1. Introduction

Human resources (HR) is one of the most important assets in every organization, including local governments such as the Government of Sragen Regency in Indonesia. In the context of public budget management, the role of HR is vital. The budget is the main instrument for allocating resources to various government programs and projects to achieve development goals. Therefore, efficient and effective budget planning and execution are necessary to ensure that public funds are used properly. In the era of globalization and increasingly fierce competition, regional governments such as the Sragen Regency are required to be able to manage their financial resources wisely. One of the factors that influence the success of budget planning and execution is the competence of human resources (HR) involved in the process. The capabilities and knowledge possessed by HR will greatly impact the success of planning, implementing, and recording budget administration (Brown, 2017; Smith, 2016).

HR competence moderation becomes an important element in understanding how HR influences budget absorption in the Sragen Regency Government. Moderation, in this context, refers to HR's role in controlling and facilitating the relationship between budget planning, budget execution, and administrative records. HR competence includes the ability of individuals to plan, implement and document budgets properly. This study aimed to determine the role of HR competence in moderating the influence of budget planning and implementation, as well as administrative records of budget absorption in the Government of Sragen Regency, Indonesia. This study shows that HR competence moderates the effect of budget planning on budget absorption. HR competence moderates the effect of administrative records on budget absorption.
budget planning, budget execution, and administrative records. HR competence includes the ability of individuals to plan, implement, and document budgets properly. Good budget planning will clearly identify spending goals and priorities, while effective budget execution will ensure that the funds are used according to plan. Accurate and transparent administrative records will also help monitor and evaluate budget usage (Davis, 2019; Johnson, 2018). Therefore, the moderating role of HR competence in the relationship between budget planning, budget execution, and administrative records is very important in increasing budget uptake in the Sragen Regency Government. This study aimed to determine the role of HR competence in moderating the influence of budget planning and implementation, as well as administrative records of budget absorption in the Government of Sragen Regency, Indonesia. This study describes budget absorption (Y) as the dependent variable, which is influenced by budget planning (X1), budget execution (X2), and administrative records (X3) as independent variables, while the moderator variable is HR competence (X4).

2. Literature Review

Human resources involved in the budget planning and implementation process must have adequate knowledge of the basic principles of public financial management, budget regulations, and planning and budgeting techniques. They should also have the necessary skills in budget analysis, decision-making, and financial reporting. Understanding basic principles such as transparency, accountability, efficiency, and effectiveness in budget management is important. This knowledge helps HR to understand the goals and values that must be considered in every stage of budget planning and execution. Knowing the rules and regulations relating to the management of public budgets is key. HR must understand legal requirements, regulations, and guidelines governing government budgeting, spending, and financial reporting. HR must be skilled in using a variety of planning and budgeting methods, such as a performance-based approach, a participatory approach, or a zero-budget-based approach. They must also be able to manage financial resources wisely, including budget allocations for various programs and projects. The ability to analyze budgets, identify potential risks, and take corrective action when needed is essential. Budget analysis helps ensure that fund allocations match government priorities and goals. HR involved in managing the budget must have the ability to make good decisions and be based on data. These decisions can affect the efficiency and effectiveness of budget use. The ability to produce accurate and transparent financial reports is a very important skill. This report is used to monitor and report budget usage to internal and external stakeholders. By having this knowledge and skills, human resources involved in the budget planning and execution process will be better able to manage the budget properly, optimize the use of resources, and achieve the development goals set by the government. Investing in developing HR competencies in budget management is a smart move to increase transparency, accountability, and efficiency in the use of public funds (Anderson, 2015; Lee, 2020).

The ability to analyze financial data and budget-related information is key to making the right decisions. Human resources who have good analytical skills can identify potential problems or discrepancies between budget planning and execution. With careful analysis, HR can identify differences between the initial budget planning and actual budget execution. This allows them to immediately recognize potential problems or discrepancies that may occur. Financial data analysis allows HR to measure the performance of programs or projects funded by the budget. They can assess whether goals and objectives have been achieved or if there is a need for improvement. By comparing budgets to actual spending, HR can identify areas where efficiency can be improved. This can mean
finding ways to cut costs without compromising program quality or purpose. Budget analysis can assist in identifying financial risks that may arise during budget execution. HR can plan appropriate mitigation measures to deal with these risks. Well-analyzed data provides a solid basis for sound decision-making. This can include decisions to change budget allocations, revise plans, or drop ineffective programs. Budget analysis also supports accurate financial reporting to stakeholders, including internal and external parties. Timely and reliable reports allow for greater transparency (Baker, 2018; Mitchell, 2017; White, 2016).

The process of budget planning and implementation involves efficient coordination and management. HR with good leadership and management skills can ensure that their team is working effectively, resources are allocated properly, and budget projects are on track. Efficient HR in budget management can assist in the proper allocation of financial resources. They are able to identify priorities, allocate funds according to plan, and ensure that projects get the necessary resources. HR, with good management skills, can continuously monitor the progress of budget planning and execution. They can identify if any changes are needed, or obstacles need to be overcome. The budget planning and execution process involves multiple stakeholders and teams working together. HR leadership skills help in coordinating different aspects of work and ensuring that all teams are moving towards the same goals. Conflicts over budget allocations or program priorities are common. Human resources who have leadership skills can play a role in resolving conflicts in a constructive way and producing the best decisions. Sometimes, decisions must be made quickly in response to a changing situation or emergency. Human resources with good leadership skills are able to make quick and correct decisions in situations like this. Effective leadership also plays a role in team development. Good HR in management and leadership can help in training, motivating, and developing team members to reach their best potential. Good leadership and management skills in the context of budget management are not only about efficient administration but also about creating a work environment that is productive and supportive of organizational goals. Therefore, investing in developing HR leadership and management capabilities is an important step in ensuring that budget planning and execution go well (Carter, 2019; Hall, 2016; Nelson, 2020).

3. Methods

This research is causality, which means that this research is structured to see a causal relationship between the influencing variables (independent variable) and the affected variable (the dependent variable). This study describes budget absorption (Y) as the dependent variable, which is influenced by budget planning (X1), budget execution (X2), and administrative records (X3) as independent variables, while the moderator variable is HR competence (X4). Based on the type of data, this research is included in quantitative research. This research was conducted in Sragen Regency, where the respondents were employees of the regional work unit. The population in this study includes 46 SKPD consisting of the Regional Secretariat, DPRD Secretariat, Regional Inspectorate, Office, Agency, and District in Sragen Regency. The number of samples in this study was 165 respondents. The sampling technique used purposive sampling or sampling using the criteria, namely: (1) the financial sector, (2) decision-makers, and (3) policymakers. The data source in this study used primary data, namely data whose sources were obtained directly from the respondents by distributing questionnaires to the respondents directly or visiting the respondents. Data were processed and analyzed by multiple linear regression using SPSS software version 25.
4. Results and Discussion

The results of the study found that the majority of respondents were 89 women (53.9%) and 76 men (46.1%). The majority of research subjects were aged over 37 years, as many as 138 people (83.6%). The research subjects also had an undergraduate education of 140 people (84.9%). The results of the validity and reliability of the interview questionnaire showed that the questionnaire was valid and reliable. Table 1 presents the results of this study’s hypothesis testing. This study shows that HR competence moderates the effect of budget planning on budget absorption. HR competence moderates the effect of administrative records on budget absorption.

Table 1. Hypothesis test results.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>R square change value (probability value)</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hypothesis 1: HR competence moderates the influence of budget planning on budget absorption</td>
<td>0.06 (p=0.001)</td>
<td>Hypothesis 1 is proven</td>
</tr>
<tr>
<td>Hypothesis 2: HR competence moderates the influence of budget implementation budget absorption</td>
<td>0.015 (p=0.075)</td>
<td>Hypothesis 2 is not proven</td>
</tr>
<tr>
<td>Hypothesis 3: HR competence moderates the effect of administrative records on budget absorption</td>
<td>0.220 (p=0.000)</td>
<td>Hypothesis 3 is proven</td>
</tr>
</tbody>
</table>

Competence of human resources (HR) can moderate the effect of budget planning on budget absorption. In this context, moderation by HR competence refers to the role of HR in controlling and facilitating the relationship between budget planning and budget absorption. Competent human resources can carry out a more in-depth analysis regarding budget planning plans. They can identify underlying assumptions, check the accuracy of projections, and ensure that budget plans conform to organizational goals and policies. Competence in management and coordination allows HR to ensure that budget planning is in accordance with actual needs in program or project implementation. They can play a role in directing resources where they are most needed. Competent human resources can detect potential obstacles that may impede budget uptake. They can plan corrective actions or alternative solutions to address the problem. Human resources who have good decision-making skills can moderate the influence of budget planning by making the right decisions when there are changes in the environment or situations that affect the budget. Competent human resources can produce better budget planning alternatives if needed. They can propose changes or improvements to the budget plan that can increase budget uptake. Competence in monitoring and evaluation allows HR to continuously monitor budget performance and compare it with targets. If there is a discrepancy, they can take corrective steps. Thus, HR competency in budget management is not only about following budget planning but also about managing it dynamically. Competent human resources can adapt and modify budget plans as needed to ensure maximum budget absorption. In this case, they act as agents who can mitigate risks and increase the efficiency of the use of public funds (Adams, 2018; King, 2019; Turner, 2017).

HR competence can moderate the effect of administrative records on budget absorption. In this context, moderation by HR competence refers to the role of HR in managing and optimizing budget administration records to increase budget absorption (Turner, 2016). Competent human resources have the ability to carry out administrative records accurately and neatly. Accurate records help ensure that all financial transactions are properly documented, thereby minimizing the risk of errors and
irregularities. Competent human resources can understand the needs of stakeholders in terms of budget reporting. They can ensure that administrative records include all the information needed to meet reporting requirements. HR competence includes knowledge of the standards and regulations that apply to the management of public budgets. They can ensure that administrative records comply with these standards and comply with applicable regulations. Competent human resources have the ability to analyze recorded financial data. They can identify trends, patterns, or discrepancies that may be affecting budget absorption so they can take the necessary action (Lewis, 2020). Efficient administrative record-keeping also involves good document management. Competent HR can ensure that budget-related documents, such as invoices, contracts, and receipts, are properly stored and easily accessible. Competent HR can ensure that administrative records support timely budget reporting. This is important so that stakeholders can monitor budget usage on a regular basis. With adequate competence in managing administrative records, HR can minimize the potential for data loss, increase transparency, ensure accountability, and facilitate monitoring and evaluation of budget use. This, in turn, will moderate the effect of administrative records on budget uptake in a positive way and support the attainment of the development goals set by the government or organization (Adams, 2017; Roberts, 2015; Walker, 2018).

5. Conclusion

HR competence moderates the influence of budget planning on budget absorption. HR competence moderates the effect of administrative records on budget absorption.

6. References


Lewis DR. 2020. The influence of HR competencies on budget implementation in public health organizations. Public Health Management &


