man place for life and livelihoods so that people are obliged to be grateful. This is described by informant 2 below:

Tumpek ceremony is a form where we are grateful and thankful for what we get from nature by praying as Tumpek Pengarah for herbs, Tumpek Kandang for all kinds of cattle, Tumpek Landep for all kinds of furniture (guns) as tools to look for life.

These explanations show the philosophical basis of Tumpek bubuh/tumpek kandang based on attitude to give before enjoying, in context of natural resources preservation, before humans enjoy and use herbs or other resources they must do the process of planting, maintenance and caring natural resources there.

The substance of ritual is the sincere offerings presented to God Almighty (Ida Sang Hyang Widhi) as gratitude for all the ease that awarded him through the media in this universe, hopefully accompanied by a petition in preservation and prosperity that harmony and sustainable.

That explanation shows the natural shape of human yadnya is not only in form of ritual bhuta yadnya (moral and religious) but also in physical form as the preservation of natural elements such as protecting the environment, plants, animals and other natural as whole. In context of accountability, this dimension describes nature as the principal while human nature as the manager or agent with environmental accountability. This dimension describes the nature although never demanded accountability to humans, but humans must be aware of obligation to preserve the environment for its own sake.

Social Accountability:

The third dimension of THK-based accountability is social accountability (pawongan). Dimension relates with welfare issues and problems of professionalism. Observations and interviews show that Regional Government’s makes efforts to realize this accountability by accounting techniques, information systems and formulating rules and analysis of media report to shows the dimension of accountability is more pressure on formal aspects alone.

Third dimension of THK describes people life with various concepts of values. Harmonious human relationships with other human beings is through pasukadukaan activity. Pasukadukaan activity is done based on some concept of Manyama-Braya, paros-paros sarpanaya, salunglung sabayantaka, and Tat Twam Asi.

Social value concept of Manyama-Braya, paros-paros sarpanaya, salunglung sabayantaka, and Tat Twam Asi are concept to realize the harmony of human relationships with other human beings. The meaning of this concept is conveyed by second informant below:

We live (Balinese) based on some social value sarpa. This value should be basis of nation life, value refer to, among others: Menyama braya means to feel camaraderie in event of joy and sorrow. Paras paros sarpanaya: unanimous mutual acceptance and giving. Salunglung sabayantaka; stand at same height and sitting at same low. Menyama braya concept implies the equality and fraternity and social recognition that we are brothers. As a social unit, attitudes and behaviors should see others as brothers who should be invited along with glad and sorrow.

Salunglung sabayantaka, paras paros sarpayana value show the social value for solidarity need and equal partnership between one and other as a social entity that mutual appreciation and respect. Explanation of salunglung sabayantaka, paras paros sarpanaya can be interpreted as a social value for solidarity need and equal partnership between one another in an effort to build and realize human welfare. Implementation of these values becomes a bridge to achieve harmony in human life.

The value concept is tat twam asi. It means I am you and you are me. This phrase means that man is essentially the same. The meanings is explained by informant 2 below:
Tat twam Asi literally means you are me and I am you. The concept of tat twam asi teaches social infinite because "he is you", I am you and all beings are the same so helping others means to help yourself and hurt others means to hurt yourself.

It explains that twam asi is a concept that will not harm the environment or harm other creatures, because if it is back to harm oneself. This value gives color to attitudes and behavior to recognize the existence and respect others as well as self-respect. This value becomes the basis of common sense to build accountability, because conveys wrong information means to cheat yourself.

Value Enculturation of Religious Ethics THK into Formal Accountability Mechanism:

Religious ethics and “religious spirit” in this context plays an important role to increase the “accountability”. Above explanation can formulate enculturation THK values into formal accountability mechanism called THK-based accountability terminology. THK-based accountability is the accountability that is able to transform local values of religious ethics of actors in Badung government. Enculturation of THK-based accountability can be formulated in model at Figure 1 below.

Figure 1 shows three dimensions of accountability from perspective of THK religious ethics. First dimension of religious accountability is based on srada and bhakti. Increased srada can to realize the tri kaya Parisudha with emphasis on doing the “right” thing means to implement the provisions correctly. Doing the “right” thing in this case is one form of manusya yadnya (efforts to achieve prosperity and devotion to country).

The second dimension of above model is ecological accountability based srada and bhakti. Srada and bhakti mean the actors believe to nature and other living beings are God's creation with mutual need and giving. Human beings as life beings that given advantage shall maintain environmental sustainability in form moral conduct and physical ritual by maintaining and preserving the environment physically for human need.

The third dimension of THK-based accountability model is social accountability. Figure 1 shows that social accountability in Badung government is practiced through formal mechanisms related with laws and regulations and incorporating the values of religious ethics and Hinduism as wider structural elements than Rules and Regulations.

Financial Management Accountability in Perspective THK:

Dimension of religious ethics in THK accountability practice is holistic to include spiritual, environmental and social accountability. THK-based accountability mechanisms build spirit of religion (srada and bhakti) to realize the role of "Karma" informally to shape accountability relationships. In addition to spirit of religion, religious ethics also encourages the practice of this accountability mechanism.
Financial management accountability in THK perspective is the willingness of actors (regional finance managers) to report resource management and policy implementation to achieve development goals. Badung government development is based on "THK" toward prosperous and fair society. THK philosophy in financial management accountability can be described in spiritual, environmental and social accountability dimensions. Spiritual accountability is realized with efforts to create a noble human characters and human beings. Environmental accountability embodied in an effort to maintain harmonious horizontal relationship between humans and their natural environment. Social accountability embodied in form of efforts to create a harmonious relationship between man and his fellow man, both as individuals and groups, harmony is expected to encourage the society welfare.

Conclusion:
Accountability mechanisms in financial management perspective is actor’s awareness and compliance to THK to carry out duties in accordance with rules and regulations with spirit of religion and foundation of social norms (religious ethics: THK) in utilization of resources (both natural resources and capital resources) in efforts to achieve harmony development with THK philosophy as in mission development. Accountability concept is established and perception of actors on practice of financial management accountability is an integral part of accountability mechanisms in THK. Model of financial management accountability in Badung can be described in Figure 2 below.

Fig. 1: Enculturation Model of THK-Based Accountability.

Fig. 2: Model of THK-Based Financial Management Accountability.

Description:
- - Informal
--- Formal
Source: Researcher

Figure 2 shows the relationship of accountability in local government financial management. Legislators as elected representatives entrust the management of public resources to executive. Executive provides time and expertise to manage public resources to maximize the utility (justice, welfare/prosperity) and informally with community to preserve the natural environment. Informal relationships in spiritual aspect is stressed to do right to improve karma. It reflects the moral aspects of accountability practice. The research findings demonstrate the three social dimension of accountability relationship that interrelated one another namely steward accountor, principal or accountee, and accountability rules (code).
The picture 2 also shows a relationship in informal basis because of their *karma* in this life. The accountability relationship of in this regard is indicated by relationships in budgeting mechanisms. Accountability implementation in this case is embodied in mechanisms of implementation of budget administration by using techniques and accounting media. Finally, reporting submission accountability described the relationship of results of applying the product of accounting techniques. The formal mechanism is built on foundation of religious spirit and religious ethics as a social norm in lives of actors.

**Limitations Research:**

This study uses an interpretive paradigm to describe the form and meaning of accountability in financial management practices in Badung government, but the researchers also tried to provide analysis and redefined the paradigm of critical domain even though the results are not deep.

Researchers have limitations to analyze data when entered in formulation process because the very limited data from informants as well as the number of informants, so at this stage of analysis to formulation of researchers are still using secondary reference which should be reduced.

**Research Implications:**

Although having limitations, this study is managed to find a form of planning, implementation and reporting accountability in financial management. In addition, researchers also succeeded to formulate THK-based accountability in each dimension of religious, environmental (ecological) and social accountability and to formulate the enculturation of THK-based financial management accountability.

The results also show that accountability is cannot be separated from the culture or the values are believed by actor to shape organizational culture. Social accountability adds to value of togetherness and equality, legislation is needed to create honesty and harmony to achieve common goals. The study also puts the importance of formation of public character (actors or aspiring actor) through most small environments that ultimately shape the culture of organization.

With these limitations, it is possible to do further research by other paradigms such as critical paradigm to criticize the practice of financial management accountability comprehensively and constructively in order to produce a more in-depth reconstruction or with same paradigm, but use different analysis methods.

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