

Follow-up implementations on audit results in the local government of Banten Province

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ABSTRACT

Follow-up on implementing the recommendations based on the BPK audit result in the Banten Provincial Government has not been effective due to the completion time of the follow-up not being up to standard and the audited entity having difficulty carrying out the follow-up. This study aims to determine the effectiveness and challenges in implementing the policy of completing follow-up on the results of the BPK audit in the Banten Provincial Government. This study uses a descriptive qualitative approach and primary data collection techniques (observation and interviews) with informants purposively selected from BPK and local government. The technique used for data analysis is interactive models. Results show that the policy has not covered all target groups and has no impact on direct improvement changes. Decision-making has not supported the sustainability of completing follow-up audit results. The Inspectorate's mediation effectiveness is hindered by limited personnel and budget resources. Based on the implementation environment, actors have not been fully involved in monitoring the follow-up progress, and leaders do not have the commitment and assertiveness to encourage follow-up on audit results. The potential implication of this study suggests that the BPK should consider reformulating technical policies to ensure the effective and measurable completion of follow-up recommendations on audit results.

KEYWORDS:

Implementation; follow-up of recommendations; audit results

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INTRODUCTION

Law Number 17 of 2003 on State Finance states that state finances must be managed orderly, compliant with laws and regulations, efficiently, economically, effectively, transparent, and responsibly with due regard to a sense of justice and propriety. State finances must follow sound general principles, results-oriented accountability, professionalism, proportionality, and openness and be audited by an independent and free examining body to reflect best practices in state financial management.

Based on the Law of the Republic of Indonesia Number 15 of 2006, the Audit Board of the Republic of Indonesia (Badan Pemeriksa Keuangan, BPK) has the duty to examine the management and responsibility of state finances carried out by the central government, local governments, and other state institutions. The results of the audit conducted by BPK must be submitted to the parliament, council, and regional council in accordance with their authority. The results of BPK's audit of the management of state finances issued opinions and recommendations on the findings of the audit of financial entities. The recommendations must be followed up by government agencies to improve the accountability of financial management in the following year. Based on the BPK Chairman's Regulation Number 2 of 2017 concerning Monitoring the Follow-Up on the Implementation of Audit Results of the Audit Board, every recommendation issued by BPK must be followed up by government entities with a predetermined period of 60 (sixty) days after the audit report (Laporan Hasil Pemeriksaan, LHP) is received.

BPK also conducts monitoring activities on the follow-up of audit recommendations implemented by the audited entity during the period per semester or every six months in one fiscal year. The results of this monitoring are outlined in the Summary of Semester Audit Reports (Ikhtisar Hasil Pemeriksaan Semester, IHPS) document. In the first semester of 2022, BPK compiled IHPS and monitored the follow-up of audit recommendations for the first semester of 2005–2022. From the monitoring results, many recommendations were still inappropriate, had not been followed up, and could not be followed up in several ministries, institutions, local governments, state-owned enterprises, regional-owned enterprises, and other bodies, as shown in Figure 1. Figure 1 shows that approximately 21.6% of recommendations from 2005 to the first semester of 2022 have not been followed up with various factors. This case contradicts the time limit based on the BPK Chairman's Regulation Number 2 of 2017.

In addition to monitoring the follow-up of BPK audit recommendations in the central government, particularly ministries/institutions/state-owned enterprises and other agencies, BPK also monitors the implementation of follow-up of audit recommendations (Tindak Lanjut Rekomendasi Hasil Pemeriksaan, TLRHP) in local governments, provincial local governments and regency/city local governments throughout Indonesia, particularly the Banten Provincial Government. Based on data obtained from BPK, the results of the follow-up of audit recommendations (TLRHP) on local governments in Indonesia from 2020 to 2021 are obtained, as depicted in Figure 2.

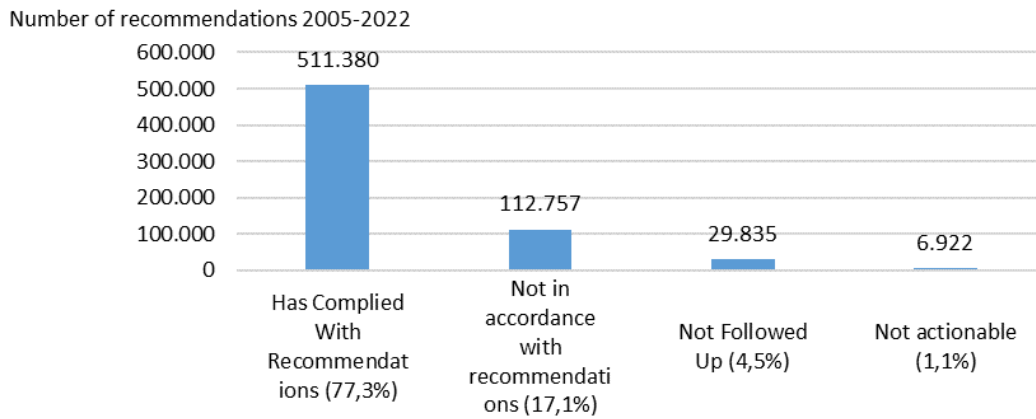


Figure 1. Monitoring Results of Follow-up of Audit Recommendations (TLRHP) on LHP Issued for the Period 2005 –2022 Semester 1 According to the Number of Recommendations at Ministries/Institutions/Local Governments/SOEs/BUMD and Other Agencies

Source: BPK (2022)

Figure 2 shows that most of the recommendations from the BPK audit results from 2020 to 2022 have not been completed by 50%, with uncompleted recommendations amounting to 5.1 trillion. The number and value of recommendations that have not been resolved are quite large. Therefore, most local governments still find completing the recommendations of the audit results conducted by BPK difficult.

Based on the condition of monitoring the follow-up of the BPK audit recommendations in the Banten Provincial Government, several problems of discrepancies still exist in its implementation. For instance, follow-up completion time is not in accordance with predetermined time standards, the audited entity has difficulty in implementing follow-up recommendations on the audit results, the results of follow-up reviews often vary and are always repeated to review the same findings, the review of follow-up results exceeds the predetermined time period, and access on the implementation and monitoring of follow-up recommendations on audit results through the information system is limited. Based on these problems, this study aims to determine the effectiveness and challenges in implementing the policy of completing follow-up on the results of the BPK audit in the Banten Provincial Government.

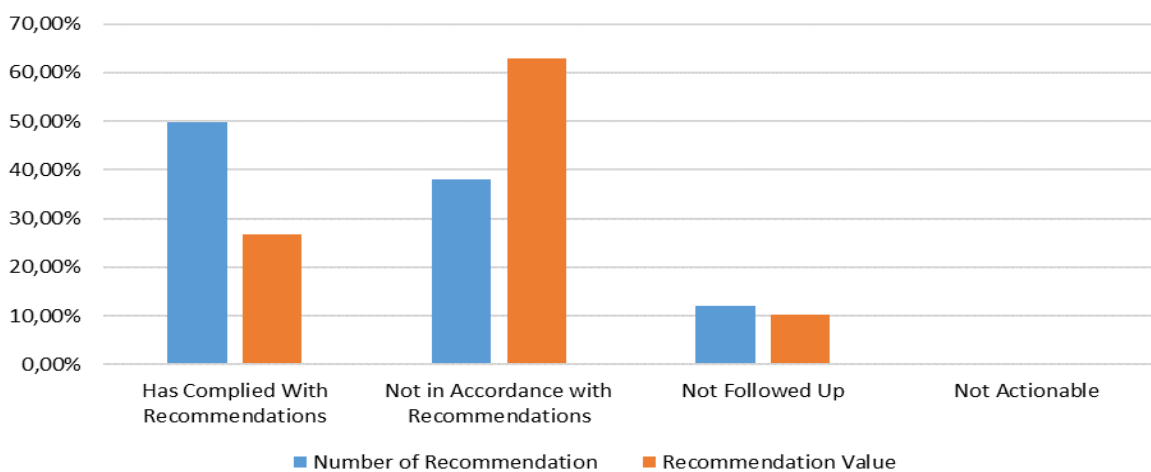


Figure 2. Results of Monitoring of TLRHP Implementation by Entities from Semester 1 of 2022 for LHP Issued in 2020 to Semester 1 of 2022 in Local Governments

Source: BPK (2022)

The implementation of policies for the follow-up of BPK audit recommendations has not been researched and studied by experts. Several previous studies discussed the completion of the follow-up of the LHP BPK, which is different from the present study. The difference between the present study and previous ones lies in the context of the discussion. In previous studies Pongoliu et al. (2017) and Essing (2017), the context of the discussion only analyzes and identifies obstacles that hinder the completion of follow-up recommendations on the results of the BPK audit. They did not broadly connect and discuss the process of implementing the policy for completing follow-up on audit results. Their results are limited to only discussing the identification of obstacles to the completion of follow-up. In addition, Essing (2017) only studied how the implementation of follow-up on the results of the BPK audit in Talaud Regency was not associated based on a policy point of view.

Pongoliu et al.'s (2017) study aimed to analyze the obstacles faced by the Gorontalo Province SKPD and the efforts of the Gorontalo Provincial Government to accelerate the completion of the follow-up to the BPK audit results. They used a qualitative method with a case study approach, focusing on the Gorontalo Provincial Government. They found the obstacles faced by SKPD in following up the BPK audit results: (1) lack of organizational commitment; (2) weak internal control system; (3) parties related to the findings have died/retired/unknown address; (4) employee rotation; and (5) disagreement over the audit results.

Further research was conducted by Essing (2017) in his writing entitled "Analysis of the Implementation of Follow-up to BPK Audit Results on Local Government Financial Reports in the Talaud Islands Regency." The completion of the follow-up has increased although it is very small. The existing percentage is above average but has not reached the minimum standard of BPK. Follow-up completion time is not effectively implemented. The research is qualitative and based on case studies. The results showed adequate quality of the technical team's human resources. However, obstacles still exist for the technical team: (1) lack of understanding of how to follow up the recommendations of the audit results; (2) the number of personnel involved in the implementation of the follow-up is still insufficient; (3) the follow-up process has not been fully carried out based on the procedures contained in the standard operating procedures for follow-up of BPK audit results. In addition, the standard operating procedures that have been made have not been published to the team.

This research framework is prepared based on a theoretical framework to connect concepts and propositions to explain social phenomena using certain assumptions and logic. The theoretical framework in this study is structured with a grand theory in the form of public administration theory. Meanwhile, public policy theory is a middle-range theory that links grand theory and applied theory. As a grand theory, public administration is closely related to public policy. White (1995) stated that public administration consists of all those operations aiming to fulfill and enforce public policy. Public administration has a great role in policy formulation, implementation, and evaluation (Gordon & Young, 1997). Public policy theory is defined as a series of integrated actions the government takes to achieve common goals and is not limited

to lawmaking alone (Cochran, 2011). This series of integrated actions taken by the government can be in the form of doing something or even not doing anything (Dye, 2017) to solve problems that arise in society, such as economic, educational, health, and social problems (Dunn, 2004). Meanwhile, Dye (2017) explained policy implementation as one of a series of policy processes. The problem to be solved is first identified, and an agenda for how the problem will be solved is set. Then, policies prepared by government officials and interested parties are formulated. After this, the policy is ratified by the government and implemented by the government or government-appointed institutions. This study uses Grindle's theory of policy implementation (Grindle, 1980). The success of policy implementation is influenced by two main variables, namely, policy content and implementation context (Grindle, 1980). Therefore, the government should examine whether the policy can negatively affect the community to prevent conflicts that harm the community (Mandala et al., 2016).

From the authors' perspective, the relationship between the theory discussed and this study explains how a follow-up to the BPK audit recommendations is a form of public administration activity based on a policy. These activities are implemented in the completion of follow-up recommendations on the results of the audit. The framework in this study based on a grand theory is public administration with a connecting theory, that is, the theory of public policy and its implementation theory. Implementing the policy of resolving follow-up recommendations on the results of the BPK audit is carried out administratively and requires intervention in the bureaucracy's interests.

RESEARCH METHOD

This study uses a qualitative approach, which seeks to find and know the implementation of the policy for completing follow-up recommendations on the results of the BPK audit at the Banten Provincial Government. Qualitative research is focused on revealing in-depth information related to the implementation of follow-up recommendations on the BPK audit results in the Banten Provincial Government. The Banten Provincial Government was chosen by the authors as the location of this study, considering that it has problems completing the follow-up recommendation on the BPK audit results. This study was carried out from March 2022 to February 2023.

Primary data are obtained directly from the field, namely, from the BPK and the Banten Provincial Government, particularly the Banten Provincial Inspectorate, either through direct observation or asking questions to several sources, namely, the BPK team, inspectorate follow-up officers, head of the inspectorate monitoring subdivision, secretary of the inspectorate, follow-up officers at several Regional Apparatus Organizations. The authors obtained the primary data through observations and interviews with parties about the issues discussed using a list of pre-prepared questions related to implementing the follow-up completion policy developed during the interview. Observations and interviews were carried out simultaneously for three months. Meanwhile, secondary data are obtained from library materials. Secondary data

used by authors are laws and regulations, implementation guidelines, literature, articles, newspapers, the internet, and those related to the research topic.

A purposive technique was applied during the selection of informants in this study, considering that the authors took sources from several people who were considered to have appropriate and relevant information about the research problem. The informants in data collection are the Inspector of Banten Province, the head of the BPK representative of Banten Province, and the secretary of the Inspectorate of Banten Province as key informants, namely informants who know the main information, local apparatus within the Banten Provincial Government that has high-risk management in budget management, BPK audit team, and BPK follow-up completion team as additional informants (secondary informants).

The authors use data triangulation techniques to test the validity of information. The data triangulation used in this study is technical, time, and source triangulation. Triangulation of techniques is testing the credibility of data on the same source with different techniques, such as data obtained from observations rechecked with interviews. Time triangulation is obtaining data from the same source at different times. Triangulation of sources is testing the credibility of data by checking the data obtained from various data sources and informants, such as the results of interviews. The data analysis technique used in this study is the interactive data analysis technique approach, with data condensation, data presentation, and conclusion drawing as components (Miles et al., 2014).

RESULT AND DISCUSSION

A policy has clear objectives as a form of policy value orientation. Policy implementation objectives are formulated into action programs and specific projects designed and financed. The program is implemented following the plan. Policy or program implementation is largely influenced by policy content and implementation context. The overall policy implementation is evaluated by measuring program outcomes based on policy objectives. Program outcomes are seen through their impact on the intended targets, individuals, groups, and communities. The output of policy implementation is change and the acceptance of change by the target group. Hence, in this study, the implementation of the policy of completing the follow-up on the BPK audit recommendations in the Banten Provincial Government is influenced by the policy content and implementation context, and the program outcomes are measured based on the objectives of the BPK TLRHP settlement policy.

Content of Policy

Target group interests

The policy for completing the follow-up on BPK audit recommendations is contained in the BPK Chairman's Regulation Number 2 of 2017 concerning monitoring the implementation of the follow-up of audit results of the BPK. Policy implementation is influenced by policy con-

tent, where the content of the policy is structured by the interests of the target group. The implementation of the policy of monitoring the completion of follow-up on BPK's audit results cannot be separated from the interests of target groups, such as BPK, the inspectorate, and other entities with the same goals and objectives. The implementation of the regulation of the chairman of BPK Number 2 of 2017 is not elaborated and derived more specifically from the technical completion of the follow-up of audit recommendations into a policy in the regions. According to several representatives of the audit entities or several local apparatus organizations (Organisasi Perangkat Daerah, OPD) in the Banten Provincial Government, they regret that there is no regional head regulation that regulates in detail and technically the mechanism for completing the follow-up on the audit recommendations. Hence, many audit entities experience difficulty and feel confused in completing the follow-up on the BPK audit recommendations. This case is reinforced by the results of an interview with one of the representatives of the audited entity handling the follow-up of the Banten Provincial Health Office:

"We as the audited entity, find it quite difficult to complete the recommendations, especially those that are administrative in nature, and the completion of previous recommendations that have not yet been resolved. We need derivative rules from BPK Regulations that must be prepared technically by the regional head, such as the Banten Governor Regulation" (interview, May 4, 2022).

The target group's interests must clearly be included and represented in the policy content. In addition, a cross-OPD communication forum needs to be established to accommodate various kinds of complaints and difficulties of OPDs to complete follow-up recommendations. A cross-OPD communication forum is established to accommodate the interests of target groups because each audited entity has different obstacles. In the coordination forum, each OPD can report on the completion of the follow-up, that is, the difficulties and the progress made. The coordination forum will be greatly effective if each OPD and work unit reports the progress and obstacles experienced in completing the follow-up (Budaya & Sugiri, 2019).

Type of benefit

Policy content is influenced by the type of benefits from the objectives of the implemented program. The policy's benefits can be observed where the policy has been implemented. The success of a policy can be felt and observed by many groups utilizing the policy. This result is in accordance with Grindle's opinion (Grindle, 1980) that, in a policy, the benefits the target group will receive later must be explained. Therefore, in preparing policies, large outputs and impacts that all groups can feel should be considered.

Based on the condition of monitoring the follow-up on BPK I audit recommendations in the Banten Provincial Government, BPK Head Regulation Number 2 of 2017 has a positive impact. The existence of this policy provides guidelines and control policies on how to implement the completion of the follow-up on audit recommendations. The policy is implemented and used as a reference for the Banten Provincial Government, particularly for each audited entity where the audit results must be followed up in accordance with predetermined provi-

sions.

In general, the benefits of the policy of monitoring the implementation of follow-up recommendations on the BPK audit results for the Banten Provincial Government provide improvements in local financial governance, reduce local losses, and foster compliance with the implementation of laws and regulations. The benefits of the policy of completing the follow-up on the BPK audit recommendations can be felt. However, in its implementation, the audited entity is still not optimal in completing several recommendations for the results of the existing audit. Hence, the time for completing the follow-up on the audit recommendations is not in accordance with what has been determined. This case is reinforced by a statement from the BPK representative of Banten Province from one of the junior auditors stating:

“the local governments get solutions to problems faced in carrying out regional financial management and responsibilities, such as improvements in presenting financial reports, improvements in the implementation of physical work on roads, networks and irrigation and financial governance of (Badan Layanan Umum Daerah, BLUD)/Regional Companies/Regional Banks. So that in the future, the local government does not make the same mistakes and is more obedient to the provisions of laws and regulations” (interview, June 8, 2022).

Based on the results of the interview with the secretary of the Inspectorate of Banten Province:

“It is necessary to establish and formulate technical governor regulations governing the procedures for completing follow-up recommendations on the results of the audit so that they can be more fundamentally utilized by each audited entity because so far there are still several OPDs that find it difficult to make efforts to resolve follow-up recommendations on the results of the audit” (interview, May 18, 2022).

The findings in terms of the utilization of audit results by OPDs in this study are in line with (Hasanah, 2016), who stated that the results of the inspection carried out by the inspectorate had not been fully utilized as feedback to improve OPD performance.

Degree of change desired

How much change is intended or achieved through an implementation should be measured to have a clear scale. The commitment of the audited entity to follow up on the recommendations of the audit results is realized in an action plan. The audited entity must prepare an action plan for completing the follow-up to the recommendations prepared as a measure of time and action plans to complete the follow-up to the audit results. Based on the Banten Provincial Government situation, each audited OPD has certainly compiled an action plan for every audit result. However, in practice, the action plan that is compiled sometimes does not match the time and follow-up done.

Although the BPK audit aims to provide changes in financial management in a great direction, there are still BPK audits that produce repeated findings. To achieve the goals and objectives of the desired changes, the supporting factors to achieve the degree of change should be

necessary to strengthen, namely, the commitment and active response from audited entity officials, authors, and BPK officials. This case is based on the results of an interview with one of the senior auditors, who stated that the active response from audited entity officials, the response from BPK officials or auditors, and the cooperation between BPK officials and authorized audited entity officials to complete the BPK TLRHP (interview, June 8, 2022).

Location of decision-making

Decision-making in a policy plays an important role in policy implementation, the success of policy implementation is influenced by the accuracy of the decision making (Dholakia & Bagozzi, 2002). The policy of completing the follow-up on the BPK audit recommendations must be supported by the right decisions so that the decisions taken do not become new problems.

Based on the observations made by authors, the decision-making of each actor, such as BPK, inspectorate, and audit entities, in conducting follow-up has sometimes not been carried out properly and fundamentally. Differences often exist in perceptions of the review of the implementation of the completion of follow-up to existing recommendations by the BPK or inspectorate. These differences cause discrepancies in follow-up data among BPK, inspectorate, and audited entities. The audited entity considers that the recommendation has been followed up, but the BPK decision considers otherwise, and vice versa. One of the audited entity representatives from the Banten Province Public Works and Spatial Planning Office stated:

“Sometimes the results of recommendations have not provided a clear picture in terms of follow-up recommendations that must be done. There are often differences in perceptions of the audit results due to different field conditions, calculations, and methods and techniques so that the follow-up results cannot be accepted” (interview, May 24, 2022).

Another problem is that the audited entity does not pay close attention to the recommendations of the BPK audit report, causing the follow-up to not be in accordance with the recommendations, rejected, or wrong. Hence, the decision to complete the follow-up of the audit recommendations needs to be supported by identifying problems and looking for alternatives to solve the follow-up appropriately.

Internal communication in OPD needs to be built to determine decisions in accelerating the completion of follow-up on BPK audit recommendations. The completion of follow-up on audit results (Tindak Lanjut Hasil Pemeriksaan, TLHP) by OPD can only be carried out properly if the communication media is presented clearly, completely, accurately, and objectively and can be easily understood (Harinurhady et al., 2017).

Program implementer

The program implementers influence the success of the policy implementation process, whether the policy has involved its implementer in detail. The program implementer is the driving force, and a rule regulates the movement. The policy of completing the follow-up on

the BPK audit recommendations needs to be supported by detailed program implementers who know the obligations that must be carried out, thereby supporting the program is running.

In the local government of Banten Province, the government's internal supervisory apparatus (Aparat Pengawas Intern Pemerintah, APIP), or inspectorate has not been able to effectively mediate in supporting the completion of the follow-up on BPK audit recommendations. This condition is indicated by restrictions on access for OPDs to the BPK follow-up completion information system (Sistem Pemantauan Tindak Lanjut, SIPTL), so that OPDs cannot directly monitor the progress of follow-up on SIPTL. In addition, the implementation of the completion of the follow-up submitted by the OPD to APIP is not updated, resulting in unchanged follow-up data. Moreover, the submission and recording of follow-up results carried out by the BPK and the Inspectorate of Banten Province is not carried out on an ongoing basis. Hence, there are often failures and disagreements in the results of follow-up recommendations made and provided by the audited entity. This condition is caused by changes in personnel who do not necessarily submit follow-up records of audit results on an ongoing basis.

The replacement of follow-up monitoring personnel in the scope of BPK, the Inspectorate of Banten Province, and the audit entity causes disconnection of information and history of previous follow-up results that have been recorded. As an institution obliged to follow up on the findings of various auditors and as the leader of APIP, the inspectorate must know the remaining findings that have not been completed. From an interview with one of the entities of the Banten Provincial Education and Culture Office:

“the implementation of monitoring follow-up on the results of the BPK audit sometimes found information that was not complete and not updated, due to separate monitoring officers and inspection teams, plus BPK officers who often experienced transfers or employee mutations so that existing information did not continue which caused differences in data on the results of the previous follow-up” (interview, May 24, 2022).

Problems should be identified, action plans must be developed, and activities must be controlled to determine completion targets. The inspector must have commitment and assertiveness in completing the follow-up. Moreover, as an internal government supervisory agency that ideally becomes a good barometer in efforts to complete the follow-up, the inspector must be able to mobilize and inspire all available resources to achieve the acceleration of follow-up completion (Nahor et al., 2021).

Resources involved

The involvement of resources in policy implementation is very important and is a supporting factor for successful policy implementation. The successful implementation of the policy of completing the follow-up on the BPK audit recommendations is influenced by the quality and quantity of resources, whether in the availability of personnel, facilities infrastructure, and budget. To complete the follow-up on the BPK audit recommendations, supporting per-

sonnel resources in quantity and quality should be available for the Inspectorate of Banten Province and in the OPD as the audit entity. In terms of quantity, the number of human resources available for the Inspectorate of Banten Province in 2021 was 137 civil servants. Table 1 presents the number and composition of Banten Province Inspectorate employees by status and class.

When viewed from the composition of employees in functional positions, only 62% is filled when compared with the personnel requirements for the functional position of auditor. In supervisor of the implementation of local government affairs (Pengawas Penyelenggaraan Urusan Pemerintahan di Daerah, P2UPD) functional positions, only 48% are filled compared to the personnel needs. For the functional position of Audiwan, only 33% is filled when compared with the personnel requirements. Hence, the fulfillment of the number of employees in functional positions, compared with the needs of the tasks and functions of supervision, is still very limited. However, these conditions show that effectiveness and efficiency through human resources can be met without reducing organizational performance in carrying out supervisory activities (Inspektorat, 2022).

The inspectorate, as APIP, plays a role in assisting the BPK's duties in synchronizing and facilitating the BPK's completion of follow-up recommendations on audit results to all entities within the Banten Provincial Government. Based on the existing conditions, the available inspectorate apparatus to support the completion of follow-up results of the BPK audit is lacking. Problems with the availability of human resources in the context of implementing the completion of BPK's TLRHP also occur in each audited entity as an officer compiling financial reports and follow-up audit results.

Based on interviews with several OPDs in several entities of the Banten Provincial Government, the preparers of follow-up recommendations on BPK findings were still limited to approximately 1 (one) or 2 (two) implementing staff with competencies other than accounting backgrounds. Regarding qualifications for 96 functional staff of the Inspectorate of Banten Province, all of them are Jabatan Fungsional Auditor/Functional Auditor Position certified with a bachelor's degree and master's degree education levels.

In terms of quality, the inspectorate's human resource qualifications already include good skills and competencies. However, the qualifications of human resources for follow-up officers

Table 1. The Recapitulation of the Number of Employees of the Inspectorate of Banten Province

Employment status	Total
Structural position	9
Auditor functional position	66
PPUPD functional position	27
Audiwan functional position	3
Other positions	30
Total	135

Source: Inspektorat (2022)

in each audited entity need to be improved in terms of competence and professionalism to understand the information in the LHP and complete the recommendations in the LHP.

Facilities and infrastructure resources at the inspectorate and the audit entities are adequate to support the completion of the follow-up on the BPK audit recommendations. However, the budget has not been the focus of fulfillment for each audit entity, so the budget for follow-up on audit recommendations is still considered too small in each audit entity. Follow-up work on the results of the BPK audit is an ongoing administrative work that requires sufficient costs. For example, in the Banten Province Public Works and Spatial Planning Office, an agency with a total 2021 budget of IDR 2,265,115,773,644 only allocates a budget of IDR 8,000,000 for BPK and APIP follow-up completion activities (DPUPR, 2021). The amount of budget allocation is not comparable to the available agency budget, considering that the Public Works and Spatial Planning Office has a high-risk management level.

Resource engagement focuses not only on budget, human resources, and infrastructure but also on other resources. The other resources in question are regulatory resources that can be used to urge specific improvements and the resources of related agencies that can be involved to urge certain actions. Therefore, optimizing regulatory resources is necessary to urge certain improvements so that the quality of follow-up completion can be on target and beneficial (Haryati et al., 2020).

Implementation Environment

Power, interests, and strategies of the actors involved

Clear authority in implementing the completion of follow-up recommendations of BPK audit results is divided based on their respective authorities. BPK has the authority to monitor the follow-up results, the inspectorate as APIP has the authority to facilitate the completion of the follow-up on BPK audit results, and the audit entity has the authority to perform or follow-up the recommendations of the audit results in accordance with applicable regulations. The community, legislature, and leadership play a role as supervisors and monitor the implementation of the completion of the follow-up results of the audit. However, not all actors have been effectively involved in monitoring the completion of the follow-up of BPK's audit recommendations.

Strategies in policy implementation have been monitored by the inspectorate and the BPK representative of Banten Province periodically once per semester. Then, the results of monitoring the audited entity are used as an IHPS report. In addition, another strategy is the commitment of the leadership of each audited entity to make an integrity pact on the completion of follow-up audit results and increase the improvement of the implementation of the Internal Control System (Sistem Pengendalian Internal, SPI) in each OPD. This can certainly support the achievement of successful policy implementation in terms of the power, interests, and strategies of the actors involved.

To resolve TLHP by OPD, the OPD has followed up on suggestions or recommendations from the auditor in a way different from those given in the LHP. Then, the auditor must assess the effectiveness of the completion of the follow-up completion analysis carried out. The auditor does not have to force the recommendations to be followed up but must be able to accept other greatly effective steps (AAIPI, 2013). Until now, these interests have not been accommodated in the completion of the follow-up.

Characteristics of institutions and rulers

The attitude shown by the Banten Provincial Government, particularly by the inspectorate, is evidenced by the efforts of facilitators and monitoring commitments that have been carried out regularly. Monitoring is carried out internally involving the inspectorate and several audit OPDs to ensure progress in implementing follow-up recommendations on the results of the BPK audit.

The inspectorate assists, but the obstacles are in the audit OPD. Many inhibiting factors are behind the difficulty of OPD completing the follow-up to the audit recommendations. The existing condition is that the commitment of the leadership of the regional head and the head of the OPD is still not focused on monitoring the follow-up on the BPK audit recommendations. In addition, the leadership is still greatly focused on the implementation of existing daily activity programs with less attention to the obligations of the problems of previous work findings that have not been resolved.

The assertiveness of the regional head and the head of the OPD is still not optimal to encourage the implementation of follow-up completion. The problem with the leadership and APIP institutions' character in responding to the completion of BPK findings is the lack of assertiveness and weak supervision. This case is evidenced by the fact that many recommendations have not been followed up from 2005 to 2022, as shown in Table 2. This study's results align with those (Arini, 2014), who explained the need for support in terms of commitment, leadership, motivation, and communication of managers in all lines of implementation of SPI's LHP follow-up in the form of written policies. Moreover, all managers must coordinate follow-up efforts, and the implementation of LHP follow-up by SPI should be evaluated and monitored.

Compliance and responsiveness

The compliance of the implementing actors is needed to support the implementation of the follow-up policy recommendations for the results of the audit to run well. According to Grindle (1980), the response of implementers is needed to assess the implementation of a policy. If these obstacles can be quickly overcome properly, the policy will run well again and also experience progress toward a great direction (Grindle, 1980). The inspectorate and the audit OPD must be responsible and commit to complete what has been recommended by BPK. The conditions that occurred show that the Banten Provincial Government does not have a high

Table 2. Recapitulation of Follow-up Monitoring Results of Audit Recommendations on Banten Provincial Government IHPS Year 2021

Period	Recommen- dations Total	Follow-up monitoring status							
		Has complied with recommendations		Not in accordance with recommenda- tions		Not followed up		Not actionable	
		Total	%	Total	%	Total	%	Total	%
2012	111	84	75.70	9	8.10	18	16.20	0	
2013	122	109	89.30	9	7.40	4	3.30	0	
2014	195	150	76.90	38	19.50	7	3.60	0	
2015	154	138	89.60	16	10.40			0	
2016	120	112	93.30	8	6.70			0	
2017	53	47	88.70	6	11.30			0	
2018	14	12	85.70	1	7.10	1	7.10	0	
2019	45	36	80.00	4	8.90	5	11.10	0	
2020	87	64	73.60	22	25.30	1	1.10	0	
2021	98	47	48.00	9	9.20	42	42.90	0	
Total	999	799		122		78		0	

Source: BPK (2022)

level of compliance with the provisions to complete follow-up recommendations on the results of the BPK audit. Some previous recommendations have not been followed up, as shown in Table 2.

From the Summary of Semester Audit Reports document conducted by BPK from 2005 to 2021, several recommendations were not completed by the Banten Provincial Government. Hence, the Banten Provincial Government has not been compliant in completing follow-up recommendations owing to the low commitment of the audited entity and other complicated problems. Follow-up of BPK supervisory reports is very important because the success or failure of supervision of local government administration depends on the level of compliance of local governments in implementing recommendations from the audit results of government supervision officials (Harinurhady et al., 2017). A period of 17 years is not a short time. Based on the regulations determined, a maximum time limit in completing the follow-up of BPK audit results must be fulfilled.

In addition, it is coupled with the low response from the audit OPD to complete the previous follow-up recommendations owing to factors such as OPD restructuring, rotation of positions, retirement or death of the person in charge of the audit results, natural disasters, bankruptcy of third parties, effects of legal cases, and other problems that add to the complexity of completing the follow-up recommendations of the previous audit results to be completed.

CONCLUSION

The implementation of the policy for completing the follow-up on BPK audit recommendations in the Banten Provincial Government, when viewed from the perspective of the success of policy implementation, according to Grindle (1980), is still ineffective in implementing the completion of the follow-up. One of them is from the content of the policy, where the content of the policy does not entirely cover the interests of the target group. In addition, the type of benefits of the policies that have been prepared has not been able to significantly impact financial governance in each OPD. Furthermore, several OPDs still find it difficult to make efforts to resolve follow-up recommendations on the results of the audit, and similar findings are still often repeated. The degree of change has not been achieved directly and quickly, requiring a measurable and consistent action plan. Decision-making still does not support the sustainability of the completion of follow-up to the results of the audit. Moreover, differences often exist in perceptions of the review of the implementation of the completion of follow-up to existing recommendations by BPK or the inspectorate. This case causes discrepancies in follow-up data among BPK, inspectorate, and audit entities. As program implementers, the inspectorate has been unable to effectively mediate in supporting the completion of follow-up recommendations on BPK audit results. The reasons are the resource factors in the form of limited availability of APIP personnel and follow-up personnel in each OPD and a limited budget for completing follow-up recommendations on BPK audit results. These problems are a challenge for policymakers to carry out what has been regulated and compiled in a policy related to the implementation of follow-up on the results of the BPK audit.

Furthermore, from the aspect of the implementation environment, when viewed based on the power, interests, and strategies of the actors involved from several existing actors, not all have been effectively involved in monitoring the completion of follow-up on the BPK audit recommendations. The characteristics of the ruling institution, in this case, the regional head and the head of the local apparatus, still do not have the commitment and assertiveness to encourage the completion of the follow-up. The lack of assertiveness and weak supervision are problems with the character of leaders and APIP institutions in responding to the completion of BPK findings. In addition to OPD's weak compliance and responsiveness in accelerating the completion of the follow-up on the BPK audit recommendations, some recommendations have not yet been followed up. The potential implication of this study is that the BPK can reformulate technical policies related to the completion of follow-up recommendations on audit results effectively and measurably.

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