# Relevance Analysis on the Form of Shared Saving Contract between Tulungagung District Government and CV Harsari AMT
# (Case Study: Construction Project of Rationalization System of Public Street Lighting (PSL) in Tulungagung District)

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**Abstract**—*The cooperation contract between Tulungagung District Government and CV Harsari AMT is an income sharing from savings in which the 90% is the right of CV Harsari AMT and 10% is included in the Local Revenue of Tulungagung District Government. This research is conducted to find out whether the form of Shared Saving Contract is still relevant to be carried out, to determine what factors influence it, to determine the most dominant influencing factors, and to determine the strategies that must be carried out to improve the relevance of the form of Shared Saving Contract.The data analysis methods include descriptive analysis, factor analysis, and multiple linear regression analysis which were applied to the answers of the questionnaires distributed to 52 respondents. Based on the research findings, descriptive analysis obtained an average score of 3.48. It means that the form of the Shared Saving Contract is still relevant to be implemented. Meanwhile, the F-test found that the Cooperation Type (X1), Work Type (X2), Contract Type (X3), Contract Content Understanding (X4), Applicable Regulations (X5), and Investment Opportunity (X6) simultaneously influence the Relevance of Shared Saving Contract Form with $F_{calculate} = 19.105 > F_{table} = 2.308$. However, based on the t-test, partially the factors that significantly influence the Relevance of Shared Saving Contract Form are the Contract Type (X3) with $t_{calculate} = 5.400 > t_{table} = 2.014$, Contract Content Understanding (X4) with $t_{calculate} = 2.205 > t_{table} = 2.014$, and Investment Opportunity (X6) with $t_{calculate} = 2.634 > t_{table} = 2014$. Then, the most dominant factor influencing the Relevance of Shared Saving Contract Form is the Contract Type (X3), with the β Coefficient value of 0.508. The strategy to improve the Relevance of Shared Saving Contract Form is that both parties must have experts in the contract field, so that the contract documents can be improved. Further research is expected to add other variables and indicators to produce more varied research.*

**Keywords**— *Relevance, Contract, Shared Saving.*

## I. INTRODUCTION

The initial conditions of Public Street Lighting (PSL) in Tulungagung District, prior to the cooperation of the Rationalization System Development of PSL, had not been managed optimally. Therefore, the electricity bill is very high and tends to increase; directly proportional to the increase in Electricity Pricing (EP) and energy losses of PSL. The amount of the electricity bill causes anxiety about the budget deficit of Tulungagung District Government so that a solution that can reduce the electricity bill is required without having to experience conflict with the society.

The cooperation basis of Investment of the PSL Rationalization System Development between Tulungagung District Government and CV Harsari AMT is calculated from the number of 22,285 points of the lights in which the use of kWh/ month reaches 1,523,285 kWH; based on EP's assumption, per kWh is IDR 635. The location of the cooperation includes 13 (thirteen) sub-districts out of a total of 19 (nineteen) sub-districts in the entire Tulungagung District.

The proposed collaboration model is Energy Services Company (ESCO) with a Shared Saving Contract Form and a profit-sharing system that can be obtained over a certain period of time as a substitute for investment costs. Furthermore, all PSL Rationalization equipment and systems belong to Tulungagung District Government. It is a form of cooperation in the field of electrical network engineering in which the increase in power factor is proven to achieve savings of 57%. In accordance with the agreement—the income sharing from the savings—the 90% is the right of CV Harsari AMT and 10% is included as Local Revenue of the Tulungagung District Government. However, in 2010, following up on the audit results of the Indonesian Supreme Audit Agency, they evaluated the investment scheme and recommended a recalculation of the investment value.

From the above problems, this research was conducted to evaluate the cooperation of the PSL Rationalization System Development with the pattern of Energy Services Company (ESCO) in the form of a Shared Saving work contract between the Tulungagung District Government and CV Harsari AMT in 2007 to 2015. In addition, it also analyzed whether the form of cooperation is still relevant to be implemented in Tulungagung District in the future.

## II. RESEARCH METHOD

The data analysis methods include descriptive analysis, factor analysis, and multiple linear regression analysis which were applied to the answers of the questionnaires.

Data collection was carried out by survey method; by capturing respondents' opinions, experiences, and attitudes regarding issues related to the relevance of the Shared Saving contract form between the Tulungagung District Government and CV Harsari AMT. It was conducted by collecting primary data through questionnaires and secondary data from related institutions. Based on the factors influencing the relevance of the Shared Saving Contracts Form between the Tulungagung District Government and CV Harsari AMT, it was continued by determining the indicators to be used as points of the question to be measured in the form of a questionnaire. [1]

### A. Research Setting

The research location is the Shared Saving contract form between the Tulungagung District Government and CV Harsari AMT in carrying out the of Rationalization System Development of Public Street Lighting (PSL) in Tulungagung District which began in 2007 to 2015.

This research was conducted only in the cooperation's locations that included 3 (three) Network Implementing Units (NIU), namely NIU Ngunut, NIU Tulungagung and NIU Boyolangu which included 13 (thirteen) sub-districts in the Tulungagung District.

### B. Population and Samples

The research populations were people who knew the condition of cooperation and directly involved in the construction project of Rationalization System of the Public Street Lighting (PSL) in Tulungagung District which began the construction project in 2007 to 2015, as many as 60 people. They consist of 35 people from the Owner or Tulungagung District Government, 20 people from the Department of Public Works and Spatial Planning, 5 people from the Regional Development Planning Agency, 5 people from the Economic Section, 5 people from the Development Section, 5 people from the Contractor or CV Harsari AMT, and 20 people from the society. In this research, the samples were taken randomly by using disproportionate stratified random sampling adapting the formula proposed by Slovin; i.e. 52 respondents. [2, 3]

### C. Research Variables

The independent variables (X) consist of:
a) Cooperation Type (X1)
b) Work Type (X2)
c) Contract Type (X3)
d) Contract Content Understanding (X4)
e) Applicable Regulations (X5)
f) Investment Opportunity (X6)

In addition, the dependent variable (Y) is Relevance of Shared Saving Contract Form (Y)

### D. Multiple Linear Regression Analysis

To examine the questions related to factors influencing the relevance of the Shared Saving Contract form between the Tulungagung District Government and CV Harsari AMT so that it can be implemented well and get the most dominant influencing factors, it used multiple linear regression test as the analysis technique. This test is applied to test or analyze the influence or correlation between independent variables with one or more variables. This analysis technique applies ANNOVA test or f-test, t-test and looks for the coefficient of determination or adjusted R2. This calculation was carried out with the help of Statistical Package for Social Science (SPSS) for Windows program according to the following multiple linear equations (1). [4]

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + b_6X_6 \quad (1)$$

Description:

| | |
|---|---|
| Y | = Relevance of Shared Saving Contract Form |
| X1 | = Cooperation Type |
| X2 | = Work Type |
| X3 | = Contract Type |
| X4 | = Contract Content Understanding |
| X5 | = Applicable Regulations |
| X6 | = Investment Opportunity |
| $b_0$ | = constant |

$b_1, b_2, b_3, b_4, b_5, b_6$ = Coefficient Regression

### E. Hypothesis Test of Coefficient Regression Model

To test the hypothesis, F-Test is used with the following test criteria:

Hypothesis:

$H_0$ = there is no difference in productivity index between groups.

$H_1$ = there is difference in productivity index between groups.

Conclusion is based on the probability value:

- If the probability value is > 0.05, then H0 is accepted.
- If the probability value is < 0.05, then H0 is rejected.

### F. Hypothesis Test of the Regression Coefficient Model with F-Test

The influence of independent variables simultaneously to the dependent variable. F-test is used to test the independent variables along with the dependent variable. This test is carried by comparing the $F_{calculate}$ value with the $F_{table}$ value or the comparison of the sig F value. [5] The consideration of the acceptance or rejection of the hypothesis are as follows:

- If $F_{calculate} > F_{table}$ or the sig F value < 0.05: $H_0$ is rejected
- If $F_{calculate} > F_{table}$ or the sig F value > 0.05: $H_0$ is not rejected

It means that the independent variables have an influence on the dependent variable. The F test for testing the regression coefficient simultaneously to the hypothesis.

- $H_0$: influencing factors consisting of Cooperation Type (X1), Work Type (X2), Contract Type (X3), Contract Content Understanding (X4), Applicable Regulations (X5) and Investment Opportunity (X6) do not influence the Relevance of Shared Saving Contract Form (Y) simultaneously.
- $H_1$: influencing factors consisting of Cooperation Type (X1), Work Type (X2), Contract Type (X3), Contract Content Understanding (X4), Applicable Regulations (X5)

and Investment Opportunity (X6) influence the Relevance of Shared Saving Contract Form (Y) simultaneously.

- It uses an F-test with α = 10% with the following explanation:

Hypothesis:

$H_0$: β1=β2=β3=β4=β5= β6= 0

It means that there is no significant influence between variables X1, X2, X3, X4, X5, X6 simultaneously on variable Y

$H_a$: β1≠0

It means that there is significant influence between variables X1, X2, X3, X4, X5, X6 simultaneously on variable Y

Basics in decision making:

- If p ≤ 0.05 then $H_a$ is accepted and $H_0$ is rejected
- If p > 0.05 then $H_a$ is rejected and $H_0$ is accepted

### G. Hypothesis Test of the Regression Coefficient Model with t-Test

Testing the influence of independent variables partially on the dependent variable. [6] T test is conducted to determine the influence of: Cooperation Type (X1), Work Type (X2), Contract Type (X3), Contract Content Understanding (X4), Applicable Regulations (X5) and Investment Opportunity (X6), in which the t-test is applied with the following formula:

$$t_{calculate} = \frac{\beta}{se(\beta_1)}$$

Description:

$t_{calculate}$ = $t_{calculate\ regression}$
$\beta_1$ = regression coefficient
$se(\beta_1)$ = standard deviation of variables

If $t_{calculate} > t_{table}$ at the 5% test level, then $H_0$ is rejected and $H_1$ is accepted, it means that the independent variables influence the dependent variable. If $t_{calculate} > t_{table}$ or sig t-value < 0.05 then $H_0$ is rejected and if $t_{calculate} < t_{table}$ or sig t-value < 0.05 then $H_0$ is not rejected.

### H. Assumption Test of Regression Model

To obtain estimation parameters from the dynamic model, this research uses the OLS (Ordinary Least Square) assessment method. The use of this method is accompanied by underlying assumptions. These assumptions are: Normality, Non-Multicollinearity, Homoscedasticity and Non-Autocorrelation.

## III. FINDINGS

### A. Multiple Regression Analysis

#### 1. Normality test

Regression models can be considered to fulfill the assumption of normality if the errors or residuals caused by regression models are normally distributed. To test this assumption, the Kolmogorov-Smirnov method can be used as shown in Table 1 below.

TABLE 1. Normality Assumption

| Statistical Test | Values | Description |
|---|---|---|
| Kolmogorov-Smirnov Z | 0.713 | Normally Distributed |
| p-value | 0.689 | |

Based on the above Kolmogorov-Smirnov Z test, the p-value is 0.689, in which the value is greater than α = 0.05. From the tests it is found that errors or residuals have a normal distribution. So, it is concluded that the assumption of error normality is fulfilled.

#### 2. Multicollinearity assumption test

To detect the multicollinearity, it can be seen from Variance Inflation Factor (VIF). If the VIF value > 10 then there is multicollinearity and if VIF <10, then there is no multicollinearity as shown in Table 2 as follows:

TABLE 2. Multicollinearity Assumption Test

| Independent Variables | VIF | Description |
|---|---|---|
| Cooperation Type (X1) | 1.263 | Non-Multicollinearity |
| Work Type (X2) | 1.875 | Non-Multicollinearity |
| Contract Type (X3) | 1.415 | Non-Multicollinearity |
| Contract Content Understanding (X4) | 2.161 | Non-Multicollinearity |
| Applicable Regulations (X5) | 1.047 | Non-Multicollinearity |
| Investment Opportunity (X6) | 1.410 | Non-Multicollinearity |

Source: Analysis results

Based on the calculation results contained in Table 3, each independent variable shows that the VIF value is not more than 10, so the assumption that there is no multicollinearity has been fulfilled.

#### 3. Heterogeneity assumption test

This test aims to test whether the regression model has the same variance or not. A good regression model is a model that has the same variance (heterogeneity). Examination of these assumptions can be carried out by using the Glejtzer test, which regresses all independent variables with the absolute error. The test results using the Glejtzer method are shown in the following Table 3.

TABLE 3. Heterogeneity Assumption Test

| Independent Variables | Sig. Values | Description |
|---|---|---|
| Cooperation Type (X1) | 0.506 | Non-Heteroscedasticity |
| Work Type (X2) | 0.391 | Non-Heteroscedasticity |
| Contract Type (X3) | 0.508 | Non-Heteroscedasticity |
| Contract Content Understanding (X4) | 0.745 | Non-Heteroscedasticity |
| Applicable Regulations (X5) | 0.465 | Non-Heteroscedasticity |
| Investment Opportunity (X6) | 0.956 | Non-Heteroscedasticity |

Source: Analysis results

Based on the above Table 3, this assumption test find that all p-values are greater than α = 0.05. From the test results, it can be concluded that the assumption of heterogeneity has been fulfilled.

#### 4. Results of multiple linear regression analysis

Regression analysis is applied to obtain factors that influence the relevance of the Shared Saving Contract form so that it can be implemented. In processing data using multiple linear regression analysis, several steps are carried out to find the correlation between independent and dependent variables. Based on the results of data processing with the use of SPSS 15 software, it obtains a summary as shown in the following Table 4.

TABLE 4. Summary of Regression Analysis Results

| Independent Variables | Standardized Coefficient β | $t_{calculate}$ | p-value | Description |
|---|---|---|---|---|
| Cooperation Type (X1) | -0.065 | -0.729 | 0.470 | Not significant |
| Work Type (X2) | 0.112 | 1.034 | 0.306 | Not significant |
| Contract Type (X3) | 0.508 | 5.400 | 0.000 | Significant |
| Contract Content Understanding (X4) | 0.257 | 2.205 | 0.033 | Significant |
| Applicable Regulations (X5) | -0.053 | -0.653 | 0.517 | Not significant |
| Investment Opportunity (X6) | 0.248 | 2.634 | 0.012 | Significant |

α = 0.05
$R^2$ = 0.718
R = 0.847
$F_{calculate}$ = 19.105
$F_{table}$ (0.05, 6, 45) = 2.447
p-value = 0.000
$t_{table}$ (0.05, 45) = 2.014

Source: Analysis results

Based on Table 4, it can be seen that not all independent variables have significant values. Independent variables that have significant value (significant influence on the Relevance of Shared Saving Contract Forms in Tulungagung District) are Contract Type (X3), Contract Content Understanding (X4) and Investment Opportunity (X6). Meanwhile, variables that have no significant value (influential but not significant to the Relevance of Shared Saving Contract Forms in Tulungagung District) are Cooperation Type (X1), Work Type (X2), and Applicable Regulations (X5).

Regression models obtained based on the above Table 4 are as follows:

Y = -0.065 X1 +0.112 X2 + 0.508 X3+ 0.257 X4 –0.053 X5 – 0.248 X6+ ε

$R^2$ value is the coefficient of determination which basically measures to what extent the ability of the regression model in explaining the diversity of the dependent variable (Y); i.e. equal to 0.718. It means that the variable of regression model can explain 71.8% of the influence on the Relevance of Shared Saving Contract Form (Y). The value of R is a correlation that explains the closeness of the correlation between the independent variables (X) and the dependent variable (Y); i.e. equal to 0.847.

Moreover, to determine the independent variable (factor) that has the most dominant influence on the Relevance of Shared Saving Contract Form, it can be carried out by comparing the standardized β coefficient value of each independent variable (factor) to Y. The most dominant variable influences the Relevance of Shared Saving Contract Form is the variable whose influence is significant and has the largest standardized β coefficient value. Contract Type (X3) Factor is a variable (factor) that has the highest standardized β coefficient value. It means that, in this research, the most dominant factor influencing the Relevance of Shared Saving Contract Form is Contract Type (X3) Factor. It means that the Relevance of Shared Saving Contract Form is mostly influenced by the Contract Type (X3) Factor. The positive standardized β coefficient value indicates that the better the

Contract Type Factor (X3) the better the Relevance Shared Saving Contract Form will be.

*5. Simultaneous regression model test*

Simultaneous test is carried out to show whether or not all factors used in the regression model influence the Relevance of Shared Saving Contract Form. All of these factors are tested simultaneously using the F-test or ANOVA.

The hypothesis used in testing the coefficient of the regression model simultaneously can be seen in the following Table 5.

TABLE 5. Hypothesis Test of Simultaneous Regression Model

| Hypothesis | Value | Decision |
|---|---|---|
| $H_0$: $β_1$ = 0 (there is no significant influence between X1, X2, X3, X4, X5, X6 on the Relevance of Shared Saving Contract Form) $H_a$: $β_1$ ≠ 0 (there is a significant influence between X1, X2, X3, X4, X5, X6 on the Relevance of Shared Saving Contract Form), α = 0.05 | F = 19.105 p-value = 0.000 $F_{table}$ = 2.447 | Reject $H_0$ |

Source: Analysis results

Based on Table 5, hypothesis test of the regression model is simultaneous with the use of the F test. In the F distribution table, it obtains the $F_{table}$ value with degrees of freedom (df) n1 = 6 and n2 = 45 of 2.447. If the F value of the calculation results in table 4.16 is compared with $F_{table}$, then the $F_{calculate}$ of the calculation results is greater than $F_{table}$ (19.105 > 2.447). The p-value is 0,000. If the p-value is compared with α = 0.05, the p-value is less than α = 0.05. From these two comparisons, a decision that can be made is that H0 is rejected at the level of α = 0.05. Thus, it can be concluded that there is a significant influence simultaneously between X1, X2, X3, X4, X5, and X6 on the Relevance of Shared Saving Contract Form.

*6. Partial regression model test*

The partial regression model test is applied to determine whether or not each independent variable forming the regression model individually has a significant influence on the Relevance of Shared Saving Contract Form. To test the correlation, the t-test is used, which is by comparing the value of $t_{calculate}$ with $t_{table}$. The independent variables forming the regression model are considered to have a significant influence if $t_{calculate}$ > $t_{table}$ or p-value < α = 0.05. The partial regression test model is as follows.

*a. Cooperation Type (X1) Factor*

Hypothesis test of regression coefficient of the Cooperation Type (X1) Factor is presented in the following Table 6.

TABLE 6. Hypothesis Test of Regression Coefficient of Cooperation Type (X1) Factor

| Hypothesis | Value | Decision |
|---|---|---|
| $H_0$: $β_1$ = 0 (Cooperation Type (X1) Factor does not significantly influence the Relevance of Shared Saving Contract Form) $H_a$: $β_1$ ≠ 0 (Cooperation Type (X1) Factor significantly influences the Relevance of Shared Saving Contract Form), α = 0.05 | t = -0.729 p-value = 0.470 $t_{table}$ = 2.014 | Reject $H_a$ |

Source: Analysis results

The Cooperation Type (X1) Factor has a regression coefficient of -0.065. By using the help of SPSS software, it obtains the t-test statistic value of -0.729 with a p-value of 0.470. The t-test statistic value is smaller than $t_{table}$ (-0.729 < 2.014) and also p-value is greater than $\alpha = 0.05$. This test shows that Ha is rejected. So, it can be concluded that the Cooperation Type (X1) does not significantly influence the Relevance of Shared Saving Contract Form. The coefficient with a negative sign (-0.065) indicates a correlation that is inversely proportional. Thus, good or bad Cooperation Type (X1) variable will not influence the Relevance of Shared Saving Contract Form.

*b. Work Type (X2) Factor*

Hypothesis test of regression coefficient of Work Type (X2) Factor is presented in the following Table 7.

TABLE 7. Hypothesis Test of Regression Coefficient of Work Type (X2) Factor

| Hypothesis | Value | Decision |
|---|---|---|
| $H_0$: $\beta_1 = 0$ (Job Type (X2) Factor does not significantly influence the Relevance of Shared Saving Contract Form)<br>$H_a$: $\beta_1 \neq 0$ (Job Type (X2) Factor significantly influences the Relevance of Shared Saving Contract Form), $\alpha = 0.05$ | t = 1.034<br>p-value = 0.306<br>$t_{table}$ = 2.014 | Reject $H_a$ |

Source: Analysis results

The Work Type (X2) Factor has a regression coefficient of 0.112. By using the help of SPSS software, it obtains the t-test statistic value of 1.034 with p-value of 0.306. The t-test statistic value is smaller than $t_{table}$ (1.034 < 2.014) dan juga p-value bigger than $\alpha = 0.05$ and also p-value is greater than $\alpha = 0.05$. This test shows that Ha is rejected. So, it can be concluded that the Work Type (X2) does not significantly influence the Relevance of Shared Saving Contract Form. The coefficient with a positive sign (0.112) indicates the unidirectional correlation. Thus, good or bad Work Type (X2) variable will not influence the Relevance of Shared Saving Contract Form.

*c. Contract Type (X3) Factor*

Hypothesis test of regression coefficient of the Contract Type (X3) Factor is presented in Table 8.

TABLE 8. Hypothesis Test of Regression Coefficient of Contract Type (X1) Factor

| Hypothesis | Value | Decision |
|---|---|---|
| $H_0$: $\beta_1 = 0$ (Contract Type (X3) Factor does not significantly influence the Relevance of Shared Saving Contract Form)<br>$H_a$: $\beta_1 \neq 0$ (Contract Type (X3) Factor significantly influences the Relevance of Shared Saving Contract Form), $\alpha = 0.05$ | t = 5.400<br>p-value = 0.000<br>$t_{table}$ = 2.014 | Accept $H_a$ |

Source: Analysis results

The Contract Type (X3) Factor has a regression coefficient of 0.508 By using the help of SPSS software, it obtains the t-test statistic value of 5.400 with a p-value of 0.000. The t-test statistic value is greater than $t_{table}$ (5.400 > 2.014) and also p-value is smaller than $\alpha = 0.05$. This test shows that Ha is accepted. So, it can be concluded that the Contract Type (X3) significantly influence the Relevance of Shared Saving Contract Form. The coefficient with a positive sign (0.508) indicates the unidirectional correlation. Thus, better Contract

Type (X3) variable will influence the Relevance of Shared Saving Contract Form well.

*d. Contract Content Understanding (X4) Factor*

Hypothesis test of regression coefficient of the Contract Content Understanding (X4) Factor is presented in the following Table 9.

TABLE 9. Hypothesis Test of Regression Coefficient of Contract Content Understanding (X4) Factor

| Hypothesis | Value | Decision |
|---|---|---|
| $H_0$: $\beta_1 = 0$ (Contract Content Understanding (X4) Factor does not significantly influence the Relevance of Shared Saving Contract Form)<br>$H_a$: $\beta_1 \neq 0$ (Contract Content Understanding (X4) Factor significantly influences the Relevance of Shared Saving Contract Form), $\alpha = 0.05$ | t = 2.205<br>*p-value* = 0.033<br>$t_{table}$ = 2.014 | Accept $H_a$ |

Source: Analysis results

The Contract Content Understanding (X4) Factor has a regression coefficient of 0.257. By using the help of SPSS software, it obtains the t-test statistic value of 2.205 with a p-value of 0.033. The t-test statistic value is greater than $t_{table}$ (2.205 < 2.014) and also p-value is smaller than $\alpha = 0.05$. This test shows that Ha is accepted. So, it can be concluded that the Contract Content Understanding (X4) significantly influence the Relevance of Shared Saving Contract Form. The coefficient with a positive sign (0.257) indicates the unidirectional correlation. Thus, better Contract Content Understanding (X4) variable will influence the Relevance of Shared Saving Contract Form well.

*e. Applicable Regulations (X5) Factor*

Hypothesis test of regression coefficient of the Applicable Regulations (X5) Factor is presented in the following Table 10.

TABLE 10. Hypothesis Test of Regression Coefficient of Applicable Regulations (X5) Factor

| Hypothesis | Value | Decision |
|---|---|---|
| $H_0$: $\beta_1 = 0$ (Applicable Regulations (X5) Factor does not significantly influence the Relevance of Shared Saving Contract Form)<br>$H_a$: $\beta_1 \neq 0$ (Applicable Regulations (X5) Factor significantly influences the Relevance of Shared Saving Contract Form), $\alpha = 0.05$ | t = -0.653<br>*p-value* = 0.517<br>$t_{table}$ = 2.014 | Reject $H_a$ |

Source: Analysis results

The Applicable Regulations (X5) Factor has a regression coefficient of 0.053. By using the help of SPSS software, it obtains the t-test statistic value of -0.653 with a p-value of 0.517. The t-test statistic value is smaller than $t_{table}$ (-0.653 < 2.014) and also p-value is greater than $\alpha = 0.05$. This test shows that Ha is rejected. So, it can be concluded that the Applicable Regulations (X5) does not significantly influence the Relevance of Shared Saving Contract Form. The coefficient with a negative sign (-0.053) indicates a correlation that is inversely proportional. Thus, good or bad Applicable Regulations (X5) variable will not influence the Relevance of Shared Saving Contract Form.

*f. Investment Opportunity (X6) Factor*

Hypothesis test of regression coefficient of the Investment Opportunity (X6) Factor is presented in Table 11.

TABLE 11. Hypothesis Test of Regression Coefficient of Investment Opportunity (X6) Factor

| Hypothesis | Value | Decision |
|---|---|---|
| H$_0$: $\beta_1 = 0$ (Investment Opportunity (X6) Factor does not significantly influence the Relevance of Shared Saving Contract Form) <br> H$_a$: $\beta_1 \neq 0$ (Investment Opportunity (X6) Factor significantly influences the Relevance of Shared Saving Contract Form), $\alpha = 0.05$ | t = 2.634 <br> *p-value* = 0.012 <br> t$_{table}$ = 2.014 | Accept H$_a$ |

Source: Analysis results

The Investment Opportunity (X6) Factor has a regression coefficient of 0.248. By using the help of SPSS software, it obtains the t-test statistic value of 2.634 with a p-value of 0.012. The t-test statistic value is greater than t$_{table}$ (2.634 < 2.014) and also p-value is smaller than $\alpha = 0.05$. This test shows that Ha is accepted. So, it can be concluded that the Investment Opportunity (X6) significantly influence the Relevance of Shared Saving Contract Form. The coefficient with a positive sign (0.257) indicates the unidirectional correlation. Thus, better Investment Opportunity (X6) variable will influence the Relevance of Shared Saving Contract Form well.

## IV. DISCUSSION

### A. Strategy as an Effort to Improve the Relevance of Shared Saving Contract Form between the Tulungagung District Government and CV Harsari AMT

Based on the results of regression analysis, it was found that the independent variables that have significant value (significant influence on the Relevance of Shared Saving Contract Form) are Contract Type (X3), Contract Content Understanding (X4), and Investment Opportunity (X6). Meanwhile, variables that do not have significant value (influential but not significant on the Relevance of Shared Saving Contract Form) are Cooperation Type (X1), Work Type (X2) and Applicable Regulations (X5). Furthermore, factors that have significant influence on the Relevance of Shared Saving Contract Form can be explained as follows:

Contract Type (X3) Variable is formed by manifest variables consisting of: (a) the contractor does not understand the shortcomings and advantages of the contract type; especially the type of multi-year contract (X3.1) and (b) the contract type that has been made is not in accordance with expectations (X3.2).

Contract Content Understanding (X4) Variable is formed by manifest variables consisting of: (a) both parties do not understand the contents of the Contract (X4.1), (b) both parties do not study the contents of the Contract properly (X4.2), (c) both parties do not fully comprehend the contents of the Contract (X4.3), and (d) both parties do not understand the deficiencies and excess contents of the Contract (X4.4).

Investment Opportunity (X6) Variable is formed by manifest variables consisting of: (a) good investment opportunity for the Government (X6.1), (b) investment is expected to reduce budget expenditure (X6.2), and (c) the percentage of profit sharing is more proportional to the savings (X6.3).

### B. Strategies for the Contract Type (X3) Factor

Contract Type (X3) is the first variable that has the highest standardized β coefficient value. It means that in this research, the most dominant factor influencing the Relevance of Shared Saving Contract Form is the Contract Type (X3) Factor. In other words, the Relevance of Shared Saving Contract Form is influenced by the Contract Type (X3). Moreover, to find out which indicators most influence the Relevance of Shared Saving Contract Form on Contract Type (X3) Factor, it can be seen from the highest communality value. All indicators have a loading factor value of 0.857. So, based on these results, it can be said that these two indicators are indicators that influence the Relevance of Shared Saving Contract Form. It is displayed in the following Table 12.

TABLE 12. Loading Factor Values of Contract Type (X3) Factor

| Manifest Variables | Description | Loading Values |
|---|---|---|
| X3.1 | Both parties do not understand the shortcomings and advantages of the contract type, especially the type of multi-year contracts | 0.857 |
| X3.2 | The contract type is not in accordance with expectations | 0.857 |

Source: Analysis results

Based on the above Table 12, it shows both indicators of the Contract Type with the loading values of 0.857 respectively. It means that both indicators influence the Relevance of Shared Saving Contract Form. Therefore, the strategy used to overcome this is: both parties must have experts on contract issues, so that the contract documents can be improved; moreover, before the contract is agreed upon, both parties must learn and understand the contract type that will be agreed upon. In the case of an Investment Cooperation Contract, if it is agreed upon the use of multi-year contract then it is advisable to add a result evaluation clause each year so that the return on the investment value does not exceed the fairness.

### C. Strategies for Contract Content Understanding (X4) Factor

Contract Content Understanding (X4) Factor is the second variable that has the highest standardized β coefficient after the Contract Type Factor. In other words, the Relevance of Shared Saving Contract Form is also influenced by Contract Content Understanding (X4). The sequences of indicators that most influence the Relevance of Shared Saving Contract Form on Contract Content Understanding (X4) can be seen in the following Table 13.

TABLE 13. Loading Factor Values of Contract Content Understanding (X4) Factor

| Manifest Variables | Description | Loading Values |
|---|---|---|
| X4.4 | Both parties do not understand the deficiencies and advantages of the contents of the Contract | 0.856 |
| X4.1 | Both parties do not understand the contents of the Contract | 0.833 |
| X4.2 | Both parties did not study the contents of the Contract properly | 0.824 |
| X4.3 | Both parties did not fully comprehend the contents of the Contract | 0.574 |

Source: Analysis results

Based on Table 13, it is found that the indicator of the Contract Content Understanding (X4) that most influences the Relevance Shared Saving Contract Form is: both parties do not understand the deficiencies and advantages of the contents of the Contract (X4.4) with a loading value of 0.856. Therefore, the strategy used to overcome them is: both parties must have experts related to contract issues, so that all deficiencies or advantages of contract can be determined early.

*D. Strategies for Investment Opportunity (X6) Factor*

Investment Opportunity (X6) Factor is the third variable that has the highest standardized β coefficient after Contract Content Understanding (X4). In other words, the Relevance of Shared Saving Contract Form is also influenced by Investment Opportunity (X6). The sequences of indicators that most influence the Relevance of Shared Saving Contract Form on Investment Opportunity (X6) Factor can be seen in the following Table 14.

TABLE 14. Loading Factor Values of Investment Opportunity (X6) Factor

| Manifest Variables | Description | Loading Values |
|---|---|---|
| X6.2 | Investment is expected to reduce budget expenditure | 0.811 |
| X6.1 | Good investment opportunity for the Government | 0.781 |
| X6.3 | Percentage of profit sharing is more proportional to the savings | 0.720 |

Source: Analysis results

Based on Table 14, it is found that the indicator of the Investment Opportunity (X6) Factor which has the most influence on the Relevance of the Shared Saving Contract Form is that investment is expected to reduce budget expenditure (X6.2) with a loading value of 0.811. Thus, the strategy used to overcome it is by calculating the value of Public Street Lighting (PSL) assets that have been owned by the Tulungagung District Government and the required investment value in detail. It is expected that there will be no waste of return on investment value to contractors which results in excessive budget expenditure.

## V.  CONCLUSION

Based on the results of the descriptive analysis, it obtains an average score of 3.48. In other words, the Shared Saving Contract Form between the Tulungagung District Government

and CV Harsari AMT is still relevant to be implemented. The F-test found that the Cooperation Type (X1), Work Type (X2), Contract Type (X3), Contract Content Understanding (X4), Applicable Regulations (X5), and Investment Opportunity (X6) simultaneously influence the Relevance of Shared Saving Contract Form with a value of $F_{calculate} = 19.105 > F_{table} = 2.308$.

However, based on the t-test, the factors that influence significantly the Relevance of Shared Saving Contract Form partially are: Contract Type (X3) with $t_{calculate} = 5.400 > t_{table} = 2.014$, Contract Content Understanding (X4) with $t_{calculate} = 2.205 > t_{table} = 2014$, and Investment Opportunity (X6) with $t_{calculate} = 2.634 > t_{table} = 2.014$.

The most dominant factor in influencing the Relevance of Shared Saving Contract Form is the Contract Type (X3) Factor, with the β Coefficient value of 0.508. The strategy used to improve the Relevance of Shared Saving Contract Form is that both parties must have experts on contract issues, so that the contract can be improved; in addition, before the contract is agreed upon, both parties must learn and understand the type of contract that will be agreed upon. Cooperation contract must be based on the applicable laws and regulations, in this case, it is the Presidential Regulation No. 16 of 2018 concerning Government Procurement of Goods/Services, along with its derivative regulations. In the process of preparing the contract, it is required to consult it with the Agency for Procurement of Goods/Services Policy.

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