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)**

<table>
<thead>
<tr>
<th>Time</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>09:30</td>
<td>Registration</td>
</tr>
<tr>
<td>10:00</td>
<td>Main Hall</td>
</tr>
</tbody>
</table>

### Welcoming Address
- 10:00: Dean, GSPA, Seoul National University, Prof Seung-Jong Lee
- 10:10: Commissioner, The Board of Audit and Inspection of the Republic of Korea, Prof Minah Kang
- 10:20: President, ICPSG, Prof Nafshiah Mohamed

### Keynote Speaker 1:
- 10:30: Prof Youngwha Kee (Soongsil University, Korea)
- 11:00: K-MOOC and Higher Education

### Keynote Speaker 2:
- 11:00: Prof Dr Normah Omar (Accounting Research Institute, UiTM Malaysia): Corporate Integrity and public Sector Governance

### Keynote Speaker 3:
- 11:30: Prof Jin-Kwang So (Gacheon University, Korea)
- 12:00: Inclusive Growth through Saemaul Undong

### MOU SINGING CEREMONY

### Session 1 (seminar room 101)
- Invited Speaker 1: Prof Dr Kelum Jayasinghe
- 13:30: Heejeong Park (BAI)
- 13:50: & Minah Kang (BAI) "Government Accountability System and the Role of BAI"

### Session 2 (seminar room 203)
- Invited Speaker 2: Prof Dr Intiyas Utami
- 13:30: Won-Hee Lee
- "Korean Fiscal Reforms in 2000s"
<table>
<thead>
<tr>
<th>Time</th>
<th>Session 3 (seminar room 203)</th>
<th>Session 4 (seminar room 204)</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Invited Speaker 4: Dr Kazi Sohag</td>
</tr>
<tr>
<td>14.20</td>
<td></td>
<td>“Governance, Fiscal Expenditure and Economic Growth in OIC Countries: Role of Resources and Information Communication Technology”</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.20</td>
<td></td>
<td>Evi Steelyana Wiyarti</td>
</tr>
<tr>
<td>14.35</td>
<td>14.35 Nur Ezan Rahmat</td>
<td>“The Role of Asset Management in Public Private Partnership Scheme (PPP) for Broadband Infrastructure: A Story From Palapa Ring Project, Indonesia”</td>
</tr>
<tr>
<td>14.50</td>
<td>14.50 Moderator: Prof Dr Kelum Jayasinghe</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Moderator: Prof Dr Intiyas Utami</td>
</tr>
<tr>
<td>15.00</td>
<td></td>
<td>Break</td>
</tr>
<tr>
<td>15.00</td>
<td>Invited Speaker 3: Assoc. Prof Dr. Corina Joseph</td>
<td></td>
</tr>
<tr>
<td></td>
<td>15.00 “Modified Accountability Disclosure Index”</td>
<td></td>
</tr>
<tr>
<td>15.20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.20</td>
<td>Invited Speaker 5: Mr Mohamad Mahsun</td>
<td></td>
</tr>
<tr>
<td></td>
<td>15.20 “Understanding the Behavior of Auditors in the Implementation of SAS 99 in Indonesian Public Sector Auditing”</td>
<td></td>
</tr>
<tr>
<td>15.35</td>
<td>15.35 Dr Sung-Min Cho</td>
<td></td>
</tr>
<tr>
<td></td>
<td>15.35 “A Special Accounting System for Road Infrastructure Investment in Korea”</td>
<td></td>
</tr>
<tr>
<td>16.05</td>
<td>16.05 Donny Imam Priambodo</td>
<td></td>
</tr>
<tr>
<td></td>
<td>16.05 “Factors Affecting the Level of Non-Financial Information Disclosure on Local Government-Owned Websites Districts and Cities in Java &amp; Madura”</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Moderator: Dr Kazi Sohag</td>
</tr>
<tr>
<td>16.20</td>
<td></td>
<td>Break</td>
</tr>
<tr>
<td>16.30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 5 (seminar room 203)</td>
<td>Session 6 (seminar room 204)</td>
<td></td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>Invited Speaker 6:</strong></td>
<td><strong>Invited Speaker 7:</strong></td>
<td></td>
</tr>
<tr>
<td>16.30 Prof Dr Hassan Ouda</td>
<td>Dr Ana Sopanah</td>
<td></td>
</tr>
<tr>
<td>&quot;Accounting Information Production and Use and Public Policy Decision Making Process: A cognitive Perspective&quot;</td>
<td>&quot;Public Participation on Local Budgeting Base on Local Wisdom: Study Using Community on Banyuwangi East Jawa&quot;</td>
<td></td>
</tr>
<tr>
<td>Andikaputri Kusuma Wardhani</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.50 &quot;The Role of Whistleblowing in Investigative Audit Pre-Planning and Implementation in Fraud Detection: A Conceptual Model&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.05 Dian Agustia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.05 &quot;Effect of Budgetary Participation on Budgetary Slack with Organizational Commitment and Locus of Control as Moderating Variables&quot;</td>
<td>Dini Rosdini</td>
<td></td>
</tr>
<tr>
<td>17.20 Mohd Hisham Mahamud</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.20 &quot;Characteristics of Non-Profit Organizations and Web-Based Accountability Disclosure&quot;</td>
<td>Ivan Yudianto</td>
<td></td>
</tr>
<tr>
<td>17.35 Viktor Bungtilu Laiskodat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.35 &quot;The Dynamics and Challenges of Community-Based Tourism for Enhancing Village Revenue&quot;</td>
<td>Hamidah</td>
<td></td>
</tr>
<tr>
<td>17.50 Efa Yonnedi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.50 &quot;Impact of Selling Public Enterprises on Financial and Operating Performance in Indonesia&quot;</td>
<td>Olusoji Olumide Odukoya</td>
<td></td>
</tr>
<tr>
<td>18.05 Moderator:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prof Dr Hassan Ouda</td>
<td>Moderator:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prof Dr Nafsiah Mohamed</td>
<td></td>
</tr>
<tr>
<td>Time</td>
<td>Details</td>
<td></td>
</tr>
<tr>
<td>--------</td>
<td>---------</td>
<td></td>
</tr>
</tbody>
</table>
| **09.00** | Invited Speaker 9: Mr Rudy Suryanto  
  "Village owned Enterprise in Indonesia as a Social Enterprise" |
| **09.20** | Invited Speaker 10: Dr Norazida Mohamed  
  "Fraud in Public Sector: Issue and Challenges" |
| **09.35** | M. Hilmi Zakaria  
  "Behavioral Aspects of Local Government Budgeting" |
| **09.50** | David Pangaribuan  
  "The Influences of Institution Governance, Risk Management and Accountability Performance System Implementation to Fraud Prevention" |
| **10.05** | Erina Sudaryati  
  "The Influence of Transformational Leadership, Organizational Commitment, and Human Resource Competency to Performance-Based Budgeting" |
| **10.20** | Sri Suranta  
  "Factors Affecting The Financial Performance of Local Governments: A Study in Central Java and South Kalimantan" |
| **10.20** | Zuraidah Mohd Zam  
  "Risk Management Practices in Islamic Non-Governmental Organizations" |
| **10.20** | Siti Sara Ibrahim  
  "A Conceptual Model of Strategic CSR through Firm-Stakeholder Collaboration for Accountability and Sustainability" |
| **10.20** | Aras Halim Bemas  
  "Conceptual Model of Vulnerable Point Detection Procurement of Goods and Services in Government by using Probity Audit" |
| **10.20** | Da-Young Kim  
  "E-Government Development and Concept (Value) in Korea: Lessons and future directions" |
| **09.00** | Invited Speaker 11: Dr Indrawati Yuhertiana  
  "Government Accounting Innovation in ASEAN countries" |
| **09.20** | Ruslan Effendi  
| **09.35** | Evi Maria  
  "Effect of Financial Distress and Regional Independence on the Probability of Corruption: An Empirical Study in Indonesian Local Governments" |
| **10.05** | Chekat Fahmy Rosyadi  
  "The Effectiveness of Government Fraud Audit Rectification Efforts on Decreasing the Level of Corruption in Indonesian Provinces" |
<table>
<thead>
<tr>
<th>Time</th>
<th>Session 4</th>
<th>Break</th>
<th>Session 5</th>
<th>Session 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.20</td>
<td></td>
<td></td>
<td></td>
<td>Invited Speaker 14: Prof Dr Rizal Yaya</td>
</tr>
<tr>
<td>10.30</td>
<td>Invited Speaker 12:</td>
<td></td>
<td></td>
<td>&quot;World Global Challenges and their Implications for Public Sector&quot;</td>
</tr>
<tr>
<td></td>
<td>Mr Mohd Hairay Md Yusof</td>
<td>&quot;Adoption of Malaysian Public Sector Accounting Standards (MPSAS) in Malaysian Statutory Bodies: Issues and Challenges&quot;</td>
<td></td>
<td>&quot;NPM Style Reform on a Japanese Public Hospital: Story of West meets East&quot;</td>
</tr>
<tr>
<td>10.50</td>
<td>Young-Chool Choi &amp; Hak-Sil Kim</td>
<td>&quot;Analysing the Successful Conditions Affecting ODA Projects&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Donny Imam Priambodo</td>
<td></td>
</tr>
<tr>
<td>11.05</td>
<td>Amalia Kusuma Wardini</td>
<td>&quot;Reconceptualisation of Human Capital in Open University&quot;</td>
<td>Rizki Hamdani</td>
<td>&quot;Exploring the Weaknesses and Strengths of CSR Disclosure Between Sharia and Conventional Banks in Indonesia&quot;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Nemoto Masatsugu</td>
</tr>
<tr>
<td>11.20</td>
<td>Noorina Hartati</td>
<td>&quot;The Determinants of Intellectual Capital in Improving Indonesian Transportation Firms’ Performance&quot;</td>
<td>Reskino</td>
<td>&quot;Islamic Work Ethic and Performance of Islamic Finance Institution: Mediating Role of Fraud Prevention&quot;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Bambang Prayogo</td>
</tr>
<tr>
<td>11.35</td>
<td>Anna Sutrisna Sukiman</td>
<td>&quot;Budgeting Information Framing, Responsibility and Intrinsic Motivation in Investment Decision-Making of Regional Companies&quot;</td>
<td>Meco Sitardja</td>
<td>&quot;The Influence of Good Public Governance Toward Tax Compliance with Trust as Intervening Variable&quot;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fachruzzaman</td>
</tr>
<tr>
<td>11.50</td>
<td>Moderator: Prof Dr Indra Bastian</td>
<td></td>
<td></td>
<td>&quot;The Influence of Government Auditor’s Knowledge, Ability and Skill towards the Effectiveness of Audit Investigation Process on Fraud Detection in Indonesia&quot;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Moderator: Dr Rizal Yaya</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Moderator: Prof Dr Rizal Yaya</td>
</tr>
<tr>
<td>Time</td>
<td>Session 7 (seminar room 101)</td>
<td>Session 8 (seminar room 203)</td>
<td>Session 9 (seminar room 204)</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>-----------------------------</td>
<td>-----------------------------</td>
<td>-----------------------------</td>
<td></td>
</tr>
<tr>
<td>11:50</td>
<td>Erlina Roesli &quot;Model of Successful Risk Based Internal Audit Implementation in Regencies / Cities in North Sumatera&quot;</td>
<td>Young-Kyun Oh &quot;The Board of Audit and Inspection of Korea: Characteristics and Future Prospects&quot;</td>
<td>Jung-Su Park &quot;Local Government Budget - Accounting System Introduction in Korea&quot;</td>
<td></td>
</tr>
<tr>
<td>14:00</td>
<td>Febrian Kwarto &quot;Personality, Emotion and Ethnicity in Environmental Ethical Behavior and the Implications for the Sustainability Report Reliability Theory Planned of Behavior Approach&quot;</td>
<td>Che Mohd Aziz Yaacob &quot;Relevance of Fisher's Model of Third Party Intervention: The Case of Malaysia's Mediation to the Bangsamoro Conflicts&quot;</td>
<td>Hong-Hyun Kim &quot;Analysis of a Case Using the Cost Analysis Information on Public Services in Bucheon&quot;</td>
<td></td>
</tr>
<tr>
<td>14:30</td>
<td>Moderator: Prof Young-Chool Choi</td>
<td>Moderator: Prof Youngwha Kee</td>
<td>Moderator: Prof Jang-Hee Lee</td>
<td></td>
</tr>
<tr>
<td>15:30</td>
<td>Break</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15:00</td>
<td>Session 10 (seminar room 203)</td>
<td>Session 11 (seminar room 204)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15:00</td>
<td>Forum &quot;Global Challenges of Public Sector&quot;</td>
<td>Invited Speaker 11: Prof. Wiwik Utami</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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)

Moderator:
Mr. Mohd Hairay Md Yusof

Njoman Juliasih
“The Performance Sampang Public Hospital as a Regional Public Service Autonomy using Balance Score Card”

Icuk Rangga Bawono
“Design of Effective Training to Increase Awareness and Obedience of Compulsory Taxpayer of Micro, Small and Medium Enterprises”

Adhi Alfian
“Fraud Prevention Capability and Organizational Culture: A Case Study of Indonesian Regional Government Agencies”

Rafirini
“Determinants of Local Government Accountability Disclosure”

Closing Ceremony
(Best Paper Awards and Best Presenter Award)
# Table of Contents

## Day 1: Session 1

**Invited Speaker** Prof Dr Kelum Jayasinghe

**Moderator** Prof Dr Kelum Jayasinghe

1. "Government Accountability System and the Role of BAI" .......................... 19
   - Heejeong Park (BAI) & Minah Kang (BAI)

   - Nur Ezan Rahmat

## Day 1: Session 2

**Invited Speaker** Prof Dr Intiyas Utami

**Moderator** Prof Dr Intiyas Utami

1. "Korean Fiscal Reforms in 2000s" ................................................................. 55
   - Won-Hee Lee

2. "Towards the Local Government Risk Management Model: Perceptional Examination of Risk Categories and Assessment: A Local Government Study" .................................................. 56
   - Tettet Fitrijanti

3. "The Effect of Budgetary Participation to Managerial Performance: Budget Adequacy and Leadership Style as Moderating" .................................................. 57
   - Nur Azlina

4. "The Influence of Auditor Judgement and Professional Skepticism in Risk Assessment" .................................................. 58
   - Triyanto
Day 1: Session 3

Invited Speaker **Assoc. Prof Dr. Corina Joseph**

Invited Speaker **Mr Mohamad Mahsun**

Moderator **Assoc. Prof Dr. Corina Joseph**

1. “A Special Accounting System for Road Infrastructure Investment in Korea”
   - Sung-Min Cho
   61

2. “Factors Affecting the Level of Non-Financial Information Disclosure on Local Government-Owned Websites Districts and Cities in Java & Madura”
   - Donny Imam Priambodo
   62

Day 1: Session 4

Invited Speaker **Dr Kazi Sohag**

Moderator **Dr Kazi Sohag**

1. “The Role of Asset Management in Public Private Partnership Scheme (PPP) For Broadband Infrastructure: A Story From Palapa Ring Project, Indonesia”
   - Evi Steelyana Wiyarti
   65

2. “Cooperative cases between Asian-African countries and KEC”
   - Jae-Uoong Kim
   66

3. “The Influences of Five Pillars of Implementing Financial Inclusion on Development of Micro Small Enterprises in Bandung, Indonesia”
   - Yusmansyah
   67
Invited Speaker Prof Dr Hassan Ouda

Moderator Prof Dr Hassan Ouda

1. "The Role of Whistleblowing in Investigative Audit Pre-Planning and Implementation in Fraud Detection: A Conceptual Model" ------------------ 80
   - Andikaputri Kusuma Wardhani

2. "Effect of Budgetary Participation on Budgetary Slack with Organizational Commitment and Locus of Control as Moderating Variables" ------------------ 81
   - Dian Agustia

3. "Characteristics of Non-Profit Organizations and Web-Based Accountability Disclosure" --------------------------------------------- 73
   - Mohd Hisham Mahamud

4. "The Dynamics and Challenges of Community-Based Tourism for Enhancing Village Revenue" ----------------------------------------------- 74
   - Viktor Bungtilu Laiskodat

5. "Impact of Selling Public Enterprises on Financial and Operating Performance in Indonesia" ----------------------------------------- 75
   - Efa Yonnedi
Invited Speaker Dr Ana Sopanah
Invited Speaker Mr Halim Dedy Perdana
Moderator Prof Dr Nafsiah Mohamed

1. “The Roles of Internal Audit in Risk Management at Local Government in West Java Province” ................................................................. 80
   - Dini Rosdini
2. “Risk-Based Internal Audit Planning in Indonesia Government Internal Audit Agency” ................................................................. 81
   - Ivan Yudianto
3. “Performance Measurement Systems and Multiple Logics Inside Hybrid Organization: Case Study from State-Owned Enterprise” ................................................................. 82
   - Hamidah
4. “The Influence of Knowledge Capability on Fraud Risk Assessment in the Nigerian Banking Sector” ................................................................. 83
   - Olusoji Olumide Odukoya
Invited Speaker Mr Rudy Suryanto

Moderator Prof Dr Nafsiah Mohamed

1. "Behavioral Aspects of Local Government Budgeting" ................................. 87
   - M. Hilmi Zakaria

2. "The Influences of Institution Governance, Risk Management and
   Accountability Performance System Implementation to Fraud Prevention"  .......... 88
   - David Pangaribuan

3. "Factors Affecting The Financial Performance of Local Governments: A
   Study in Central Java and South Kalimantan" ............................................. 89
   - Sri Suranta

4. "A Conceptual Model of Strategic CSR through Firm-Stakeholder
   Collaboration for Accountability and Sustainability" ................................. 90
   - Siti Sara Ibrahim

Invited Speaker Dr Norazida Mohamed

Moderator Dr Norazida Mohamed

   Approach" ........................................................................................................ 93
   - Rida Perwita Sari

2. "The Influence of Transformational Leadership, Organizational Commitment,
   and Human Resource Competency to Performance-Based Budgeting" ........ 94
   - Erina Sudaryati

3. "Risk Management Practices in Islamic Non-Governmental Organizations"
   ......................................................................................................................... 95
   - Zuraidah Mohd Zam
   - Aras Halim Bernas

**Day2 Session 3**

Invited Speaker **Dr Indrawati Yuhertiana**
Moderator **Dr Indrawati Yuhertiana**

   - Ruslan Effendi

   - Evi Maria

3. "The Effectiveness of Government Fraud Audit Rectification Efforts on Decreasing the Level of Corruption in Indonesian Provinces"
   - Chekat Fahmy Rosyadi

   - Da-Young Kim

**Day2 Session 4**

Invited Speaker **Mr Mohd Hairay Md Yusof**
Moderator **Prof Dr Indra Bastian**

1. "Analysing the Successful Conditions Affecting ODA Projects"
   - Young-Chool Choi & Hak-Sil Kim

2. "Reconceptualisation of Human Capital in Open University"
   - Amalia Kusuma Wardini

3. "The Determinants of Intellectual Capital in Improving Indonesian Transportation Firms’ Performance"
   - Amalia Kusuma Wardini
4. "Budgeting Information Framing, Responsibility and Intrinsic Motivation in Investment Decision-Making of Regional Companies" - Noorina Hartati

---

Invited Speaker Dr Rizal Yaya

Moderator Dr Rizal Yaya

1. "The Effect of Islamic Values on Voluntary Corporate Governance Disclosure with Muslim Board of Directors as Moderating Variable" - Donny Imam Priambodo

2. "Exploring the Weaknesses and Strengths of CSR Disclosure Between Sharia and Conventional Banks in Indonesia" - Rizki Hamdani

3. "Islamic Work Ethic and Performance of Islamic Finance Institution: Mediating Role of Fraud Prevention" - Reskino

4. "The Influence of Good Public Governance Toward Tax Compliance with Trust as Intervening Variable" - Meco Sitardja
Day 2 Session 6

Invited Speaker Prof. Yuji Mori

Moderator Prof. Yuji Mori

   - Erina Sudaryati
2. "Safety Improvement related with On-Street Parking" 118
   - Nemoto Masatsugu
3. "The Role of Audit Regulation on the Relationship between Audit Quality, Corporate Governance and Firm Value" 119
   - Bambang Prayogo
4. "The Influence of Government Auditor's Knowledge, Ability and Skill towards the Effectiveness of Audit Investigation Process on Fraud Detection in Indonesia" 120
   - Fachruzzaman

Day 2 Session 7

Moderator Prof. Young-Chool Choi

1. "Model of Successful Risk Based Internal Audit Implementation in Regencies / Cities in North Sumatera" 123
   - Erlina Roesli
2. "The Influence of Performance Feedback, Client Importance and Professionalism on Ethical Judgement" 124
   - Soegeng Soetedjo
3. "Personality, Emotion and Ethnicity in Environmental Ethical Behavior and the Implications for the Sustainability Report Reliability Theory Planned Behavior Approach" 125
   - Febrian Kwarto
4. "Determinants of the Quality of Quality in the Context of Accrual Sector Audit Implementation in Indonesia" — Andi Chairil Furqan

Moderator Prof Youngwha Kee
1. "The Board of Audit and Inspection of Korea: Characteristics and Future Prospects" — Young-Kyun Oh
3. "Relevance of Fisher's Model of Third Party Intervention: The Case of Malaysia's Mediation to the Bangsamoro Conflicts" — Che Mohd Aziz Yaacob
4. "The Influence of Governance Structure and Knowledge Management in Indonesian Public Hospital" — Agastya

Moderator Prof Jang-Hee Lee
Discussants Young-Chul Yang
Discussants Il-Hwan Chung
1. "Local Government Budget - Accounting System Introduction in Korea" — Jung-Su Park
2. "A Study on Accounting System of Korean Local Governments" — Seung-Mi Cho
3. "Analysis of a Case Using the Cost Analysis Information on Public Services in Bucheon"  
   — Hong-Hyun Kim

**Day2. Session10**  
Forum "Global Challenges of Public Sector"  

**Moderator**  
Mr. Mohd Hairay Md Yusof

**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)

**Day2. Session11**

**Invited Speaker**  
Prof Wiwik Utami

**Moderator**  
Mr. Mohd Hairay Md Yusof

1. "The Performance Sampang Public Hospital as a Regional Public Service Autonomy using Balance Score Card"  
   — Njoman Juliasih

2. "Design of Effective Training to Increase Awareness and Obedience of Compulsory Taxpayer of Micro, Small and Medium Enterprises"  
   — Icuk Rangga Bawono

3. "Fraud Prevention Capability and Organizational Culture: A Case Study of Indonesian Regional Government Agencies"  
   — Adhi Alfian

4. "Determinants of Local Government Accountability Disclosure"  
   — Rafrini

INDEX  

161
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)