

## TABLE OF CONTENTS

	Page
TITLE PAGE.....	i
HALAMAN JUDUL .....	ii
STATEMENT OF DECLARATION .....	iv
FOREWORDS.....	v
APPROVAL FOR UNDERGRADUATE THESIS .....	v
ABSTRACT .....	vi
ABSTRAK .....	vii
TABLE OF CONTENTS.....	viii
LIST OF TABLES.....	x
LIST OF FIGURES .....	xi
LIST OF ATTACHMMENT .....	xii
<b>CHAPTER 1 INTRODUCTION.....</b>	<b>1</b>
1.1 Background.....	1
1.2 Research Gap .....	6
1.3 Research Objectives .....	7
1.4 Summary of Research Results .....	7
1.5 Writing System .....	7
<b>CHAPTER 2 LITERATURE REVIEW .....</b>	<b>10</b>
2.1 Grounding Theory .....	10
2.1.1 Equity Theory.....	10
2.1.2 Budgetary Fairness .....	11
2.1.3 Apparatus Performance.....	12
2.1.4 Budget Goal Commitment .....	14
2.2 Hypothesis Development.....	15
2.2.1 Budgetary fairness and apparatus performance .....	15
2.2.2 Budgetary fairness and apparatus performance – the mediating role of budget goal commitment .....	17
2.3 Conceptual Framework .....	18
<b>CHAPTER 3 RESEARCH METHODOLOGY .....</b>	<b>20</b>
3.1 Type of Research .....	20
3.2 Variable Identifications .....	20

3.3 Measures and Survey Instrument Design .....	21
3.4 Types of Data and Sources .....	23
3.5 Sampling and Data Collection Procedures .....	23
3.6 Data Analysis Technique .....	24
3.6.1 Respondent's Descriptive Statistics .....	24
3.6.2 Partial Least Square .....	24
3.6.3 Outer Model Testing .....	24
3.6.4 Model Fit Testing .....	25
3.6.5 Hypothesis Testing .....	26
<b>CHAPTER 4 RESULT AND DISCUSSION .....</b>	<b>27</b>
4.1 General Review .....	27
4.2 Description of Research Variables .....	27
4.2.1 Characteristics of Respondents .....	28
4.2.2 Description of Respondent's Answer .....	29
4.3 Estimating Results and Hypotesis Testing .....	32
4.3.1 Outer Model Testing Result .....	32
4.3.2 Goodness of Fit Testing Result .....	37
4.3.3 Hypothesis Testing Result .....	37
4.4 Interpretation of Result and Discussion .....	39
4.4.1 Budgetary Fairness Positively Affects Apparatus Performance .....	39
4.4.2 Budget Goal Commitment Mediates the Influence of Budgetary Fairness on Apparatus Performance .....	40
<b>CHAPTER 5 CONCLUSION AND SUGGESTION .....</b>	<b>43</b>
5.1 Summary of Results .....	43
5.2 Conclusion .....	43
5.3 Limitations .....	45
5.4 Suggestions .....	45
REFERENCES .....	46

## LIST OF TABLES

Table 3.1 Questionnaires Model .....	21
Table 3.2 Model Fit Assessment Criteria.....	25
Table 4.1 Description of The Questionnaires Data Collection Process .....	27
Table 4.2 Characteristics of Respondents Based on Gender .....	28
Table 4.3 Characteristics of Respondents Based on Age.....	29
Table 4.4 Description of Budgetary Fairness ( $X_1$ ).....	30
Table 4.5 Description of Apparatus Performance ( $X_2$ ).....	31
Table 4.6 Description of Budget Goal Commitment ( $Y_1$ ) .....	31
Table 4.7 Estimated Outer Loading Factor Initial Iteration .....	33
Table 4.8 AVE Value Initial Iteration.....	34
Table 4.9 Estimated Outer Loading Factor Final .....	35
Table 4.10 AVE Value Final Iteration .....	36
Table 4.11 Reliability Testing Result .....	36
Table 4.12 Model Fit Testing Result .....	37
Table 4.13.1 Hypothesis Testing Result .....	38

## LIST OF FIGURES

Figures 2.1 The Conceptual Research Model .....	19
---	----

## LIST OF ATTACHMENT

Attachment A: Summary of Previous Studies.....	51
Attachment B: List of Non-Village Regional Government Organizations in Surabaya .....	56
Attachment C: Research Questionnaires.....	59
Attachment D: Dataset Used within Research.....	63
Attachment E: Data Processing in WarPLS 5.0.....	73