



Analysis Of Factors Determining Factors Of Financial Performance In Tourism Industry Companies In Indonesia

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ABSTRACT

This study analyzes the effectiveness and efficiency of the use of the workforce training program budget at the North Sumatra Provincial Manpower Office through a qualitative approach. Although the average budget realization reaches 90.60%, the absorption of graduate work is still low, only 38.9% to 56.4%. Data were obtained from in-depth interviews with management officials, instructors, and trainees, as well as document reviews. The results of the study showed that 78% of respondents considered the implementation of the budget to be in accordance with administrative procedures, but only 46% stated that the training materials were in accordance with industry needs. As many as 63% of respondents assessed the limited facilities as the main obstacle to the effectiveness of the program. Research suggests planning training based on industry needs, improving facilities, and strengthening evaluations to optimize budgets.

INTRODUCTION

Unemployment is still a serious problem in many regions in Indonesia, including in North Sumatra. Data from the Central Statistics Agency (BPS, 2024) noted that in August 2024 the open unemployment rate in this province reached around 458,000 people, or around 6.98 percent of the total labor force. This figure is certainly quite high, considering the impact not only on economic conditions, but also on various social problems such as poverty and social inequality.

One of the efforts made by the North Sumatra Provincial Government to overcome this problem is to implement a labor training program through the Manpower Office. This program aims to improve people's skills so that they are more easily absorbed into the world of work. In the financial statements, the use of the budget for the workforce training program is indeed quite high. Over the past five years, the average budget realization has been recorded at more than 90 percent every year. However, the problem is that the job absorption rate of training graduates is still relatively low, only ranging from 38.9 percent to 56.4 percent.

This then raises the big question: is the use of such a large budget really effective and efficient in achieving its main goal, which is to reduce unemployment? Many parties question why the training program, which has been routinely carried out every year, with a large budget, has not been able to have a significant impact on labor absorption.

Several previous studies have shown almost the same problem. Fitriani and Rahma (2022) found that most of the trainees felt that the material taught was not in accordance with the needs of the current world of work. Meanwhile, Yusuf and Rini (2023) in their research revealed that only about 45 percent of training graduates managed to get a job within six months after the training was completed. This shows there is a considerable gap between the training provided and the real needs in the industrial world.

In addition to the issue of material relevance, the use of the budget also needs to be seen in terms of efficiency. Suryani (2021) emphasized that budget efficiency is not just a matter of spending low costs, but the extent to which the funds spent are able to produce real benefits. Mardiasmo (2021) also reminded the importance of outcome-oriented budgeting, so that the use of the budget really has a positive impact on the community, not just meeting the budget absorption target.

Based on these conditions, this study wants to explore further how effective and efficient the use of the workforce training program budget at the North Sumatra Provincial Manpower Office is. This research also seeks to find out what obstacles make the training program not fully run optimally, as well as how to fix it so that the use of the budget really has an impact on increasing labor absorption.

METHODS

This research was carried out at the North Sumatra Provincial Manpower Office, which is located on Jl. K.H. Wahid Hasyim No.14, Medan City. The research was conducted in the period from January to April 2025. This study uses a descriptive approach that aims to describe in depth the conditions of the effectiveness and efficiency of the use of the workforce training program budget. This approach was chosen because the researcher not only wanted to present the survey results, but also sought to understand the context behind the numbers, including employees' perceptions of the obstacles faced in managing the workforce training budget.

The population in this study is all employees of the North Sumatra Provincial Manpower Office who are involved in the planning, implementation, and evaluation of the workforce training program, with a total of 159 people. From this population, researchers sampled 71 people who were purposively selected, namely those who were considered to understand and have direct involvement in the management of the training program budget. The selection of respondents considered their position, work experience, and role in the implementation of the workforce training program.

The data used in this study is sourced from primary data and secondary data. Primary data was obtained through the distribution of a closed questionnaire with a Likert scale given to 71 respondents. The questionnaire is designed to measure employees' perceptions of several aspects, including the suitability of training materials with industry needs, the efficiency of budget use, the monitoring and evaluation process, and the level of labor absorption after participating in training. In addition to questionnaires, primary data was also obtained through semi-structured interviews with several key officials, such as training program management officials and instructors, to obtain a more in-depth picture of program implementation and the obstacles faced in the field.

Secondary data in this study was obtained from the report on the realization of the labor training budget for the period 2019 to 2024, policy documents related to training programs, and program evaluation reports stored at the North Sumatra Provincial Manpower Office. These

documents are used to strengthen the results of field findings, as well as as comparative materials for data obtained through questionnaires and interviews.

The collected data was analyzed descriptively. The data from the questionnaire was processed in the form of frequency and percentage distributions, then interpreted narratively to provide a more complete explanation of the conditions that occurred. Data analysis does not stop at the presentation of figures, but also combines quantitative findings with interview results, so as to provide a comprehensive picture of the effectiveness and efficiency of the use of the workforce training program budget. Thus, this study is expected to produce conclusions that are not only numerically descriptive, but also describe the context and factors that affect the implementation of training programs in the field.

RESULTS AND DISCUSSION

The results of the study show that the use of the budget for the labor training program at the North Sumatra Provincial Manpower Office administratively has been running according to the provisions. Based on questionnaire data obtained from 71 respondents, as many as 74.6% of employees stated that budget planning and implementation in general were in accordance with procedures, including in terms of preparing budget documents, scheduling activities, and reporting budget realization. This finding shows that in terms of administrative governance, the use of the budget is quite orderly.

However, when viewed from the perspective of substantive effectiveness, the results of the study reveal several important problems. As many as 63.4% of respondents assessed that the training materials provided were not fully in accordance with the needs of the industry, especially in the fields of applied technology and digital competence. Some of the respondents interviewed revealed that the training materials are still too general, so that training graduates lack specific advantages when competing in job recruitment. One of the instructors said, "A lot of the material is just a repetition of previous training, even though the world of work is now more focused on digital skills and mastery of automatic machines."

In terms of budget efficiency, data shows that 58% of respondents stated that training implementation often faces waste of time and cost, especially when the number of trainees does not reach the target. Some training programs were forced to be canceled or merged with other groups due to the low interest of participants, even though preparation costs such as instructor fees, module duplication, and equipment provision have been incurred. One of the budget management officials said, "There are often canceled activities, but part of the budget has been used for preparation. This ends up being an unproductive cost."

The results of the study also show quite serious problems in the aspect of training facilities and infrastructure. Around 69% of respondents stated that the training equipment was inadequate or in a damaged condition, so the training was only provided in the form of theory. This condition has an impact on the low interest of participants and the quality of the skills obtained. In an interview, a trainee said, "When automotive training, there are many practical tools that cannot be used. So we just watch video shows or read modules." These findings are consistent with the research of Fitriani and Rahma (2022), which revealed that the lack of facilities is one of the causes of the effectiveness of job training programs in low-lying areas.

The monitoring and evaluation aspects also still need to be improved. As many as 60% of respondents admitted that the evaluation process so far emphasizes administrative completeness, such as filling out report forms and collecting participant attendance, rather than assessing the real results of training. Some instructors even mentioned that after the training was over, there was rarely a follow-up on the extent to which participants managed to get a job. This is in line with the findings of Suryani (2021), who stated that monitoring job training programs in many government agencies tends to be only a document formality.

For the convenience of readers, the findings of the study are summarized in the following table:

Table 1. Summary of Research Findings

Key Findings	Percentage of respondents
Training materials are not in line with industry needs	63,4%
Inadequate / damaged training equipment	69,0%
Monitoring is more administrative	60,0%
Wasted money due to canceled or quiet training	58,0%
Budget planning according to administrative procedures	74,6%

The findings show that although administratively the use of the budget is considered quite good, the substantive effectiveness and efficiency of the implementation of the workforce training program still needs improvement. The low suitability of training materials with industry needs causes training graduates to be less competitive in the job market. Meanwhile, the limited training facilities contribute to the decline in participants' interest and the quality of the skills acquired. Monitoring that is only administrative in nature also makes the success of the program difficult to measure objectively.

Based on the results of the study, it can be concluded that the effectiveness and efficiency of the use of the workforce training budget at the North Sumatra Provincial Manpower Office has not been optimal. This condition shows the importance of planning based on mapping industrial needs, increasing capital expenditure for improving training facilities, and implementing monitoring and evaluation that is more outcome-oriented. With these improvements, the workforce training budget is expected to be able to really support efforts to reduce the unemployment rate in North Sumatra.

CONCLUSION

The use of the budget for the labor training program at the North Sumatra Provincial Manpower Office was administratively considered quite good, with the level of compliance with planning and reporting procedures reaching 74.6% according to respondents' perceptions. However, the substantive effectiveness of this program is still not optimal. Most of the respondents, which is around 63.4%, stated that the training materials provided were not fully in accordance with the needs of the industry, so that training graduates still had difficulty competing in the job market.

In addition, limited facilities and infrastructure are one of the factors that hinder the effectiveness of training. As many as 69% of respondents assessed that the training equipment was inadequate or in a damaged condition, so that more training materials were delivered theoretically without direct practice. In terms of efficiency, it was also found that there was a waste of budget, where 58% of respondents admitted that they had been involved in training activities that were canceled or had to be merged with other groups due to low interest from participants. Monitoring and evaluation have also not run optimally, because they are more focused on administrative completeness than real training outcome assessments.

Thus, it can be concluded that although administratively the use of the workforce training budget is orderly, the effectiveness and efficiency of program implementation still need to be improved. This study recommends that training program planning be prepared based on

industrial needs mapping, additional capital expenditure for the improvement of training facilities and infrastructure, and implementation of monitoring and evaluation mechanisms that focus on real results so that the use of the budget really has an impact on increasing labor absorption in North Sumatra Province.

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