

Analysis Of Planning And Budgeting Consistency Determinants For Bekasi City Development

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Article Info	Abstract
<p>Article History</p> <p>Received: February 01, 2023</p> <p>Accepted: May 03, 2023</p> <hr/> <p>Keywords : Consistency, Planning, Budgeting, Development.</p> <p>DOI: 10.5281/zenodo.7893013</p>	<p><i>Compared to other regional financial management activities, planning and budgeting can be the most crucial and complex. Due to the scope and complexity of the planning and budgeting process, obstacles to maintaining consistency between planning and budgeting may arise. This study looks into the factors that influence development planning and budgeting in the city of Bekasi. A mixed qualitative and quantitative analysis approach is used in this research methodology. Primary and secondary data are used in the research. The findings show that several factors influence the city of Bekasi's planning and budgeting consistency, including the Planning aspect, Political Interests, the Budgeting process, and Regulatory Aspects that allow for "playtime" and Official Transfers.</i></p>

Introduction

During the period of regional autonomy in Indonesia, development planning is regulated by Law Number 25 of 2004 concerning the National Development Planning System, which is further regulated by Government Regulation Number 8 of 2008 concerning Stages, Procedures for Compiling, Controlling, and Evaluating the Implementation of Regional Development Plans, and regulated in more detail by Minister of Home Affairs Regulation Number 86 of 2017 concerning Procedures for Planning, Controlling and Evaluation of Regional Development, Procedures for Evaluation of Draft Regional Regulations concerning Regional Long-Term Development Plans and Planning. Planning is selecting appropriate future actions from options while considering available resources.

The aforementioned legislative interpretation is consistent with Conyers and Hill's opinion of planning as a continuous process involving decisions or choices about using existing resources to achieve specific future goals (Conyers et al. ., 1984). According to Arsyad (1999), there are four basic elements to planning as a continuous process for achieving these goals: (1) planning means choosing, (2) planning is a tool for allocating resources, and (3) planning is a tool for achieving goals and (4) planning for the future. Thus, to ensure that the development planning process can produce a good and sustainable development plan, the system must be prepared systematically, directed, integrated, comprehensively, and responsive to changes.

From the perspective of the planning period, development planning is divided into long-term, medium-term, and short-term planning, also known as annual planning. According to Law 25/24, Regional Long-Term Development Plans (RPJPD) must be prepared for 20 (twenty) years, Regional Medium-Term Development Plans (RPJMD) for 5 (five) years, and Regional Development Work Plans (RKPD) for 1 (one) year.

Compared to other regional financial management activities, planning and budgeting can be crucial and complex. Because of the scope and complexity of the planning and budgeting process, obstacles to maintaining consistency between planning and budgeting may arise. These constraints and challenges can be seen from the perspective of (1) local government officials' ability to understand and implement the existing regulations while paying attention to planning Consistency and discipline, and (2) local government officials' ability to prepare programs and activities plans following their duties and responsibilities following the services they provide (3) Stakeholder commitment (stakeholders) has not synergized, (4) Legislative and executive coordination, and (5) The role of Leadership (Political Will) in implementing consistency between planning and budgeting. As a result, the success or failure of development is highly dependent on the government's ability to find and formulate a system model (structure, process, and mechanism) planning that can anticipate or eliminate the obstacles from the five factors above.

In general, Bekasi City's 2013-2018 development targets can be met successfully, as evidenced by the evaluation results of the 2013-2018 RPJMD targets, which show an average achievement rate of 91.4 percent (Bekasi City Regional Development Planning Agency, 2018). However, the correlation between targets achieved by increasing regional fiscal capacity in financing/budgeting development does not move concurrently; that is, increased financing capacity does not correlate significantly with increased target achievement. In this case, the increase in income above the RPJMD target, which means it will increase the ability of regional spending to achieve the development target above the target set in the RPJMD, does not occur in most of the targets.

Increasing Bekasi City's ability to finance development has no significant impact on the city's ability to meet its development goals. One of the reasons is a lack of consistency between planning and development budgeting, as evidenced by the presence of budget allocations that do not correspond to the development targets set in both the RPJMD and the SKPD Strategic Plans as the RKPD and Renja SKPD.

Based on this phenomenon and the perspective of planning and budgeting as a unified system and process that ensures the linkage and consistency between planning, budgeting, implementation, and supervision, the author believes that a study is needed to integrate the planning and budgeting process stages into a system that can maintain consistency between planning and budgeting. As a result, there will be a positive correlation between budget capability and the achievement of development targets. Then, it is necessary to research the consistency of development planning and budgeting in preparing the Bekasi regional revenue and expenditure budget.

Literature Review

After searching for previous research, the author can explain some of the findings to review the research on planning and budgeting. *The first* review is on the research focus. Several previous studies analyzed the consistency of planning and budgeting in measuring performance (Osrinda et al. 2016), measuring regional development achievements (Adicipta and Kharisma 2019), and the Implementation of the Regional Medium-Term Development Plan (RPJMD) (Oktavianto et al. 2017; Afandi 2019). The author has not found the results of previous research that analyzed the consistency of planning and budgeting by making the APBD the focus of analysis and aims to build a research model that is expected to be implemented consistently.

Second, a review of the methodology used. Based on a review of the results of previous studies, the author found inequality in the use of research methodologies. For example, the research conducted by Kharisma and Wibowo (2019) analyzes by comparing programs and budgets according to the amount, variance, and percentage change between MTEF and public budget management and the use of the Analytic Hierarchy Process (AHP). Idris' research (2018) uses the Mix method with analysis using MKPP by synchronizing programs, activities, ceilings, and performance targets. Osrinda et al. (2016) and Adicipta & Kharisma (2019) used the same qualitative descriptive approach. Afandi's research (2019) used a soft system method qualitatively. In comparison, Octavianto et al. (2017) research used qualitative description. The author has not found the results of previous studies that explicitly conducted research using a *mixed-method* involving *BATWOVE analysis* and correlation analysis.

Third, a review of the research results. The author finds discrepancies with the results of previous studies. Between one study and another, there is no uniformity of results. For example, Octavianto et al. (2017) research showed that consistency in planning and budgeting is interpreted as a guideline for realizing local government financial performance accountability through loyalty, effective evaluation and supervision, and strong commitment. This research is different from the one conducted by Kharisma and Wibowo (2019), which states that there is no consistency between the Medium-Term Expenditure Framework (MTEF) and Public Expenditure Management (PEM) in the Regional Medium-Term Development Plan (RPJMD). Meanwhile, the research by Idris (2018) found that consistency at the APBD preparation stage is better than in the prioritization and provisional budget ceiling (PPAS) preparation stage. Different results were also shown by research conducted by Osrinda and Delis (2016), which found that all programs and activities in the RKA and DPA were in sync with each other. However, inconsistencies were found between PPAS and RENJA and RENJA and RKA; it was shown that there were additions or subtractions of programs and activities in each of these documents.

The sixth review, the unit of research analysis on the consistency of budget preparation carried out by previous researchers, among others, planning-budget documents and informants (Idris 2018; Afandi 2019), documents and informants (Adicipta and Kharisma 2019), documents and Bappeda leaders (Osrinda and Delis 2016). No previous research used all stakeholders as research informants, such as DPRD members, SKPD leaders, regional officials, community representatives, media, and academics.

This study seeks to fill some gaps by providing a budgeting model, utilizing mixed-method analysis using *BATWOVE analysis*, and being a broader informant in preparing recommendation models. To determine the position of this research with previous studies in social science studies, the researcher describes in this subsection several studies and journals related to regional development planning and budgeting.

Research Method

Based on the research problems, the author uses a mixed research method that includes qualitative and quantitative approaches to solve the research problems. The study will begin with a qualitative examination of the achievement of development indicators targets, fiscal capacity, and Bekasi City revenue and expenditure budget policies from 2013 to 2018 to assess their suitability and consistency. Then, to deepen and strengthen the previous qualitative analysis, conduct quantitative research on how the planning and budgeting process in the 2013-2018 period was carried out to identify the factors that influence the results of the study on the level of conformity and consistency between target development indicators, development financing capability (fiscal), and revenue and expenditure budget policies in achieving the development goals. The researcher then uses the triangulation method to interpret previous qualitative and quantitative research results to determine the factors that cause low consistency between development planning and budgeting and formulate an appropriate development planning and budgeting integration model to improve consistency between development planning and budgeting. Triangulation design aims to collect different but complementary data to investigate research problems on the same subject. This design seeks to balance the benefits and drawbacks of overlapping quantitative and qualitative methods.

Discussion

Consistency in planning and budgeting is critical because it is a barometer for evaluating local government performance, ensuring that all government programs and activities run smoothly to meet the objectives set. This policy has a significant impact on achieving the planning document's vision, mission, goals, targets, and policies. It plays an important role in implementing development programs to improve human resource quality and increase economic growth.

The achievement of development targets to realize regulation and budget efficiency will be influenced by the consistency between planning and budgeting; in other words, the higher the realization describes the attainment of the planned level of achievement that is improving. On the other hand, if the actual reality differs from the scheduled reality, development planning is ineffective and wasteful. According to field findings in the city of Bekasi, several factors contributed to planning and budgeting inconsistencies, including:

First, in terms of the Planning Aspect, this study backs up previous research by stating that regional development planning is not optimally successful due to several factors, including the lack of valid data and an analytical planning method. As a result, it's all based on instinct. The indicators of development success are not completely clear at first. It is prone to bias in the budgeting process and allows for the introduction of various political interests. The findings are consistent with previous research (e.g., Dorey, 2014; Garcia et al., 2020; Labolo & Indrayani, 2019; Sial et al., 2013), which identified at least six key contributing factors to a plan's failure, including First, ambitious planning. Second, planning is based on intuition rather than valid data. Finally, planning methods are not analytical. The fourth issue is a lack of problem-solving skills in the planning process. Institutions, fifth, have flaws, and sixth, it is political.

Second. Political interests, in particular, were discovered to be the source of inconsistency in this study. The elites (regents/mayors and the DPRD) ratify the APBD. Frequently, one party to another takes advantage of each other's power and maintains a bargaining position so that negotiation is the only way to reach a final budget decision. It implies that both parties' political interests must be accommodated. So that an institutional plan with political content can castrate and defeat a public program that has been organized neatly since the village level. The institutional goal is nothing more than a crystallization of political parties and regional bureaucracies' collective political interests.

Third, the budgeting process. When budgeting, a common issue is the addition of new activities that were not planned. These activities are solely based on political encouragement from supporters/constituents rather than on the urgency principles. This situation eventually eliminates the budget set aside for priority agenda items.

Fourth, regulatory aspects that allow for "playtime." The lack of a centralized institution to be the centre of budgeting is due to regulatory differences between planning and budgeting. Because both parties have strengths full of interests and political considerations that impact budget compromises, which often erode the ideal development plans that have been set, joint budgeting activities between the executive and judiciary have proven to be detrimental to budgeting effectiveness.

Fifth, Transfer of Officials. Changes in structural positions within the Bekasi City Government from 2013 to 2018 are acknowledged as harming the region's bureaucracy's professionalism. Many strategic positions or positions in the government structure are still insufficiently qualified. Forming a professional and competent regional civil servant/ASN is also difficult to put in place. Political interests outweigh the regional ASN's level

of achievement in obtaining employment rights. This policy is also inextricably linked to support efforts for the Regional Head Election (Pilkada). Officials who back mayoral candidates and help them win regional elections are given automatic promotions. Meanwhile, officials who support other mayoral candidates and lose the Pilkada will be transferred to less desirable positions such as expert staff, lower echelon, or even non-jobs.

According to a literature search, analysis of planning and budgeting inconsistencies is a growing field of study. The study of public management science and public administration science is covered in the literature referenced in this study. The existence of two institutions with power and a tendency to maintain their respective bargaining positions is one of the reasons for inconsistency in planning and budgeting. As a result, those who disagree with the notion that having legislative and executive institutions will improve the budgeting process are included in this research. As a result, this study favours the viewpoint that a central budgeting agency is required in the budgeting process, but that performance indicators must be determined in great detail. A centralized formula based on performance-based budgeting is recommended in this study (centralized budgeting based on performance-based budgeting).

Bekasi's government is one of Jakarta's satellite cities or backbones, a rapidly growing urbanization area. Bekasi City will have a population of 3,084 million people by 2020. According to this figure, Bekasi City is the fifth-most populous city in Indonesia.

Conclusions And Suggestions

Inconsistencies between planning and budgeting are caused by the following factors: From the standpoint of planning, this study confirms the findings of previous studies, which found that regional development planning was not optimally successful due to some factors, including a lack of valid data and analytic planning methods. It's all based on instinct. The indicators of development achievement are not entirely clear at first. It is prone to bias in the budgeting process and allows for the inclusion of various political interests. Political interests were also discovered to be the cause of the inconsistency in this study. The ratification of the APBD is a power struggle between elites (regents/mayors and the DPRD). Frequently, one party takes advantage of the power of the other and maintains a bargaining position so that the final budget decision is reached through negotiation. So that an institutional plan full of political content can castrate and defeat a public program that has been organized neatly since the village level. Aspects of regulation that allow for "playtime." The lack of a centralized institution to serve as the budgeting centre is due to regulatory differences between planning and budgeting. Budgeting effectiveness is harmed by joint budgeting activities between the executive and judiciary. Transfer of Authority. Changes in structural positions within the Bekasi City Government from 2013 to 2018 are recognized as harming the region's bureaucracy's professionalism. Many strategic positions or positions in the government structure are still not commensurate with the qualifications of the employees who work there. This policy is also inextricably linked to efforts to assist in the Regional Head Election (Pilkada). Officials who back specific mayoral candidates and win regional elections are automatically promoted. Meanwhile, officials who support other mayoral candidates and lose the Pilkada will be transferred to less desirable positions, such as expert staff, lower echelon, or even non-jobs.

To reveal the problem situation, the researcher employs a triangulation approach. The problem disclosure process is based on design thinking to solve human problems (people's problems). The research concludes with recommendations for planning and budgeting models. As a result, more research is recommended using a "hard" approach, i.e., designing an ideal model based on various scientific arguments first and then testing it on a practical level to reveal how outstanding planning and budgeting work in Bekasi City. To back up the findings of this study, the researcher suggests that future researchers conduct similar studies in different cities. The degree of validity of a scientific conclusion will be revealed based on various studies. It's possible that the scientific conclusions of a research result are conclusions at one specific locus but can be applied elsewhere. When a research result is applicable in multiple settings, it becomes a well-established social concept.

As the embodiment of the research results, the practical advice of this research is a strategic recommendation to the relevant government, namely the Bekasi City government. The recommendations are based on the research's findings and conclusions, which are as follows:

1. According to the test results, the performance-based budgeting model is the best in the development planning process. As a result, it is recommended that stakeholders put the recommended model into practice.
2. Because a central budgeting institution is required to carry out this concept, it is recommended that the Bekasi city government organize one. Furthermore, the researcher suggests that the central government is the agency's primary development actor. The concept will be difficult to realize in an ideal format in the regions without the central government's intervention. Without the involvement of the central government, the planning and budgeting process in the areas cannot be left alone.
3. Planning and budgeting are integral concepts across all SKPD lines; they cannot exist in isolation. As a result, all SKPDs are advised to work together to bring institutions/services/agencies closer to improve community welfare. Avoid creating a "sectoral ego" barrier that divides one agency/service from another.

As a result, to solve the lint problem as a sector, the "sectoral ego" must be eliminated first and foremost in the planning and budgeting process.

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