



3rd Comparative Asia Africa Governmental Accounting Conference (CAAGA) 2018

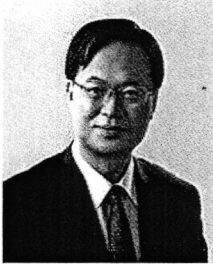
Date | 14-16 November 2018

Venue | Graduate School of Public Administration,
Seoul National University, Korea

Hosted by | Graduate School of Public Administration,
Seoul National University, Audit and
Inspection Research Institute, and SSRI of
Chungbuk National University, Korea

Sponsored by | Korea Expressway Corporation,
Korea Research Institute for Local Administration,
Korea Association for Comparative Government Studies

Welcoming Address



Dean
Graduate School of Public Administration, Seoul National University, Korea

Welcome! I am very pleased to host the 3rd Comparative Asia Africa Governmental Accounting (CAAGA) Conference 2018 at the Graduate School of Public Administration, Seoul National University. As the dean of the Graduate School of Public Administration, on behalf of the faculty members of the school, I would like to express my sincere gratitude to all the conference participants, and I will provide my best support for the successful hosting of the conference.

Today, many Asian and African countries, including Korea, are having difficulties in developing their own country and society due to growth stagnation and social polarization domestically, international blockade of the regional economy, and the escalating trade dispute between the U.S. and China internationally. Accordingly, each country must take appropriate measures to resolve or mitigate such problems before they miss the right time to challenge. In this regard, establishing the role of government at an appropriate level is a very important factor for the development of the nation and society. It is because not only the market is not well functioned, but also there is a fundamental limit to solving the public problems of the state and society solely by the private enterprises intrinsically pursuing profit. From this point of view, I think the topic of this conference, the global challenge of public sector, is a very timely theme. I hope that this conference will provide good discussions and suggestions on the tasks and strategies for public sector which can be put into practice for the development of Asian and African societies. Also, I hope that this conference will serve as a catalyst for strengthening the closer ties between countries.

Professor Seung Jong Lee

Welcoming Address



President

International Center for Public Sector Governance (ICPSG), Malaysia

Anyeonghaseyo

On behalf of ICPSG, I am delighted to welcome all the experts and academics from around the world to Seoul, South Korea for the 3rd Comparative Asia Africa Governmental Accounting(CAAGA)2018.

I would like to extend my gratitude to the Host, Chungbuk National University and Co-host, Seoul National University for having brought us together in the beautiful and wonderful city of Seoul, to discuss one of the main challenges worldwide which are, without doubt, governmental accounting. My gratitude also goes to Accounting Research Institute, UiTM Malaysia, Ikatan Akuntan Indonesia, Forum Dosen Akuntansi Sektor Publik and Association of Public Sector Educators Indonesia.

This conference brings together experts from the Public Sector from all over the world to present and exchange breakthrough ideas relating to Public Sector. The conference also promotes top level research and to globalize the quality research in general, thus making discussions, presentations more internationally competitive and focusing attention on the achievements in the area of Public Sector.

I hope the deliberation from the distinguished speakers will benefit the participants to update their knowledge. I extend my best wishes for great success of the conference.

Kamsahamnida.

Professor Dr Nafsiah Mohamed

CONFERENCE SCHEDULE

DAY 1 (14 NOVEMBER 2018)

Time	Details	
09:30	Registration	
10:00		
Main Hall		
10:00	Welcoming Address	
-	Dean, GSPA, Seoul National University, Prof Seung-Jong Lee	
10:10	Welcoming Address	
-	Commissioner, The Board of Audit and Inspection of the Republic of Korea,	
10:20	Prof Minah Kang	
10:20	Welcoming Address	
-	President, ICPSG, Prof Nafshiah Mohamed	
10:30	Keynote Speaker 1:	
-	Prof Youngwha Kee (Soongsil University, Korea)	
11:00	K-MOOC and Higher Education	
11:00	Keynote Speaker 2:	
-	Prof Dr Normah Omar (Accounting Research Institute, UiTM Malaysia):	
11:30	Corporate Integrity and public Sector Governance	
11:30	Keynote Speaker 3:	
-	Prof Jin-Kwang So (Gacheon University, Korea)	
12:00	Inclusive Growth through Saemaul Undong	
12:00	MOU SINGING CEREMONY	
12:20		
12:20	Lunch	
13:30		
	Session 1 (seminar room 101)	Session 2 (seminar room 203)
13.30	Invited Speaker 1:	Invited Speaker 2:
-	Prof Dr Kelum Jayasinghe	Prof Dr Intiyas Utami
13.50	Heejeong Park (BAI)	Won-Hee Lee
13.50	& Minah Kang (BAI)	"Korean Fiscal Reforms in 2000s"
-	"Government Accountability System and the	
14.05	Role of BAI"	

14.05 - 14.20	Tettet Fitrijanti "Towards the Local Government Risk Management Model: Perception Examination of Risk Categories and Assessment: A Local Government Study"
14.20 - 14.35	Nur Azlina "The Effect of Budgetary Participation on Managerial Performance: Budget Adequacy and Leadership Style as Moderating"
14.35 - 14.50	Nur Ezan Rahmat "The Application of Financial Ombudsman Scheme (FOS) in the Management of Financial Disputes: Some Evidence from Malaysia"
	Moderator: Prof Dr Kelum Jayasinghe
14.50 - 15.00	Moderator: Prof Dr Intiyas Utami
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	Session3(seminar room 203)
15.00 - 15.20	Invited Speaker 3: Assoc. Prof Dr. Corina Joseph "Modified Accountability Disclosure Index"
15.20 - 15.35	Invited Speaker 5: Mr Mohamad Mahsun "Understanding the Behavior of Auditors in the Implementation of SAS 99 in Indonesian Public Sector Auditing"
15.35 - 16.05	Dr Sung-Min Cho "A Special Accounting System for Road Infrastructure Investment in Korea"
16.05 - 16.20	Donny Imam Priambodo "Factors Affecting the Level of Non-Financial Information Disclosure on Local Government-Owned Websites Districts and Cities in Java & Madura"
	Moderator: Assoc. Prof Dr. Corina Joseph
	Session4(seminar room 204)
15.00 - 15.20	Invited Speaker 4: Dr Kazi Sohag "Governance, Fiscal Expenditure and Economic Growth in OIC Countries: Role of Resources and Information Communication Technology"
15.20 - 15.35	Evi Steelyana Wiyarti "The Role of Asset Management in Public Private Partnership Scheme (PPP) For Broadband Infrastructure: A Story From Palapa Ring Project, Indonesia"
15.35 - 16.05	Jae-Uoong Kim "Cooperative cases between Asian-African countries and KEC"
16.05 - 16.20	Yusmansyah "The Influences of Five Pillars of Implementing Financial Inclusion on Development of Micro Small Enterprises in Bandung, Indonesia"
	Moderator : Dr Kazi Sohag
16.20 - 16.30	Break



	Session5(seminar room 203)	Session6(seminar room 204)
	Invited Speaker 6:	Invited Speaker 7:
	Prof Dr Hassan Ouda	Dr Ana Sopanah
16.30	<i>"Accounting Information Production and Use and Public Policy Decision Making Process: A cognitive Perspective"</i>	<i>"Public Participation on Local Budgeting Base on Local Wisdom: Study Using Community on Banyuwangi East Jawa"</i>
16.50		
	Andikaputri Kusuma Wardhani	Invited Speaker 8:
16.50	<i>"The Role of Whistleblowing in Investigative Audit Pre-Planning and Implementation in Fraud Detection: A Conceptual Model"</i>	Mr Halim Dedy Perdana
17.05		<i>"Good University Governance and Whistleblowing: The Role of Internal Audit"</i>
	Dian Agustia	Dini Rosdini
17.05	<i>"Effect of Budgetary Participation on Budgetary Slack with Organizational Commitment and Locus of Control as Moderating Variables"</i>	<i>"The Roles of Internal Audit in Risk Management at Local Government in West Java Province"</i>
17.20		
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17.20	<i>"Characteristics of Non-Profit Organizations and Web-Based Accountability Disclosure"</i>	<i>"Risk-Based Internal Audit Planning in Indonesia Government Internal Audit Agency"</i>
17.35		
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17.35	<i>"The Dynamics and Challenges of Community-Based Tourism for Enhancing Village Revenue"</i>	<i>"Performance Measurement Systems and Multiple Logics Inside Hybrid Organization: Case Study from State-Owned Enterprise"</i>
17.50		
	Efa Yonnedi	Olusoji Olumide Odukoya
17.50	<i>"Impact of Selling Public Enterprises on Financial and Operating Performance in Indonesia"</i>	<i>"The Influence of Knowledge Capability on Fraud Risk Assessment in the Nigerian Banking Sector"</i>
18.05		
	Moderator :	Moderator :
	Prof Dr Hassan Ouda	Prof Dr Nafsiah Mohamed

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DAY 2 (15 NOVEMBER 2018)

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	Session1 (seminar room 101)	Session2 (seminar room 203)	Session3 (seminar room 204)
09.00 - 09.20	Invited Speaker 9: Mr Rudy Suryanto <i>"Village owned Enterprise in Indonesia as a Social Enterprise"</i>	Invited Speaker 10: Dr Norazida Mohamed <i>"Fraud in Public Sector: Issue and Challenges"</i>	Invited Speaker 11: Dr Indrawati Yuhertiana <i>"Government Accounting Innovation in ASEAN countries"</i>
09.20 - 09.35	M. Hilmi Zakaria <i>"Behavioral Aspects of Local Government Budgeting"</i>	Rida Perwita Sari <i>"Study of Financial Performance and Economic Growth in Flow Funds Approach"</i>	Ruslan Effendi <i>"Public School Finance System in Perspective of Political Economy of Accounting in Wealth: A Case Study of Taxes (1968-2018)"</i>
09.35 - 09.50	David Pangaribuan <i>"The Influences of Institution Governance, Risk Management and Accountability Performance System Implementation to Fraud Prevention"</i>	Erina Sudaryati <i>"The Influence of Transformational Leadership, Organizational Commitment, and Human Resource Competency to Performance-Based Budgeting"</i>	Evi Maria <i>"Effect of Financial Distress and Regional Independence on the Probability of Corruption: An Empirical Study in Indonesian Local Governments"</i>
09.50 - 10.05	Sri Suranta <i>"Factors Affecting The Financial Performance of Local Governments: A Study in Central Java and South Kalimantan"</i>	Zuraidah Mohd Zam <i>"Risk Management Practices in Islamic Non-Governmental Organizations"</i>	Chekat Fahmy Rosyadi <i>"The Effectiveness of Government Fraud Audit Rectification Efforts on Decreasing the Level of Corruption in Indonesian Provinces"</i>
10.05 - 10.20	Siti Sara Ibrahim <i>"A Conceptual Model of Strategic CSR through Firm-Stakeholder Collaboration for Accountabilit and Sustainability"</i>	Aras Halim Bemas <i>"Conceptual Model of Vulnerable Point Detection Procurement of Goods and Services in Government by using Probity Audit"</i>	Da-Young Kim <i>"E-Government Development and Concept (Value) in Korea: Lessons and future directions"</i>
	Moderator: Prof Dr Nafsiah Mohamed	Moderator: Dr Norazida Mohamed	Moderator: Dr Indrawati Yuhertiana

10.20

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10.30**Break**

	Session4 (seminar room 101)	Session5 (seminar room 203)	Session6 (seminar room 204)
10.30 - 10.50	Invited Speaker 12: Mr Mohd Hairay Md Yusof <i>"Adoption of Malaysian Public Sector Accounting Standards (MPSAS) in Malaysian Statutory Bodies: Issues and Challenges"</i>	Invited Speaker 13: Dr Rizal Yaya <i>"World Global Challenges and their Implications for Public Sector"</i>	Invited Speaker 14: Prof Yuji Mori <i>"NPM Style Reform on a Japanese Public Hospital: Story of West meets East"</i>
10.50 - 11.05	Young-Chool Choi & Hak-Sil Kim <i>"Analysing the Successful Conditions Affecting ODA Projects"</i>	Donny Imam Priambodo <i>"The Effect of Islamic Values on Voluntary Corporate Governance Disclosure with Muslim Board of Directors as Moderating Variable"</i>	Erina Sudaryati <i>"The Influence of Competence on Local Government Financial Report Quality with Audit Quality as Mediating Variable"</i>
11.05 - 11.20	Amalia Kusuma Wardini <i>"Reconceptualisation of Human Capital in Open University"</i>	Rizki Hamdani <i>"Exploring the Weaknesses and Strengths of CSR Disclosure Between Sharia and Conventional Banks in Indonesia"</i>	Nemoto Masatsugu <i>"Safety Improvement related with On-Street Parking"</i>
11.20 - 11.35	Noorina Hartati <i>"The Determinants of Intellectual Capital in Improving Indonesian Transportation Firms' Performance"</i>	Reskino <i>"Islamic Work Ethic and Performance of Islamic Finance Institution: Mediating Role of Fraud Prevention"</i>	Bambang Prayogo <i>"The Role of Audit Regulation on the Relationship between Audit Quality, Corporate Governance and Firm Value"</i>
11.35 - 11.50	Anna Sutrisna Sukiman <i>"Budgeting Information Framing, Responsibility and Intrinsic Motivation in Investment Decision-Making of Regional Companies"</i>	Meco Sitardja <i>"The Influence of Good Public Governance Toward Tax Compliance with Trust as Intervening Variable"</i>	Fachruzzaman <i>"The Influence of Government Auditor's Knowledge, Ability and Skill towards the Effectiveness of Audit Investigation Process on Fraud Detection in Indonesia"</i>
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13.30

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14.50
-
15.00

Break

	Session10 (seminar room 203)	Session11 (seminar room 204)
15.00 - 16.30	Forum "Global Challenges of Public Sector"	Invited Speaker 11: Prof. Wiwik Utami

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<p>Panellists: Prof Dr Hassan Ouda (Egypt) Prof Dr Kelum Jayasinghe (United Kingdom) Prof Dr Indra Bastian (Indonesia) Prof. Jeong-Hee Lee (Korea) Prof. Youngwha Kee (Korea)</p>	<p>Njoman Juliasih <i>"The Performance Sampang Public Hospital as a Regional Public Service Autonomy using Balance Score Card"</i></p> <p>Icuk Rangga Bawono <i>"Design of Effective Training to Increase Awareness and Obedience of Compulsory Taxpayer of Micro, Small and Medium Enterprises"</i></p> <p>Adhi Alfian <i>"Fraud Prevention Capability and Organizational Culture: A Case Study of Indonesian Regional Government Agencies"</i></p> <p>Rafrini <i>"Determinants of Local Government Accountability Disclosure"</i></p>
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Prof Dr Kelum Jayasinghe (United Kingdom)

Prof Dr Indra Bastian (Indonesia)

Prof Jeong-Hee Lee (Korea)

Prof Youngwha Kee (Korea)

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Impact of Selling Public Enterprises On Financial and Operating Performance in Indonesia

Efa Yonnedi and Annisa Dewi Syafrina

Universitas Andalas, Indonesia.

Abstract

The purpose of this paper is to examine the impact of partial privatization on financial and operating performance of State-Owned Enterprises (SOEs) in Indonesia. The paper compares three years before and after privatization financial and operating performance of 13 SOEs in Indonesia that have been partially privatized during 1995-2013 and uses Wilcoxon signed-rank test to determine the significant changes. The paper documents significant changes in operating efficiency, output (inflation-adjusted sales) and leverage — and insignificant changes in profitability, capital investment spending, employment, and dividend payouts following privatization. The paper suggests that the government should continue to privatize public enterprises, in partial privatization particularly and the government should efficiently manage the firms before privatization program by preparing well-trained human resources, especially the firms' managers that will manage the newly privatized firm. The paper provides insights about the impact of privatization on financial and operating performance of State-Owned Enterprises (SOEs) in Indonesia.

Keywords: *Privatization, Performance, State-Owned Enterprises (SOEs)*