



The Effect of APIP Effectiveness on Performance Planning Quality: The Moderating Role of Management Commitment

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Abstract

Performance planning is central to public-sector accountability because it links organisational objectives, resource allocation, and subsequent performance evaluation. This study examines whether the effectiveness of the Government Internal Supervisory Apparatus (APIP) and management commitment are associated with the quality of performance planning within the Ministry of Communication and Digital Affairs, and whether management commitment moderates the relationship between APIP effectiveness and performance planning quality. Using a quantitative explanatory design, survey data from 86 respondents were analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM). The findings show that both APIP effectiveness and management commitment are positively associated with performance planning quality. Management commitment also strengthens the positive relationship between APIP effectiveness and planning quality. Thus, management commitment appears to perform a dual role: it contributes directly to better performance planning while also creating the organisational conditions through which APIP can operate more effectively. The findings therefore suggest that improvements in public-sector performance planning depend not only on strengthening internal oversight, but also on securing sustained managerial support for the planning and accountability process.

Keywords: APIP effectiveness, decoupling, management commitment, performance planning quality, PLS-SEM

Introduction

Public accountability is a fundamental principle of good governance. Government organisations are expected to use public resources responsibly and demonstrate measurable results through effective performance management (Bouckaert & Van Dooren, 2023). Performance planning is central to this process because it establishes organisational priorities, aligns resources with strategic objectives, and provides the basis for subsequent performance evaluation (Salomo & Rahmayanti, 2023). Weak planning, by contrast, can disconnect organisational objectives,

budget allocation, and performance measurement, thereby reducing the effectiveness of public accountability (Bouckaert & Van Dooren, 2023).

This problem is evident within the Ministry of Communication and Digital Affairs (Komdigi). Despite continuing efforts to strengthen performance management, its Government Agency Performance Accountability (AKIP) evaluation has remained at a “B” rating over the period examined. The evaluation identifies inconsistent target cascading and performance indicators that are not fully aligned with SMART criteria as continuing weaknesses in performance planning (KemenPANRB, 2024). These findings suggest that accountability depends on more than formal compliance with planning requirements. Strategic objectives must also be translated consistently into measurable targets, responsibilities, and resource allocations.

Internal audit potentially plays an important role in this process. In Indonesian public-sector organisations, the Government Internal Supervisory Apparatus (APIP) provides assurance, evaluates internal controls, and supports risk-based decision-making (Alqudah et al., 2023; Sutaryo et al., 2023). Effective internal audit may therefore improve both organisational accountability and the quality of managerial decisions (Lenz & Jeppesen, 2022). However, the existence of an effective internal audit function does not necessarily ensure that its recommendations become embedded in organisational planning. Implementation remains dependent on management’s willingness to allocate resources, coordinate organisational units, and act on recommendations (Darmawan et al., 2022; Trijayanti et al., 2023).

Komdigi provides an interesting setting in this respect. Its Inspectorate has achieved Level 3 of the Internal Audit Capability Model (IACM), indicating a formal strengthening of internal audit capability, while weaknesses in performance planning remain. The coexistence of these conditions raises an important question: why does stronger internal audit capability not necessarily translate into stronger performance planning? Institutional theory provides one explanation. Formal governance structures may be adopted in response to regulatory and institutional expectations without becoming fully integrated into organisational practices, creating what is commonly described as decoupling (Meyer et al., 2002; Vakulenko et al., 2020). Thus, improvements in formal capability may have limited consequences where organisational actors do not incorporate them into everyday decision-making.

Management commitment may help explain this gap. Committed managers are more likely to provide resources, coordinate across organisational units, support corrective action, and ensure that strategic objectives are translated into measurable indicators and budget priorities. Management commitment may therefore influence performance planning directly while also determining whether the contribution of APIP is realised in practice. Existing studies recognise the importance of management support for governance initiatives and the implementation of audit recommendations (Darmawan et al., 2022; Trijayanti et al., 2023). However, APIP effectiveness and management commitment have generally been examined as separate determinants of governance and organisational performance. Less attention has been given to whether management commitment conditions the relationship between internal audit effectiveness and performance planning quality.

Agency theory provides a complementary explanation. Internal oversight can reduce information asymmetry by providing organisational leaders with independent

assurance concerning operational activities, internal controls, and the reliability of information used in planning (Indahyanti et al., 2024). More effective APIP should consequently contribute to clearer targets, better aligned performance indicators, and more accountable planning decisions. However, assurance and recommendations have limited value where management does not act upon them. Their organisational consequences depend upon managerial willingness to provide resources, undertake corrective action, and integrate audit findings into planning processes (Darmawan et al., 2022; Lenz & Jeppesen, 2022).

H₁: APIP effectiveness is positively associated with performance planning quality.

This argument is consistent with the Three Lines Model, which places primary responsibility for organisational objectives, risk management, and internal control with management, while internal audit provides independent assurance and advice (The Institute of Internal Auditors, 2020). APIP effectiveness and management commitment are therefore complementary rather than competing governance mechanisms. Effective internal audit can identify weaknesses and recommend improvements, but management determines whether those recommendations are translated into organisational action.

Management commitment may also influence performance planning independently of APIP. Committed leaders provide resources, facilitate coordination, and reinforce organisational priorities, thereby increasing the likelihood that strategic objectives are converted into coherent and measurable performance targets. Prior evidence similarly associates organisational commitment with supportive organisational behaviour and the implementation of governance initiatives (Darmawan et al., 2022; Thakur et al., 2025). Management commitment may therefore perform two related functions: improving performance planning directly and strengthening the organisational conditions through which APIP contributes to planning quality.

H₂: Management commitment is positively associated with performance planning quality.

Accordingly, this study examines the association of APIP effectiveness and management commitment with performance planning quality within Komdigi and considers whether management commitment moderates the relationship between APIP effectiveness and planning quality. In doing so, the study extends existing research by considering not simply whether internal audit contributes to performance planning, but the organisational conditions under which that contribution is strengthened.

H₃: Management commitment positively moderates the relationship between APIP effectiveness and performance planning quality, such that the association becomes stronger at higher levels of management commitment.

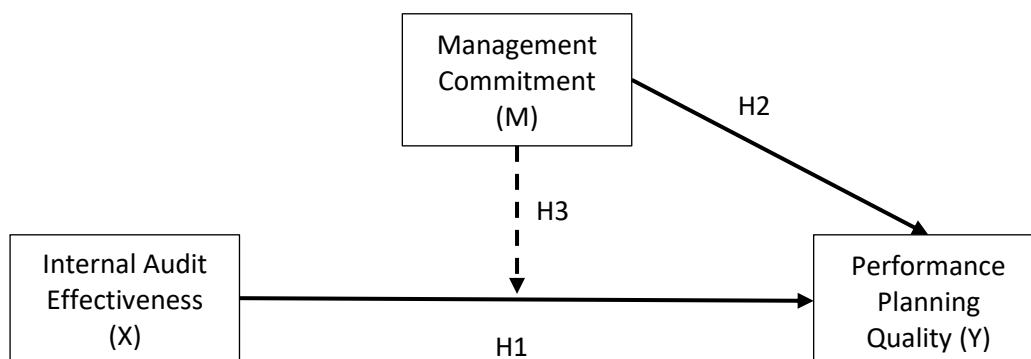


Figure 1. Research Model

Research Method

This study employs a quantitative explanatory design to examine the relationships among APIP effectiveness, management commitment, and performance planning quality (Sekaran & Bougie, 2019). The research was conducted at the Ministry of Communication and Digital Affairs (Komdigi), Indonesia. Primary data were collected through a cross-sectional survey of employees directly involved in organisational planning, budgeting, performance management, or internal audit. The questionnaire was developed by adapting internationally recognised internal audit standards, government performance-management criteria, and measurement scales employed in prior research.

The target population comprised 104 employees meeting the study criteria. Purposive sampling was used to identify respondents with at least two years of work experience and direct involvement in performance planning, performance accountability, or internal audit. Questionnaires were distributed to all eligible respondents, of whom 100 responded, representing a response rate of 96.2%. Fourteen responses were subsequently excluded because the respondents had less than two years of experience and had not been directly involved in performance planning or internal audit. The final sample therefore comprised 86 respondents. This exceeded the minimum sample requirement applied for the specified PLS-SEM model and was considered adequate for estimating the proposed relationships (Hair et al., 2022).

The final sample comprised 37 internal auditors (43.02%) and 49 respondents (56.98%) from planning, budgeting, managerial, and other functional positions. This composition provided perspectives from both APIP and the organisational units with which it interacts. Nevertheless, because all constructs were measured through a single questionnaire at one point in time, common method bias remained a potential concern. Procedural measures included respondent anonymity, separation of items measuring different constructs, and participation by both auditors and non-auditors. A full collinearity assessment further indicated that all inner VIF values were below 3.0, suggesting that common method bias was unlikely to materially affect the estimated relationships (Hair et al., 2022).

Three latent constructs are examined: APIP effectiveness, management commitment, and performance planning quality. APIP effectiveness was measured using indicators adapted from the Global Internal Audit Standards issued by The Institute of Internal Auditors and the framework developed by Sutaryo et al. (2023). The construct captures four dimensions: capability, maturity, competence, and unit size.

Management commitment reflects the extent to which organisational leaders support accountability objectives and sustained governance improvement, including the implementation of internal audit recommendations. The construct was adapted from the three-component organisational commitment framework of Meyer and Allen (1991). In the present study, affective commitment captures managers' personal support for accountability, normative commitment their perceived obligation to comply with governance requirements, and continuance commitment their willingness to sustain resources for improvement initiatives. As the original framework was developed to measure employee commitment to an organisation rather than managerial commitment to governance improvement, this adaptation is acknowledged as a limitation (Meyer & Allen, 1991; Thakur et al., 2025).

Performance planning quality was measured using indicators derived from the performance-planning component of the Government Agency Performance Accountability (AKIP) evaluation administered by the Ministry of Administrative and Bureaucratic Reform (KemenPANRB). The indicators emphasise relevance, measurability, and results orientation. All constructs were measured using five-point Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree).

The data were analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM) in SmartPLS 4.0. PLS-SEM was selected because the model contains multiple latent constructs measured by several indicators and incorporates a moderating relationship within the same structural model. It therefore permits simultaneous assessment of the measurement and structural models while accounting explicitly for measurement error (Hair et al., 2022).

The measurement model was assessed before examining the structural relationships, following Hair et al. (2022). The moderating effect of management commitment was estimated using a two-stage approach. Latent variable scores were first estimated for each construct and subsequently used to construct the interaction between APIP effectiveness and management commitment. Statistical significance was assessed using two-tailed bootstrapping with 10,000 subsamples. Finally, the conditional relationship between APIP effectiveness and performance planning quality was examined at low, medium, and high levels of management commitment to facilitate interpretation of the moderating effect.

Result and Discussion

Descriptive analysis was conducted to provide an overview of respondents' perceptions regarding APIP effectiveness, management commitment, and performance planning quality before evaluating the measurement and structural models. The descriptive statistics were interpreted using predetermined category intervals to facilitate the interpretation of respondents' perceptions toward each research construct.

Table 1. Descriptive Results of Research Constructs

Construct	Ideal Score	Actual Score	Mean	Percentage	Interpretation
APIP Effectiveness	4730	3856	4.076	81.52%	High
Management Commitment	4300	3374	3.923	78.47%	High
Performance Planning Quality	4300	3314	3.85	77.07%	High

Source: Processed Data, 2026

As reported in Table 1, APIP effectiveness recorded the highest mean score ($M = 4.076$; 81.52% of the ideal score), followed by management commitment ($M = 3.923$; 78.47%) and performance planning quality ($M = 3.852$; 77.07%). Respondents therefore perceived all three constructs relatively favourably. However, these perceptions should not be interpreted as evidence of equivalent institutional performance. Despite the high internal assessments, Komdigi's AKIP rating remained at level B for five consecutive years. This contrast suggests that favourable perceptions of governance arrangements do not necessarily translate into measurable organisational outcomes and is consistent with the

possibility of decoupling between formally established practices and their implementation (Vakulenko et al., 2020).

Table 2. Measurement Model Assessment

Variable	Indicator	Outer Loading	AVE	Cronbach Alpha	ρ_a	ρ_c	Conclusion
APIP Effectiveness (X)	EPA1	0.822	0.717	0.960	0.962	0.965	Valid Reliable
	EPA2	0.881					
	EPA3	0.878					
	EPA4	0.827					
	EPA5	0.862					
	EPA6	0.844					
	EPA7	0.861					
	EPA8	0.834					
	EPA9	0.910					
	EPA10	0.788					
	EPA11	0.800					
Management Commitment (M)	KMN1	0.862	0.726	0.958	0.960	0.964	Valid Reliable
	KMN2	0.827					
	KMN3	0.826					
	KMN4	0.812					
	KMN5	0.884					
	KMN6	0.839					
	KMN7	0.874					
	KMN8	0.861					
	KMN9	0.838					
	KMN10	0.896					
	KMN11	0.896					
Performance Planning Quality (Y)	KPJ1	0.834	0.729	0.958	0.961	0.964	Valid Reliable
	KPJ2	0.748					
	KPJ3	0.814					
	KPJ4	0.895					
	KPJ5	0.799					
	KPJ6	0.868					
	KPJ7	0.890					
	KPJ8	0.875					
	KPJ9	0.917					
	KPJ10	0.882					

Source: Processed Data, 2026

Before examining the structural relationships, the measurement model was assessed for validity and reliability. Convergent validity was evaluated to determine whether the indicators adequately represented their respective constructs, while discriminant validity assessed whether the constructs were empirically distinct. Reliability was examined to establish the internal consistency of the measurement items. All constructs were specified as reflective, with the observed indicators treated as manifestations of APIP effectiveness, management commitment, and performance

planning quality, consistent with their underlying conceptualisation and measurement frameworks. Table 2 reports the results of the measurement model assessment.

Table 3. Discriminant Validity

HTMT		Management Commitment (M)	APIP effectiveness (X)	Performance Planning quality(Y)
Management (M)	Commitments			
APIP Effectiveness (X)		0.430		
Performance Planning Quality(Y)		0.643	0.631	
M x X		0.097	0.193	0.131

Source: Processed Data, 2026

Table 2 and Table 3 present the measurement model assessment. All constructs satisfied the recommended criteria for convergent validity, discriminant validity, and reliability. All indicator loadings exceeded the recommended threshold (>0.708), while the AVE and reliability coefficients were above the minimum recommended values. Furthermore, all HTMT values were below the recommended threshold, indicating adequate discriminant validity. Overall, the measurement model adequately represented the latent constructs and supported the use of the measurement instruments for subsequent structural model evaluation. The satisfactory measurement properties indicate that the observed indicators consistently captured their intended constructs, thereby providing a reliable basis for testing the proposed structural relationships.

After confirming the adequacy of the measurement model, the structural model was evaluated by examining collinearity, explanatory power, predictive relevance, and overall model fit.

Table 4. Collinearity Assessment

Independent Variables		VIF Value Against Y	Threshold	Conclusion
Management (M)	Commitment	1.207	< 3	Free from Multicollinearity
APIP effectiveness (X)		1.244	< 3	Free from Multicollinearity
Moderation (M x X)		1.037	< 3	Free from Multicollinearity

Source: Processed Data, 2026

As presented in Table 4, all VIF values were below the recommended threshold of 3.0, indicating the absence of collinearity issues. This evidence suggests that each predictor construct contributed distinct information to the structural model. Taken together, the assessment indicates that the estimated structural relationships are unlikely to be substantially influenced by collinearity, allowing the path coefficients to be interpreted with greater confidence (Hair et al., 2022).

Predictive accuracy of the structural model was assessed using the coefficient of determination (R^2) for the endogenous construct. The coefficient of determination (R^2) values are presented in Table 5

Tabel 5. Coefficient of Determination

	R-Square	R-Square Adjusted	Conclusion
Performance Planning Quality (Y)	0.599	0.584	Moderate

Source: Processed Data, 2026

Table 5 presents the coefficient of determination (R^2) for the endogenous construct. The structural model explained 59.9% of the variance in performance planning quality, indicating a moderate level of explanatory power within the study sample (Hair et al., 2022). This indicates that APIP effectiveness, management commitment, and their interaction collectively explain a substantial proportion of the observed variation in respondents' perceptions of performance planning quality. However, a considerable proportion of the variance remains unexplained, indicating that other factors not included in the model may also be relevant. This study does not examine or identify these factors.

To complement the evaluation of the structural model, the effect size (f^2) was examined to assess the relative contribution of each exogenous construct to the explained variance in the endogenous construct. Following Latan & Ghozali, (2022), the effect size provides additional information regarding the practical contribution of each predictor beyond statistical significance.

Table 6. Effect Size

Variable Relationships	Value f^2	Classification of Magnitude of Effects
APIP effectiveness (X)-> Y	0.446	Large
Management Commitment (M)->Y	0.414	Large
Moderation (M x X) -> Y	0.149	Small

Source: Processed Data, 2026

Table 6 presents the effect size (f^2) for each structural relationship. Based on Hair et al. (2022), f^2 values of 0.02, 0.15, and 0.35 indicate small, medium, and large effect sizes, respectively. The analysis indicates that APIP effectiveness and management commitment both demonstrated large effect sizes, suggesting that each construct provided meaningful practical contributions to the explained variance in performance planning quality. By contrast, the interaction term exhibited a smaller effect size. Although its value was close to the conventional threshold for a medium effect, it remained within the small effect category according to the recommended criteria. As a result, the moderating effect should be interpreted as providing an additional, yet relatively modest, contribution to the explanatory power of the structural model.

In addition to the structural model assessment, predictive relevance was examined using the PLSpredict procedure. Unlike the coefficient of determination (R^2), which evaluates the model's explanatory power within the study sample, PLSpredict assesses the model's ability to predict new observations using an out-of-sample prediction approach (Hair et al., 2022). The predictive relevance results are presented in Table 7.

Table 7. PLSpredict Assessment

Evaluation Criteria	Result	Interpretation
Q^2 predict	All indicators > 0	Predictive relevance established
RMSE Comparison	All PLS-SEM RMSE < LM RMSE	High predictive power

Source: Processed Data, 2026

Table 7 summarizes the predictive relevance assessment. All $Q^2_{predict}$ values were positive, indicating that the structural model possessed predictive relevance for all indicators of performance planning quality. In addition, the PLS-SEM RMSE values were consistently lower than the corresponding LM RMSE values, suggesting that the PLS-SEM model achieved superior prediction accuracy compared with the benchmark linear model. This evidence indicates that the proposed model not only explains the observed relationships within the study sample but also demonstrates satisfactory predictive capability for new observations. Nevertheless, this predictive assessment should be interpreted as evidence of the model's out-of-sample predictive performance rather than as proof of universal applicability beyond the context of the present study (Hair et al., 2022).

The overall model fit was subsequently evaluated using the Standardized Root Mean Square Residual (SRMR). SRMR value below 0.08 indicates that the discrepancy between the observed and model-implied correlation matrices is within an acceptable range. The model fit results are presented in Table 8.

Tabel 8. Model fit Assessment

	Saturated model	Estimated model
SRMR	0.064	0.064
d_ ULS	2.026	2.029
d_ G	1.848	1.858
Chi-square	709.060	707.071
NFI	0.775	0.776

Source: Processed Data, 2026

Table 8 shows that the SRMR value was 0.064, which satisfied the recommended criterion of less than 0.08. This value indicates that the proposed structural model achieved an acceptable level of approximate model fit. However, SRMR should be interpreted together with other structural model evaluation criteria rather than as the sole basis for assessing overall model adequacy (Hair et al., 2022).

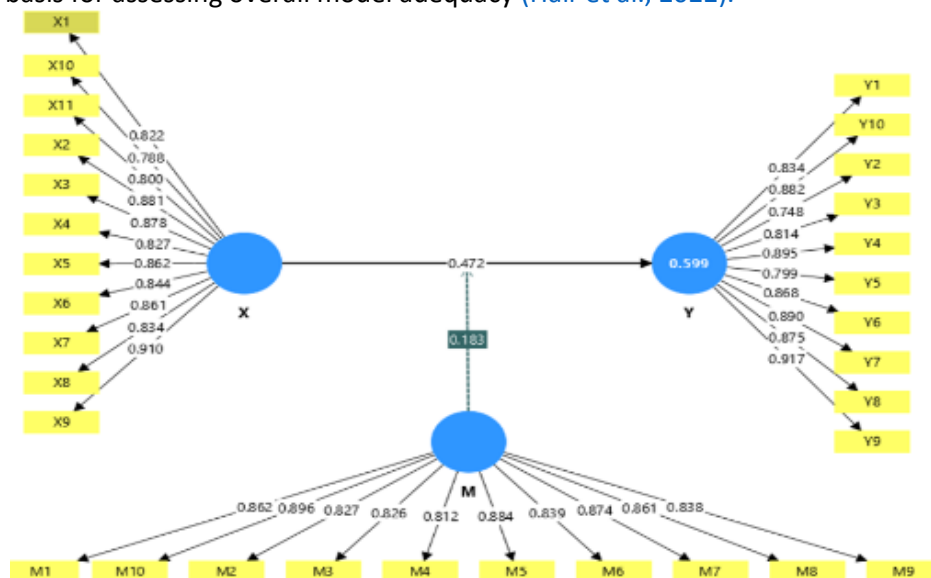


Figure 2. Measurement and Structural Model Results

Overall model fit was assessed using the Standardized Root Mean Square Residual (SRMR). Following Hair et al. (2022), an SRMR value below 0.08 indicates that the discrepancy between the observed and model-implied correlation matrices is within an acceptable range. As shown in Table 8, the estimated model produced an SRMR value of 0.064, satisfying the recommended threshold. This value indicates that the model achieved an acceptable level of approximate fit. However, SRMR represents only one aspect of structural model evaluation and should be interpreted together with other evaluation criteria, including construct validity, reliability, explanatory power (R^2), effect size (f^2), and predictive relevance (PLSpredict)

The proposed structural relationships were evaluated using the bootstrapping procedure in SmartPLS 4 using 10,000 bootstrap resamples. The significance of each structural path was assessed based on the estimated path coefficient (β), t-statistic, and p-value. As described in the research method, this study tested three research hypotheses concerning the direct effect of APIP effectiveness and management commitment on performance planning quality and the moderating effect of management commitment. The bootstrapping results are presented in Table 9.

Table 9. Hypothesis Testing

Structural Relationship	β	t	p
H1: APIP Effectiveness → Performance Planning Quality	0.472	3.116	0.001
H2: Management Commitment → Performance Planning Quality	0.448	2.912	0.002
H3: APIP Effectiveness × Management Commitment → Performance Planning Quality	0.183	2.021	0.022

Source: Processed Data, 2026

As shown in Table 9, the estimated structural paths were statistically significant at the 5% significance level. APIP effectiveness was positively associated with performance planning quality ($\beta = 0.472$, $t = 3.116$, $p = 0.001$), supporting H1. Management commitment was positively associated with performance planning quality ($\beta = 0.448$, $t = 2.912$, $p = 0.002$), supporting H2. The interaction term between APIP effectiveness and management commitment was also statistically significant ($\beta = 0.183$, $t = 2.021$, $p = 0.022$), supporting H3.

To facilitate the interpretation of the moderating effect, the conditional effect of APIP effectiveness on performance planning quality was further examined at low (-1 SD), mean, and high ($+1$ SD) levels of management commitment. The results are summarized in Table 10 and illustrated in Figure 3.

Table 10 Conditional Effects

Management Commitment Level	Conditional Effect (X → Y)	Interpretation
Low (-1 SD)	0.289	Positive relationship
Mean	0.472	Stronger positive relationship
High ($+1$ SD)	0.655	Strongest positive relationship

Source: Processed Data, 2026

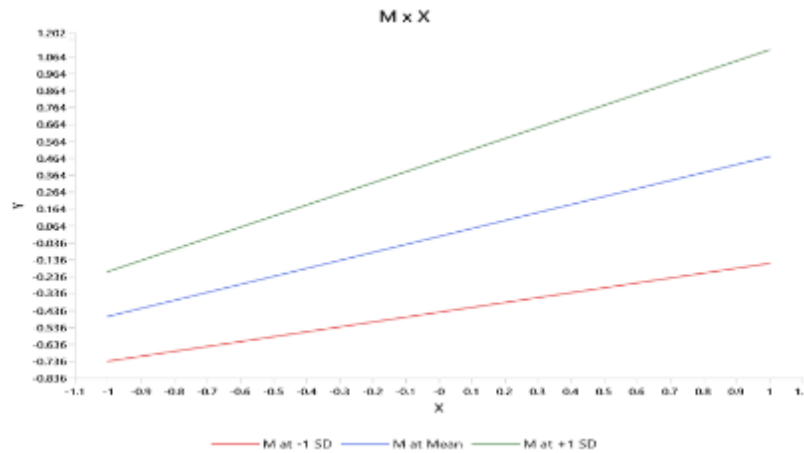


Figure 3. Conditional Effect of Management Commitment

Table 10 and Figure 3 show that the positive association between APIP effectiveness and performance planning quality becomes progressively stronger as management commitment increases. When management commitment is low (-1 SD), the conditional association is 0.289. This increases to 0.472 at the mean level of management commitment and to 0.655 when management commitment is high ($+1$ SD). The pattern therefore indicates that management commitment strengthens, rather than changes the direction of, the positive relationship between APIP effectiveness and performance planning quality.

The positive association between APIP effectiveness and performance planning quality provides support for H1. More effective APIP is associated with clearer performance indicators, stronger alignment between strategic objectives and performance targets, and more accountable planning practices within the Ministry of Communication and Digital Affairs. This finding contrasts with studies suggesting that improvements in formal governance arrangements do not necessarily translate into substantive organisational outcomes (Salomo & Rahmayanti, 2023; Vakulenko et al., 2020). One explanation may lie in differences in the level of analysis and measurement. The present study assesses performance planning quality through the perceptions of officials directly involved in planning, budgeting, and performance management, whereas external evaluations such as AKIP capture broader organisational performance and the implementation of governance reforms. The findings should therefore be interpreted primarily as evidence of APIP's perceived contribution to internal planning processes rather than to institutional performance more generally.

Agency theory provides one explanation for this relationship. Effective internal oversight can reduce information asymmetry between organisational leaders and operational units by improving the reliability of performance information and providing independent assurance and recommendations that support managerial decision-making (Saragih & Kuntadi, 2023). In this sense, APIP may contribute to performance planning not simply through its oversight role, but also by improving the information and control environment within which planning decisions are made.

This interpretation is consistent with previous evidence linking effective internal audit with stronger governance, accountability, and organisational performance (Lenz & Jeppesen, 2022; Sutaryo et al., 2023). The present study extends this literature by showing

that APIP effectiveness is also positively associated with performance planning quality, one of the central managerial processes within Indonesia's public sector (Salomo & Rahmayanti, 2023). Its contribution therefore appears to extend beyond assurance and compliance towards supporting the alignment of strategic objectives, performance indicators, and organisational planning.

The findings also support H2. Management commitment is positively associated with performance planning quality ($\beta = 0.448$), suggesting that stronger managerial support is associated with better planning outcomes. Committed management can provide resources, facilitate coordination across organisational units, support corrective action, and ensure that strategic objectives are translated into measurable performance targets (Trijayanti et al., 2023). Management commitment therefore represents more than a general organisational characteristic; it provides an important organisational context within which performance planning takes place.

More importantly, the moderation analysis supports H3. Management commitment strengthens the positive relationship between APIP effectiveness and performance planning quality. This extends previous studies that have primarily considered management commitment as a direct determinant of governance reform and organisational performance (Darmawan et al., 2022; Trijayanti et al., 2023). The present findings suggest that management commitment also operates as an enabling condition through which the contribution of APIP is more effectively translated into planning practices.

The interaction effect ($f^2 = 0.149$) is approximately moderate in magnitude, while the conditional analysis provides a clearer indication of its substantive interpretation. The association between APIP effectiveness and performance planning quality increases from 0.289 at low management commitment to 0.655 at high management commitment. Management commitment therefore does not substitute for APIP effectiveness. Rather, stronger managerial commitment appears to create the organisational conditions under which APIP can make a greater contribution to performance planning.

Institutional theory provides a useful explanation for this result. Formal governance mechanisms may be established in response to regulatory and institutional expectations without becoming fully embedded in organisational routines, creating the possibility of decoupling between formal structures and actual practice (Alsharari, 2022; Vakulenko et al., 2020). Management commitment may reduce this gap by encouraging audit recommendations, internal controls, and governance mechanisms to be incorporated into day-to-day planning and decision-making. The effectiveness of APIP may therefore depend not only on its formal capability, but also on the extent to which management is willing to act upon and institutionalise its recommendations.

Taken together, the findings provide complementary insights from agency theory, institutional theory, and the Three Lines Model. From an agency perspective, effective APIP can reduce information asymmetry and improve the information available for managerial decision-making (Saragih & Kuntadi, 2023). From an institutional perspective, management commitment may help convert formal governance structures into substantive organisational practices, thereby reducing the risk of decoupling (Alsharari, 2022; Vakulenko et al., 2020). Finally, consistent with the Three Lines Model, management retains primary responsibility for organisational objectives and internal

control, while internal audit provides independent assurance and advice. The effectiveness of these roles is therefore interdependent rather than substitutive.

The principal contribution of the study lies in this interaction. Management commitment is positively associated with performance planning quality in its own right, but it also strengthens the relationship between APIP effectiveness and planning quality. This dual role helps explain why improvements in formal internal audit capability may produce different organisational outcomes across settings: the contribution of APIP is more likely to be realised where management provides the commitment, resources, and organisational support required to translate assurance and recommendations into practice.

Conclusion

The findings indicate that APIP effectiveness and management commitment are positively associated with performance planning quality. More importantly, management commitment strengthens the positive relationship between APIP effectiveness and planning quality. The contribution of APIP therefore appears to depend not only on its own effectiveness, but also on the organisational conditions created by management.

These findings have several implications for public-sector governance. Strengthening APIP effectiveness should remain a priority through continued improvements in auditor competence, institutional capability, and the incorporation of audit recommendations into organisational planning. However, improvements in APIP alone may be insufficient. Management must also provide the leadership support, resources, cross-unit coordination, and timely follow-up required to translate audit recommendations into planning practices (Indahyanti et al., 2024). Strong management commitment may therefore provide the organisational conditions through which APIP can contribute more effectively to performance planning.

The findings consequently reinforce the complementary roles of internal audit and management. APIP provides assurance, advice, and recommendations, while management determines whether these inputs are incorporated into organisational decision-making. Sustainable improvements in performance planning are therefore more likely where stronger APIP effectiveness is accompanied by management commitment that converts audit recommendations into substantive organisational action.

This study is subject to several limitations. First, the analysis is confined to a single government institution, limiting the extent to which the findings can be generalised to other public-sector organisations. Institutional characteristics, governance arrangements, and the maturity of internal audit functions may differ considerably across ministries, agencies, and local governments. Future studies could therefore examine whether the relationships identified here persist across different public-sector settings.

Second, the study employs a cross-sectional design based on perceptual data collected through a questionnaire. The findings consequently capture associations at a particular point in time and cannot establish how changes in APIP effectiveness or management commitment affect performance planning over time. Longitudinal research would provide a stronger basis for examining these dynamic relationships.

Future research could also incorporate additional organisational conditions, including organisational culture, digital governance maturity, leadership style, and risk-management practices, which may further explain variations in performance planning

quality. Of particular interest is the apparent discrepancy between employees' relatively favourable perceptions of performance planning and the Ministry's external AKIP assessment. Examining the organisational, institutional, and measurement factors underlying this divergence may provide a more complete understanding of when internal perceptions of governance quality are, and are not, reflected in external accountability outcomes.

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