

**THE IMPACT OF GOVERNMENT BUDGET EFFICIENCY POLICY
ON EMPLOYEE PERFORMANCE MANAGEMENT AT THE
MINISTRY OF FINANCE'S FINANCIAL AND DEVELOPMENT
SUPERVISORY AGENCY (BPPK)**

*Acc for Thesis Exam
Yogyakarta, April 6, 2026*



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**INTERNATIONAL UNDERGRADUATE PROGRAM OF MANAGEMENT
FACULTY OF BUSINESS AND ECONOMICS
ISLAMIC UNIVERSITY OF INDONESIA**

2025

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AGENCY (BPPK)**

Internship Final Project

Compiled and submitted to meet the final exam requirements in order to obtain a
Bachelor's degree in Management Study Program, Faculty of Business and
Economics, Islamic University of Indonesia



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YOGYAKARTA**

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ADVISOR APPROVAL PAGE

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DECLARATION OF AUTHENTICITY

I declare the originality of this thesis, which was made by the author themselves. I do not use anyone else's work, words, expressions, or ideas without acknowledgment. I declare that all of the data, ideas, words, and writing were obtained by the author themselves.

If this statement is false in the future, I am willing to accept any sanction complying with the determined regulation or its consequences.

Yogyakarta, Monday, 4 March 2026



Mochammad Raihan

BERITA ACARA UJIAN TUGAS AKHIR

FINAL PROJECT ENTITLED

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(BPPK)**

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ACKNOWLEDGMENTS

Praise be to God Almighty for all His abundant grace, guidance, and blessings so that the author can complete the Final Internship Report entitled "The Impact of Budget Efficiency Policy on Employee Performance Management at the BPPK Ministry of Finance" on time.

This report is one of the academic requirements for completing an internship in the Management Study Program, Faculty of Business and Economics, Islamic University of Indonesia. The author acknowledges that the success of this report is inseparable from the assistance, support, and guidance of various parties.

Therefore, on this occasion the author would like to express his gratitude to:

1. Mrs. Majang Palupi, as the academic supervisor who has provided direction, input, and guidance during the process of compiling this report.
2. Mrs. Lily Mutiary, as a field supervisor at the Financial Education and Training Agency, has guided, directed, and provided the author with the opportunity to gain valuable experience during the internship.
3. All staff in the Agency Secretariat, Internal Organization and Compliance Section, Performance and Risk Management Subsection who have assisted and supported the smooth implementation of the internship.
4. Both parents and family who always provide prayers, encouragement, and moral and material support.

The author hopes that this report will provide benefits, both for the author, the agency, and the readers, especially as input in efforts to improve performance management amidst budget efficiency policies.

Finally, the author realizes that this report still has limitations, so constructive criticism and suggestions are highly expected for future improvements.

ABSTRACT

This study examines the impact of the government's budget efficiency policy on employee performance management at the Financial Education and Training Agency (BPPK), Ministry of Finance. The study was motivated by the fact that, despite the implementation of budget efficiency measures at the beginning of 2025, BPPK's Organizational Performance Score (NKO) remained high and even showed an increasing trend. This phenomenon raises an important question regarding how organizational performance could be maintained under conditions of resource constraints. The study aims to analyze the factors that explain why the efficiency policy did not significantly reduce organizational performance, to identify the role of performance management in sustaining performance during the efficiency period, and to examine the factors influencing the effectiveness of employee performance management in this context. This research employs a qualitative case study approach with a descriptive-analytical design. Data were collected through direct observation during the internship period, semi-structured interviews with employees involved in performance and risk management, and document analysis of DKRO, LPKR, and other relevant institutional reports. The data were analyzed using thematic analysis and validated through source and method triangulation. The findings indicate that the budget efficiency policy did not directly reduce BPPK's aggregate performance because the organization was able to adapt through changes in work methods, especially the digitalization of program implementation, work arrangement adjustments, and the use of periodic performance governance through DKRO or LPKR. The study also finds that performance resilience during the efficiency period is supported by the integration of

performance management and risk management, which enables the organization to monitor achievements, identify operational risks, and determine follow-up actions on a quarterly. However, the study also reveals that the stability of aggregate performance coexisted with implementation trade-offs, particularly in terms of quality assurance, impact evaluation, and adjustment burdens experienced by implementing units. In conclusion, this study shows that the stability of organizational performance during a period of budget efficiency should not be interpreted as the absence of impact, but rather as the result of adaptive performance management, periodic governance mechanisms, and continuous organizational adjustment in response to resource constraints.

Keywords: budget efficiency policy, performance management, organizational performance, risk management, public sector, BPPK

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CHAPTER I

INTRODUCTION

1.1. Background

The government's budget efficiency policy, introduced at the beginning of 2025 through Presidential Instruction (Instruksi Presiden) No. 1 of 2025 on expenditure efficiency in the implementation of the 2025 State Budget and Regional Budgets, placed public organizations under pressure to maintain performance with more limited resources (Andi. F., 2025; Ministry of Finance Republic of Indonesia, 2025). In this study, budget efficiency is understood not merely as cost saving, but as a policy driven adjustment in public expenditure that requires organizations to reduce, reallocate, and optimize available resources while maintaining the achievement of organizational objectives. Thus, budget efficiency in this research refers to a condition of resource constraint that may affect work processes, service delivery, and performance management practices. In the public management literature, this type of fiscal constraint is commonly associated with pressure on organizational capacity, workload, and service quality if it is not managed adaptively (Esteve et al., 2017; Bedford et al., 2022).

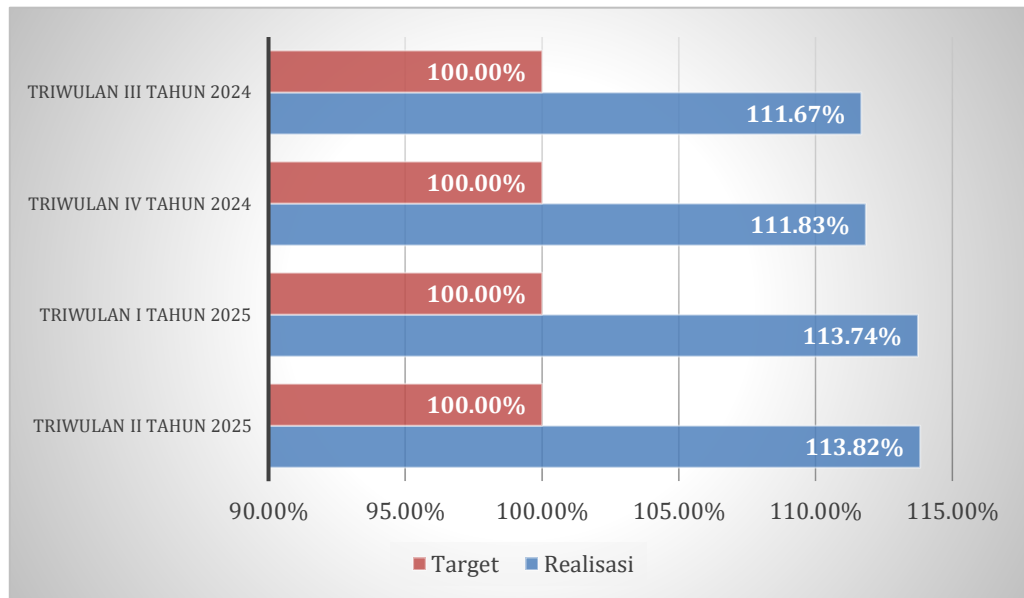
For that reason, the consequences of budget efficiency cannot be assessed only by looking at whether a performance target is formally achieved. The effectiveness of performance management in the public sector depends not only on the existence of indicators but also on how those indicators are defined, interpreted, and used in decision making. Empirical studies suggest that performance information may

support learning and improvement, but they also caution that performance results must be read carefully when target formulas, measurement design, or managerial use of indicators change across periods (Speklé & Verbeeten, 2014; Van Dooren et al., 2015).

This issue is particularly relevant in the case of the Financial Education and Training Agency (BPPK), the corporate university within the Ministry of Finance. As one of the institutions directly affected by the 2025 efficiency policy, BPPK was required to continue delivering education and training functions while adjusting work methods and resource use. One of the main measures used to assess BPPK's organizational achievement is the Organizational Performance Score (NKO), an aggregate indicator composed of Key Performance Indicators (IKU) grouped into several performance perspectives.

Based on data from performance documents, BPPK's NKO achievement in Quarter IV 2024 was recorded at 111.83% (DKRO BPPK 2024). Following the implementation of the budget efficiency policy at the beginning of 2025, the NKO achievement showed a positive trend, reaching 113.74% in Quarter I 2025 (DKRO BPPK 2025) and again recorded at 113.82% in Quarter II 2025 (Performance and Risk Monitoring Report (LPKR) BPPK 2025). It can be concluded that this condition indicates a positive trend, where the organization's performance achievements have remained at a high level despite the implementation of the budget efficiency policy, as shown in Figure 1.1 below:

Figure 1 1. Organizational Performance Score BPPK 2024 - 2025



Source Performance Achievement Report, Risk Monitoring, and BPPK

Organizational Performance and Risk Dialogue

However, this pattern should not be interpreted too quickly as evidence that budget efficiency had no meaningful consequences for BPPK. On the one hand, the stable and increasing NKO may indicate that the organization was able to adapt effectively through digitalization, work-method adjustment, and periodic performance monitoring. On the other hand, it may also raise an analytical question regarding whether the reported improvement reflects substantive organizational performance or partly reflects how performance was measured, adjusted, and interpreted during the efficiency period. This tension constitutes the main empirical puzzle of the study.

In this context, performance management and risk management become important analytical lenses. Performance management in the public sector encompasses target setting, monitoring, evaluation, and the use of performance

information for corrective action (Moynihan, 2016), while ISO 31000:2018 emphasizes that risk management should be integrated into organizational strategy, planning, and reporting. Accordingly, the urgency of this study lies not only in examining whether BPPK's reported performance remained high during the budget efficiency period, but also in explaining how that performance was maintained, what organizational adjustments made it possible, and how the resulting performance should be interpreted.

1.2. Research Problem

The government's budget efficiency policy implemented at the beginning of 2025 through Presidential Instruction (Instruksi Presiden) No. 1 of 2025 on expenditure efficiency in the implementation of the 2025 State Budget and Regional Budgets, has compelled public organizations to realign program priorities, work methods, and resource utilization to ensure the achievement of performance targets (ANTARA News Lampung, 2025; Ministry of Finance Republic of Indonesia, 2025) has compelled public organizations to realign program priorities, work methods, and resource utilization to ensure the achievement of performance targets. According to one theoretical perspective, efficiency policies or the principle of "doing more with less" may exert pressure on organizational capacity, service quality, and employee workload if not accompanied by adequate adaptation of management and control systems (Esteve et al., 2017; Bedford et al., 2022). In this study, budget efficiency is understood not merely as cost reduction, but as a condition of resource constraint that requires

organizations to reduce, reallocate, and optimize expenditure while attempting to maintain organizational objectives.

Nevertheless, BPPK's performance data indicate that the Organizational Performance Score (NKO) has remained within the high-performance category and has even increased during the period following the implementation of the budget efficiency policy (BPPK, 2024; BPPK, 2025a; BPPK, 2025b). This condition creates an important empirical puzzle. On the one hand, the stability and increase of NKO may suggest that BPPK was able to adapt effectively through changes in work methods, digitalization, and performance governance. On the other hand, it may also raise questions about whether the reported improvement reflects substantive organizational improvement or partly the way performance is measured, adjusted, and interpreted under efficiency conditions. Therefore, the issue is not only whether performance remained high, but also how such stability was maintained and what factors explain it, particularly through the coordinating function of the Subdivision for Organizational Performance and Risk Management (PKRO).

In addition, performance documentation emphasizes that comparisons of performance achievements across years should account for differences in the number of indicators, formulas, and IKU targets (BPPK, 2025a; BPPK, 2025b). Accordingly, this study does not treat the NKO trend as direct proof that budget efficiency improved or did not affect organizational performance. Rather, the trend is used as an entry point for qualitative analysis to explain the adaptation mechanisms of performance management at the organizational level, the role of

risk management in maintaining reported performance, and the possible distinction between actual performance improvement and improvement in performance indicators.

1.3. Research Questions

1.3.1. Why does the budget efficiency policy not have a significant impact on organizational performance at BPPK?

1.3.2. What is the role of performance management in maintaining and improving BPPK performance during the efficiency policy period?

1.3.3. What factors influence the effectiveness of BPPK employee performance management in dealing with budget efficiency policies?

1.4. Research Objectives

1.4.1. To identify and analyze the factors that cause the budget efficiency policy not to have a significant impact on organizational performance at BPPK.

This study aims to assess how changes in efficiency policies can impact organizational performance values (NKO), both in terms of target achievement and performance improvement trends over time.

1.4.2. Identify the role of performance management in maintaining and improving BPPK performance during the efficiency policy period.

The research focus is on how performance management practices including planning, training, and employee evaluation contribute to the achievement

of performance indicators, particularly those related to the quality of financial performance management and the results of training alumni.

1.4.3. Explore the implications of efficiency policies on the motivation and work behavior of BPPK employees

This study also aims to understand how employees respond to efficiency policies, by reviewing changes in work behavior that can be seen through several assessment indicator results and how these factors relate to the organization's success in achieving performance targets.

1.5. Benefits

The implementation of this internship research at BPPK of the Ministry of Finance provides broad benefits for students, universities, and the institution, as explained in the following:

1.5.1. For the student (the researcher)

1. This study enhances the researcher's ability to apply qualitative research methods, particularly thematic analysis, qualitative data processing, and the formulation of systematic scientific arguments.
2. It refines the researcher's theoretical and empirical understanding of budget efficiency policies, performance management, and the dynamics of organizational behavior within the public sector context.
3. The results of this study strengthen the researcher's academic experience and may serve as a foundation for the development of future research.

1.5.2. For the future researcher

1. This study serves as an academic contribution to the development of research in the field of public management, particularly concerning the effectiveness of budget efficiency policies and performance management systems within government institutions.
2. The study underscores the university's role in producing scientific work that is relevant to the practical needs of government agencies while strengthening the research-based learning approach within BPPK.
3. Provide real research results related to the application of theory (for example, efficiency theory, performance management and HPWS) in the context of public sector organizations in Indonesia.
4. Strengthening academic collaboration networks with government agencies, especially the Ministry of Finance, through relevant research contributions.

1.5.3. For the institution

1. It also provides a data-driven analysis of the impact of budget efficiency policies on employee performance management at BPPK, thereby offering valuable input for internal evaluation processes.
2. The findings of this study can be utilized as a basis for recommendations to inform the planning, implementation, and monitoring and evaluation processes of performance management within BPPK.

3. Furthermore, this study provides an empirical foundation for the development of future research related to budget efficiency policies, performance management, and risk management in the public sector.

1.6. Research Limitations

To ensure that this study remains directed and focused, the author establishes the following research boundaries;

1.6.1. This research is conducted at the Financial Education and Training Agency (BPPK), Ministry of Finance, specifically under the coordination of the Secretariat of the Agency, Organizational and Internal Compliance Division, Subdivision for Organizational Performance and Risk Management (PKRO).

1.6.2. The focus of this research is limited to examining the impact of the government's budget efficiency policy on employee performance management, encompassing aspects of performance planning, implementation, monitoring, and evaluation.

1.6.3. The data used are drawn from official BPPK documents such as the Organizational Performance Dialogue (DKRO), the Performance and Risk Monitoring Report (LPKR), as well as interviews and observations conducted during the internship period.

1.6.4. The scope of analysis does not cover all work units within the Ministry of Finance but is confined to BPPK as a case study.

1.6.5. The study period is limited to 2024–2025, covering the period before and after the implementation of the government's budget efficiency policy

1.7. Writing Structure

To ensure that the discussion in this report is systematically organized and easily understood, the structure of the writing is as follows:

- Chapter I – Background

Contains the background, problem formulation, objectives, benefits, research limitations, and structure of the report.

- Chapter II – Research Methodology

Presents the research approach, company profile, unit of analysis, data sources and collection techniques, validity testing, and data analysis methods.

- Chapter III – Research Findings

Includes the results of observations, interviews, and document analysis conducted at BPPK.

- Chapter IV – Theoretical Review

Provides the conceptual framework and supporting theories underlying the research.

- Chapter V - Discussion

Contains the interpretation of findings and analysis of their relationship with existing theories.

- Chapter VI - Conclusions and Recommendations

Summarizes the research results and presents practical recommendations.

CHAPTER II

RESEARCH METHODOLOGY

2.1. Research Approach

This study employs a qualitative case study approach with a descriptive analytical research design. This approach aims to understand a phenomenon in its real organizational context and to interpret its meaning, patterns, and implications systematically (Kothari, 2004; Neuman, 2014).

Within this approach, the researcher seeks to understand social dynamics through qualitative inquiry by interpreting the experiences, perceptions, and contexts of individuals involved in the study (Creswell, 2018).

Because this study uses a qualitative case study design, it does not seek to establish a direct causal effect of budget efficiency on organizational performance. Instead, the study explores how the budget efficiency policy influenced performance management practices at BPPK, how organizational actors responded to those changes, and how the reported performance trend should be interpreted within its institutional context.

2.2. Company Profile

2.2.1. Profile Unit

BPPK, the Financial Education and Training Agency, is a first-echelon unit under the Ministry of Finance established to integrate education and training for professional and high-integrity employees. BPPK was first established, based on the initiative of Minister of Finance Ali Wardhana through

Presidential Decree No. 1974, it was known as the Financial Education and Training Agency, which consolidated all educational units within the Ministry of Finance. Subsequently, on April 16, 1975, following the issuance of Minister of Finance Decree No. 405/MK/6/4/1975, Mr. Mulyatno Sindhudarmoko was appointed as the first Head of BPPK. Therefore, April 16 is commemorated as the anniversary of BPPK.

2.2.2. Vision and Mission

- **Vision:** The 2020-2024 BPPK is to produce superior and ethical human resources for managing state finances in order to support the Ministry of Finance's Vision "To Become a State Financial Manager to Realize a Productive, Competitive, Inclusive, and Equitable Indonesian Economy."
- **Mission:** In realizing its vision, BPPK supports Mission No. 5 of the Ministry of Finance: "To develop core business processes based on digital technology and manage human resources that are adaptive to technological advancements." The mission of BPPK is defined as follows:
 1. To manage high-quality education within the framework of the Ministry of Finance Corporate University.
 2. To strengthen high-impact training for state finance human resources within the framework of the Ministry of Finance Corporate University.

3. To develop high-quality and fit-for-purpose state finance competency certification programs.
4. To realize reliable state finance knowledge management within the framework of the Ministry of Finance Corporate University.
5. To develop a digital-based governance system and optimal resource management.

2.2.3. Duties and Function

- Main Duties

The Financial Education and Training Agency plays several important roles in providing education, training, and competency certification in the field of state finance. These roles aim to enhance the capacity, professionalism, and integrity of state officials.

- Functions

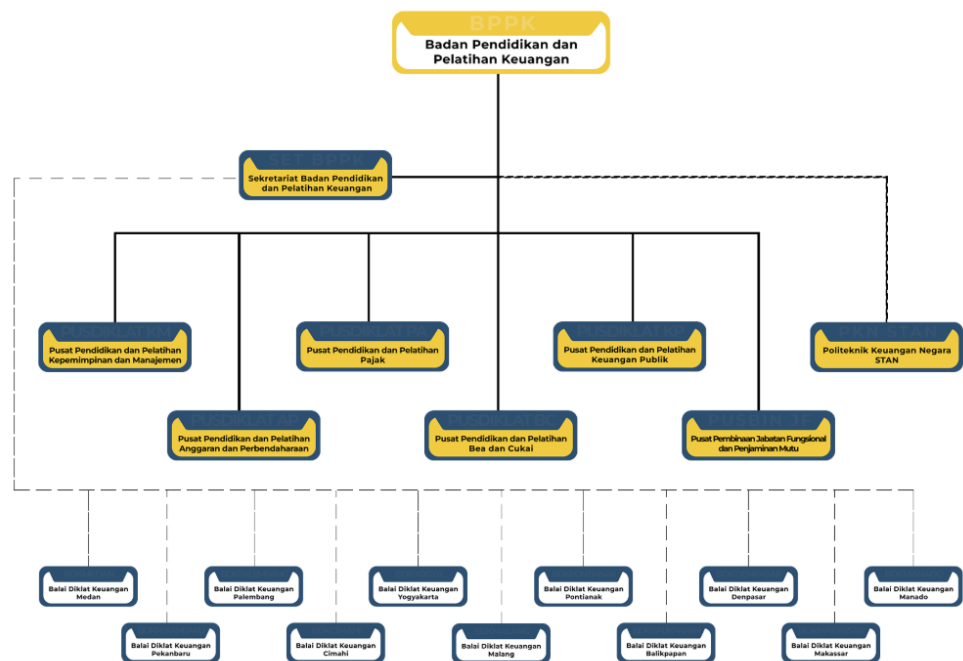
In carrying out these main duties, BPPK performs several key functions as follows:

1. Formulating technical policies, plans, and programs for education, training, and certification in the field of state finance.
2. Implementing education, training, and competency certification, including technical, managerial, leadership, and functional training, as well as competency-based certification.
3. Monitoring, evaluating, and reporting the results of education and training to ensure the effectiveness and quality of the programs delivered.

4. Managing administration to support the smooth implementation of education and training.
5. Carrying out other functions assigned by the Minister of Finance, in accordance with organizational needs and government policy developments.

2.2.4. Structure Organization

Figure 2.1. Structure Organization of BPPK



According to Minister of Finance Regulation Number 124 of 2024, the structure of BPPK consists of 1 Secretary, 5 Pusdiklat, and 1 The Development Center, as can be seen below:

- Sekretariat Badan
- Pusdiklat Leadership and Management
- Pusdiklat Anggaran dan Perbendaharaan

- Pusdiklat Pajak
- Pusdiklat Bea dan Cukai
- Pusdiklat Keuangan
- Pusat Pembinaan Jabatan Fungsional dan Penjamin Mutu

The State Finance Polytechnic (PKN STAN) is under the Financial Education and Training Agency based on Minister of Finance Regulation Number 160/PMK.01/2020 concerning the Organization and Work Procedures of the State Finance Polytechnic, which remains in effect to this day.

In addition, based on Minister of Finance Regulation Number 79/PMK.01/2022 concerning the Organization and Work Procedures of Technical Implementation Units within the Financial Education and Training Agency, BPPK also has technical implementation units consisting of 11 Financial Education and Training Centers (BDK) and 1 Leadership Education and Training Center (BDPim). However, the BDPim is no longer operational as the implementation of leadership training has been centralized at the Leadership and Management Training Center. The 11 BDKs that are still operating today are:

- BDK Medan
- BDK Pekanbaru
- BDK Palembang
- BDK Cimahi
- BDK Yogyakarta

- BDK Malang
- BDK Denpasar
- BDK Pontianak
- BDK Balikpapan
- BDK Makassar
- BDK Manado

2.3. Unit of Analysis

The unit of analysis in this study is a public service oriented government organization, namely the Financial Education and Training Agency (BPPK) under the Ministry of Finance of the Republic of Indonesia.

The selection of BPPK as the unit of analysis is based on several considerations:

1. BPPK is one of the institutions directly affected by the government's budget efficiency policy since its initial implementation at the beginning of 2025.
2. BPPK holds a strategic function as the Corporate University of the Ministry of Finance, playing a crucial role in developing the competencies of state apparatus human resources through training, education, and certification programs.
3. In the context of efficiency policies, BPPK has successfully maintained and demonstrated a consistent positive trend in organizational performance (NKO), making it an academically valuable case study for analysis.

This study also focuses on the Secretariat of BPPK, particularly the Organizational and Internal Compliance Division, Subdivision for Organizational Performance and Risk Management, which is responsible for coordinating performance reporting, risk monitoring, and the implementation of performance management policies at the institutional level of government.

Because this study focuses on a single organization and one coordinating unit, its findings are intended for analytical rather than statistical generalization. The results may offer transferable insights for similar public-sector organizations, but they should be applied cautiously because performance architecture, reporting systems, and budget adjustment mechanisms may differ across institutions.

2.4. Primary Data Sources

This study utilizes two types of data, namely primary and secondary data, with collection techniques tailored to a qualitative research approach.

2.4.1. Primary Data Sources

Primary data are obtained through the following methods:

- 1.1. Direct observation, conducted during the internship period within the Secretariat of BPPK to understand the dynamics of the implementation of the budget efficiency policy in relation to the employee performance management system.
- 1.2. Semi-structured interviews, carried out with BPPK employees, particularly those involved in performance management processes, the preparation of DKRO/LPKR, and organizational risk evaluation. The

interviews aim to explore employees' experiences, perceptions, and adaptive strategies in responding to the budget efficiency policy.

2.4.2. Secondary Data Sources

Secondary data are derived from relevant scholarly sources and official documents, including:

- Organizational Performance Dialogue (DKRO) reports for Quarter III and Quarter IV of 2024, and Quarter I and Quarter II of 2025.
- Presidential Regulation Number 1 of 2025, serving as the legal basis for institutional structure and organizational management.
- Articles, international journals, and academic publications discussing budget efficiency, public sector performance management, and High Performance Work Systems (HPWS).

Because DKRO and LPKR are internal organizational documents produced within the same institutional context being studied, this research acknowledges the possibility of institutional reporting bias. To address this, the documents are not treated as self-sufficient evidence; rather, their claims are cross-checked against interview data and direct observation through source and method triangulation.

2.4.3. Data Collection Instruments

The main instruments used in this study include:

- Observation guide, employed to record work processes, interactions, and policy dynamics within BPPK.

- Semi-structured interview guide, containing open-ended questions designed to explore employees' perceptions and experiences in depth.
- Official documents and institutional archives, such as DKRO or LPKR reports and internal policies, which serve as materials for data triangulation.

2.5 Data Analysis Technique

Data analysis in this study employs thematic analysis, a method developed by Braun and Clarke (2006). This technique is used to identify, categorize, and interpret patterns of meaning (themes) derived from qualitative data obtained through observation, interviews, and documentation.

In this study, thematic analysis is used not to test a strong causal claim, but to construct a process explanation of how performance stability was maintained during the budget efficiency period and how organizational actors interpreted that process

The stages of analysis are carried out as follows:

1. Data Familiarization: Reading and comprehending all data derived from observations, documents, and interviews.
2. Initial Coding: Identifying key categories and concepts relevant to the research focus.
3. Theme Identification: Grouping data with similar characteristics to form major themes.
4. Theme Review: Ensuring that the identified themes are strongly supported by empirical data and remain consistent with the BPPK context.

5. Theme Definition and Naming: Describing each theme to capture its meaning and implications for BPPK's performance management.
6. Interpretation of Findings: Developing an analytical narrative that connects field findings with theoretical frameworks and prior research.

2.6 Validity Test

In this study, thematic analysis is used not to test a strong causal claim, but to construct a process explanation of how performance stability was maintained during the budget efficiency period and how organizational actors interpreted that process.

For example, when DKRO or LPKR showed that NKO remained high or increased from Quarter IV 2024 to Quarter I and Quarter II 2025, this documentary pattern was compared with interview accounts describing digitalization, changes in work methods, relaxation or adendum of targets, and operational adjustments. The final interpretation was therefore not that efficiency had no influence, but that performance stability was maintained through organizational adaptation behind the reported indicators.

A second triangulation example involved the interpretation of NKO itself. Documentary evidence noted that NKO should not be compared simplistically across periods because the number of IKU, formulas, and targets may change. This was checked against interview explanations about reformulated indicators, quarterly trajectory, and target adjustments, so the study treated NKO as an analytical entry point rather than as direct proof of causal improvement or decline.

2.7 Tools and Research Technology

In conducting this study, the researcher utilized various devices and technologies to support data collection, information organization, thematic analysis, and final report preparation. The use of these tools aims to ensure that the research process is systematic, well-organized, effective, and accountable. The tools and technologies used include:

1. Microsoft Word

Used as the primary software for writing all sections of the research report, including the transcription of interviews, thematic data processing, and the composition of chapters. Microsoft Word is also used to create tables, charts, and citations following the established writing guidelines

2. Microsoft Excel

Utilized to manage performance data, organize findings from documents such as DKRO or LPKR, and assist with initial thematic coding through data classification tables.

3. Google Drive and Google Docs/Sheets

Used for centralized storage of all research files, collaborative drafting, recording observation notes, and organizing interview and documentation data in digital format.

4. Zoom Meeting / Microsoft Teams (for online interviews)

Used to conduct semi-structured interviews online, allowing efficient and flexible communication with participants.

5. Voice Recording Application

Employed to record in-depth interviews with Source persons (with their consent), which are later transcribed into qualitative data for thematic analysis

6. Turboscribe

A transcription tool used to convert interview recordings into text for qualitative analysis.

7. PDF Document Format

Various official documents, such as DKRO, LPKR, Presidential Regulation No. 1 of 2025, and internal research, are obtained and managed in PDF format to facilitate reading, annotation, archiving, and document triangulation.

8. Zotero /Mendeley

Reference management tools are used to organize bibliographies, store academic articles, and generate consistent automatic citations throughout the research report.

9. Public or Perish

An application used to locate, identify, and verify journals or articles forming the theoretical and reference foundation of the study. Publish or Perish assists the researcher in assessing the credibility of sources based on citation metrics such as H-index, G-index, citation count, and topic relevance.

CHAPTER III

RESEARCH FINDINGS

3.1. Data Collection

This chapter presents several research findings based on data collected during the research-based internship conducted at BPPK, particularly within the Subdivision for Organizational Performance and Risk Management (PKRO). The research data were obtained through several methods, namely: (1) direct observation during the internship period, (2) semi-structured interviews with employees involved in performance and risk management processes, and (3) documentation study of organizational performance reports and other relevant supporting documents.

3.2. Profile of Data Sources

3.2.1. Profile of Analyzed Performance Documents

The documents analyzed in this study focus on reports of organizational performance achievements and risk monitoring during the periods before and after the implementation of the budget efficiency policy at the beginning of 2025, namely: DKRO Quarter IV 2024, DKRO Quarter I 2025, and LPKR up to June 2025 (Quarter II 2025). In addition, the analysis in this study is supported by the BPPK Performance Report for 2024, which provides detailed information on formulas and the achievement of specific performance indicators.

Table 3.1. List of Analyzed Performance Documents

No	Document	Period	Function in The Analysis
1	DKRO BPPK Quarter III 2024	Quarter III 2024 (July – September)	Baseline Performance Achievements Prior to the Implementation of the Efficiency Policy
2	DKRO BPPK Quarter IV 2024	Quarter IV 2024 (October – December)	Baseline Performance Achievements Before the Implementation of the Efficiency Policy
3	DKRO BPPK Quarter I 2025	Quarter I 2025 (January – March)	Initial Performance Achievements After the Implementation of the Efficiency Policy
4	LPKR BPPK Quarter II 2025	Quarter II 2025 (April – June)	Post Efficiency Performance Monitoring (Mid-Year)
5	Perpres Number 1 2025	-	As the Legal Basis of the Study

Sources DKRO BPPK Triwulan III 2024; DKRO BPPK Triwulan IV 2024;

DKRO BPPK Triwulan I 2025; LPKR s.d. Juni 2025.

3.2.2. Profile of Key Performance Indicators (IKU) as Components of the Organizational Performance Score (NKO)

Several DKRO or LPKR documents indicate that the NKO is constructed from the achievements of Key Performance Indicators (IKU), which are grouped according to performance perspectives. In the current analysis period, the total number of IKU used is 23 (DKRO BPPK Q4, 2024). The IKU status in the reports is presented using several achievement categories (Green/Yellow/Red/Gray), representing the level of attainment relative to the established targets.

In addition to the Key Performance Indicators, the documents also describe the characteristics of the IKU through classifications such as

new/reformulated IKU and existing IKU. The composition of these indicators is a critical element in interpreting the dynamics of the NKO, particularly during the 2024–2025 period when quarterly targets (trajectories) were implemented.

3.2.3. Profile of Primary Data Sources

The interview data were collected from employees involved in performance and risk management, as well as in the implementation of related programs. The interviews explored perceptions of the impact of the efficiency policy on processes of planning, implementation, monitoring, and performance evaluation, including adjustments in work methods and challenges that are not always reflected in aggregate performance indicators.

3.3. Findings Related to Research Question 1: Why Did the Budget Efficiency Policy Not Have a Significant Impact on Organizational Performance at BPPK?

The organizational performance documents show that BPPK's NKO remained in the high achievement category across the transition from the period before the budget efficiency policy to the period after its implementation. The DKRO document for Quarter III 2024 records an NKO of 111.67, the DKRO for Quarter IV 2024 records 111.83, the DKRO for Quarter I 2025 records 113.74, and the LPKR up to June 2025 records 113.82. At the descriptive level, this pattern indicates that the implementation of budget efficiency at the beginning of 2025 was not followed by a decline in aggregate reported performance (DKRO BPPK Quarter III 2024; DKRO BPPK Quarter IV 2024; DKRO BPPK Quarter I 2025; LPKR BPPK Quarter II 2025).

Table 3.2. Performance Perspective Achievements as Components of the NKO

No	Period	Stakeholder	Customer	Internal Process	Learning & Growth
1	Quarter III 2024	113,54	105,63	112,67	113,27
2	Quarter IV 2024	112,74	102,59	114,21	115,74
3	Quarter I 2025	109,44	112,81	114,24	119,15
4	Quarter II 2025	110,18	113,77	113,09	118,96

Sources DKRO BPPK Triwulan III 2024; DKRO BPPK Triwulan IV 2024; DKRO BPPK Triwulan I 2025; LPKR s.d. Juni 2025.

A descriptive reading of the table shows that BPPK's reported performance remained strong after the efficiency policy was implemented. In particular, the Customer and Learning & Growth perspectives recorded higher scores in 2025 than in Quarter IV 2024, as supported by the following statement from a source: *“The total number of KPIs cannot be used for comparison due to differences in the number of KPIs, formulas, and targets across each period and year”* (Informant 3, 01/23/2026). Therefore, the NKO trend in this study is treated as an indication of the reported performance stability, the meaning of which requires further explanation rather than as direct evidence that efficiency policies improve organizational performance (DKRO BPPK Q1 2025; LPKR BPPK Q2 2025).

Evidence from the interviews supports this cautious interpretation. One informant stated that efficiency gains may not be apparent if performance is assessed solely based on aggregate scores, as many adjustments occur behind those seemingly stable figures. This view is reflected in the following statement: *“If you just look at the performance, it might not seem to make a difference. But behind the scenes, a lot has been done, many changes have been made to adjust to the reduced budget.”* (Informant 3,

23/01/2026). This statement supports the document-based finding that the NKO remained high, while also showing that the apparent stability of performance was accompanied by substantial internal adaptation. In other words, the aggregate score remained stable, but the process used to maintain it changed.

A clear example of the comparison between the periods before and after implementation can be seen in the delivery of learning programs. Prior to the enforcement of the efficiency policy, many programs were still designed in a conventional face-to-face format. After the policy was implemented, most of these programs were shifted to digital formats, e-learning, or distance learning in order to reduce operational costs. This change was stated directly by Informant 1 and Informant 4. Informant 1 explained that “*learning activities that were initially delivered in a classical format have shifted ... to digital formats*” and “*activities that were previously conducted offline ... have been replaced by online modes*” (Informant 1, 06/09/2025). Similarly, Informant 4 stated that the training activities “*did not mean that the training was entirely canceled*”; rather, they were continued in an online format so that “*there was no need to incur costs*” as would be the case in conventional teaching methods (Informant 4, 03/03/2026).

A second example of the comparison between the periods before and after implementation relates to post-learning evaluation. Prior to the implementation of the efficiency policy, evaluation activities and data collection could be conducted more easily through direct interaction or on-site engagement. Following the implementation of the efficiency policy, part of the evaluation process had to be carried out online, and the scope of several follow-up evaluations became more limited. Informant 1 directly

linked the change in delivery methods to the evaluation stage, stating that the change *“affected several aspects, for example, post-learning evaluation.”* (Informant 1, 06/09/2025). This finding is consistent with the LPKR Quarter II 2025, which notes that some programs associated with higher level post learning evaluation faced limitations during the efficiency period (BPPK, 2025b)

Overall, the findings for Research Question 1 indicate that the budget efficiency policy did not directly reduce the aggregate performance reported by BPPK; however, this outcome was achieved through changes in actual practices. The documents demonstrate the consistency of the aggregate scores, while the interviews explain the adjustments underlying that consistency. Therefore, the finding for this question is that the policy did not leave performance unchanged; rather, it altered the way in which that performance was maintained

3.4. Findings Related to Research Question 2: What is the role of performance management in maintaining and improving BPPK performance during the efficiency policy period?

The findings indicate that performance management continued to play an active role during the efficiency period through the maintenance of a quarterly governance cycle. This role was visible in the use of DKRO or LPKR as routine instruments for presenting achievements, explaining constraints, identifying risks, and determining follow-up actions. In this sense, the role of performance management did not lie only in recording achievements, but also in maintaining a disciplined cycle of review and adjustment during a period of budget constraint.

Document analysis indicates that DKRO and LPKR were not used merely as reporting documents. Rather, these documents functioned as part of a periodic control process in which performance data and risk conditions were reviewed simultaneously. The DKRO document for the fourth quarter of 2024 records organizational performance and risk dialogue forums, including explanations of performance, leadership directives, and the results of follow-up actions. The DKRO for the first quarter of 2025 and the LPKR through June 2025 also show that issues related to changes in implementation, limitations in evaluation, and the conversion of learning delivery were treated not only as performance issues but also as monitored risks with mitigation implications (BPPK, 2024; BPPK, 2025a; BPPK, 2025b).

Evidence from the interviews confirms that this role was also experienced at the operational level. One important mechanism identified in the interviews was the use of relaxation measures and addenda when efficiency conditions directly affected the feasibility of certain targets. Informant 2 explained that, under certain circumstances, *“a target of 100 ... was lowered and adjusted ... for example, to 80,”* and further stated that *“we have an Addendum mechanism. The Addendum is a readjustment of the target”* (Informant 2, 08/03/2026). This interview statement clarifies that the role of performance management during the efficiency period was not limited to maintaining the initial targets by any means necessary. Rather, performance management also involved efforts to preserve the relevance of target assessment amid continuously changing implementation conditions through formal and accountable mechanisms. Therefore, both the documents and the interviews point to the same conclusion: the organization sustained its performance through monitoring, evaluation, and adjustment, rather than through passive continuity.

The role of performance management was also closely linked to the monitoring of operational risks. The Quarter II 2025 LPKR shows that changes in implementation modes, particularly in learning delivery and evaluation, were accompanied by risk identification and mitigation measures. This indicates that the organization's response was not limited to changing program formats; it also involved monitoring whether such changes created new pressures that could later affect performance achievement. Thus, the maintenance of performance during the efficiency period was associated with an integrated cycle of reporting, dialogue, follow-up action, and risk analysis (BPPK, 2025b).

The comparison between the documentary evidence and the interview statements leads to a clear finding for Research Question 2: performance management helped sustain the performance reported by BPPK during the efficiency period by maintaining the rhythm of quarterly governance through DKRO and LPKR, while risk-related considerations helped the organization monitor unintended effects and determine follow-up actions. This role was important because aggregate stability depended not only on the reporting of achievements, but also on repeated managerial adjustments.

3.5. Findings Related to Research Question 3: What factors influence the effectiveness of BPPK employee performance management in dealing with budget efficiency policies?

The findings indicate that the effectiveness of employee performance management during the efficiency period was influenced by a combination of digital readiness, coordination, adjustments to work arrangements, and the organization's capacity to absorb the implementation burden without causing an overall decline in performance. The evidence also suggests that not all stages of performance

management were affected to the same extent. Among the stages of planning, monitoring, and evaluation, the evaluation stage appears to have been the most affected, particularly with regard to post-learning evaluation and quality assurance activities.

The first factor was digital readiness. Interview evidence shows that the organization was able to respond relatively quickly because the transition to digital learning had already begun before the efficiency policy was introduced. Informant 5 explained that the organization had increased its use of e-learning and distance learning prior to the budget reduction period, which facilitated the subsequent conversion when the policy was implemented. *“Before COVID... we had already been working to shift our training to distance learning, expanding our e-learning programs... so when budget cuts were made recently, we were able to replace some of the in-person training sessions with other training programs that we had digitized.”* (Informant 5, 06/02/2026). According to this informant, the organization had already been working to shift forms of learning that primarily required conceptual understanding into digital formats, so that further adjustments could be made without having to suspend program delivery entirely.

The second factor was coordination and target visibility. Informant 1 emphasized the importance of planning and coordination to ensure that indicators remained achievable even when implementation methods changed. According to the interview, the organization first considered whether particular indicators would still be visible and attainable when activities shifted from offline to online modes. This suggests that the effectiveness of performance management was influenced not only by digital tools, but also by the organization’s ability to coordinate the implications of format changes

across units *“The strategy likely involves planning and coordination... In terms of the KPIs, they should be achievable... and visible, regardless of whether the method is online or in-person.”* (Informant 1/06/09/2025).

The third factor was the adjustment of work procedures and the control of operational costs. The interviews indicate that efficiency measures affected not only the delivery of training but also routine operational practices, such as travel arrangements and meetings. Informant 4 explained that online coordination reduced transportation and catering costs *“Online meetings don’t require transportation or meal expenses.”* (Informant 4, 03/03/2026), while Informant 1 referred to the implementation of work-from-home arrangements during the budget reduction period as part of cost-control efforts *“When budget cuts were implemented ... a work from home system was put in place.”* (Informant 1, 06/09/2025). These findings suggest that the effectiveness of performance management was partly supported by the organization’s ability to reduce routine operational costs while maintaining the system of performance achievement.

The fourth factor was pressure on implementation quality and the burden of adjustment. This is where the findings become more critical. Although digitalization was beneficial in maintaining the continuity of activities, several interview statements indicated that some activities became less effective when fully transferred to online platforms, particularly those requiring practical components. Informant 4 stated that some activities were *“more effective ... when conducted face-to-face, especially those involving practice.”* (Informant 4, 03/03/2026). At the same time, Informant 1 reported that various units had expressed concerns regarding the burden of achieving targets under modified implementation conditions, stating that *“quite a number of units*

conveyed complaints ... that this was difficult for us to achieve” (Informant 1, 06/09/2025).

Thus, the findings for Research Question 3 indicate that the effectiveness of employee performance management during the efficiency period was influenced by the organization’s prior digital readiness, the strength of coordination, and its ability to adjust work arrangements, but was also constrained by quality-related pressures and the burden of adaptation. Among the stages of performance management, evaluation was the most affected, as the transition in implementation methods created the greatest pressure on post-learning evaluation and quality assurance.

3.6. Summary of findings

In conclusion, the findings for Research Question 1 indicate that the budget efficiency policy did not directly reduce the aggregate performance reported by BPPK. However, the stability of the NKO was achieved through practical changes in implementation rather than through unchanged organizational conditions. Therefore, the evidence suggests continuity in reported performance alongside changes in the actual work processes.

For Research Question 2, the findings indicate that performance management contributed to the maintenance of reported performance through a quarterly governance cycle supported by DKRO or LPKR. These mechanisms enabled the organization to monitor achievements, discuss constraints, identify risks, and determine follow-up actions, including accountable target adjustments when necessary.

For Research Question 3, the findings indicate that the effectiveness of employee performance management during the efficiency period depended on digital readiness,

coordination, and the flexibility of work arrangements, but also faced constraints in quality assurance and post-learning evaluation. Among the stages of performance management, evaluation emerged as the most affected stage. This conclusion is supported by the consistency between the documentary evidence and the statements of the interview informants.

CHAPTER IV

LITERATURE REVIEW

4.1. Introduction to the Theoretical Review

4.1.1. Purpose of the Theoretical Review in the Study

A theoretical review functions as the foundation of scientific argumentation by connecting the research problem with existing knowledge, ensuring that the study does not merely replicate previous findings. A well-structured literature review is not simply a “list of citations” but a synthesis that organizes concepts, builds relationships among them, and positions the research within the relevant scholarly discourse (Webster & Watson, 2002; Snyder, 2019).

In the context of qualitative research, the theoretical review also serves as a conceptual lens that guides the researcher in interpreting findings more systematically, for instance, to identify patterns, explain mechanisms, and situate organizational dynamics within a defensible conceptual framework (Creswell & Poth, 2018).

4.1.2. Scope of the Theoretical Review and Discussion Limitations

The scope of the theoretical review in Chapter IV focuses on Performance Management in the public sector as the conceptual basis for interpreting performance achievements and their management, including the concepts of target setting, trajectory (quarterly targets), and performance information use. The literature indicates that performance management practices encompass not only measurement, but also how performance data are utilized for decision-making,

organizational learning, and accountability (Behn, 2003; Moynihan, 2008; Kroll, 2015).

As a limitation, Chapter IV prioritizes theories that are most relevant to the analytical focus on BPPK and the discussion needs in Chapter V. Therefore, theoretical perspectives that are too broad or not operationally applicable (such as general organizational theories not directly connected to performance management) are not the primary focus. This principle aligns with established literature review guidelines, emphasizing that the selection of theoretical sources should be guided by analytical contribution rather than the mere breadth of citation (Webster & Watson, 2002; Snyder, 2019).

4.2. Organizational Performance Management in the Public Sector

4.2.1. Basic Concepts of Performance Management and Performance Measurement

In the public administration literature, performance measurement is generally understood as the process of defining indicators, collecting data, and reporting outcomes, whereas performance management encompasses the use of such information to guide managerial action, improve processes, and achieve continuous organizational performance enhancement (Van Dooren, Bouckaert, & Halligan, 2015; Moynihan, 2008; Garengo & Sardi, 2021).

This distinction is important, as performance measurement is not an end in itself. Behn (2003) and Allegrini et al. (2022) highlight that performance information serves multiple managerial purposes, including control, budgeting,

motivation, learning, and improvement; thus, the real value of measurement emerges only when data are actively used in management practice.

In public sector practice, performance approaches must also be examined critically, as the push for measurement may lead to unintended consequences such as tunnel vision, gaming, or priority distortion when indicators become ends in themselves (van Thiel & Leeuw, 2002; Smith, 1995; Bevan & Hood, 2006; Choi & Park, 2023)

4.2.2. The Performance Management Cycle

Public sector performance management can be understood as a cyclical process that includes planning (goal and indicator setting), program implementation, monitoring, evaluation, and reporting, which then feed into strategic and process improvements for the subsequent period (Van Dooren et al., 2015; Moynihan, 2008; Garengo & Sardi, 2021).

The literature further underscores the importance of aligning strategic management with the performance management system. Poister (2010) and Vandersmissen and George (2024) affirm that public strategies gain substantive meaning when linked with performance measurement systems that support strategy implementation and evaluation, rather than serving merely as administrative formalities.

Within a performance management framework, performance data should not only be used to “demonstrate” accountability to external stakeholders but also to foster organizational learning through problem identification, feedback loops,

and evidence-informed decision-making (Behn, 2003; Moynihan, 2008; Allegrini et al., 2022).

4.2.3. Performance Indicator Systems: IKU, Targets, and Achievements

Performance indicator systems play a central role in public sector performance management because they translate broad strategic objectives into measurable achievements and enable organizations to monitor whether implementation is proceeding in the intended direction (Behn, 2003; Moynihan, 2008; Kroll, 2015). In the context of BPPK, IKU, targets, and achievement scores are therefore important not only as reporting tools, but also as instruments used to define, monitor, and communicate performance across all levels of the organization.

Public sector indicators are often shaped by the availability of measurable data, the design of calculation formulas, and institutional demands to report achievements in a comparable format. As a result, an increase in indicator scores does not automatically mean that organizational performance has substantively improved to the same extent (van Thiel & Leeuw, 2002; Smith, 1995; Choi & Park, 2023).

This tension is reflected in the concept of the performance paradox. The performance paradox refers to a condition in which indicators continue to show improvement or stability even though they may no longer fully reflect the actual state of organizational performance, whether because the indicators are incomplete, actors strategically adapt to what is being measured, or because

organizational goals are broader than the variables captured by the indicator system (van Thiel & Leeuw, 2002; Smith, 1995).

In this study, the concept of the performance paradox is used as an interpretive framework to examine the findings on BPPK, particularly when the Organizational Performance Score (NKO) remained high during the budget efficiency period. More specifically, this concept helps distinguish between actual performance understood as substantive improvements in implementation quality, learning outcomes, and organizational effectiveness, and performance indicators, understood as reported achievements as reflected in IKU figures and aggregate NKO scores. This concept is therefore relevant because the study seeks not only to determine whether performance remained high, but also to understand how such performance should be interpreted under conditions of fiscal constraint.

4.2.4. Target Setting and Trajectory (Quarterly Targets) in Performance Measurement

Goal-Setting Theory explains that clear and challenging goals can enhance focus, effort, persistence, and direction in task performance, particularly when individuals understand those goals and receive feedback on their progress (Locke & Latham, 2002; Locke & Latham, 2006). In performance management systems, targets and quarterly road maps are therefore useful because they clarify expectations, create achievement milestones for monitoring, and provide a basis for corrective action during implementation.

However, the literature also shows that targets may produce unintended consequences when they are applied too rigidly or when organizational attention

becomes overly concentrated on what is most easily measured. Ambitious targets may encourage short-term compliance, symbolic achievement, reporting distortion, or highly indicator-oriented behavior, even when such behavior does not fully support broader organizational goals (Ordóñez et al., 2009; Bevan & Hood, 2006). Therefore, target systems need to be interpreted critically, especially in public organizations where service quality and long-term outcomes cannot always be adequately measured through short-term numerical indicators.

This critical perspective is relevant to the BPPK case because the organization operated with targets and quarterly trajectories while facing budget efficiency pressures. Under such conditions, targets could still function positively by disciplining planning, monitoring, and follow-up actions. However, they could also create pressure on organizational units to preserve the appearance of achievement by concentrating efforts on indicators that remained measurable and feasible under reduced resources. In other words, targets may support performance discipline, but they may also encourage indicator-oriented behavior when organizational actors are required to maintain achievement despite tighter fiscal constraints.

Therefore, the discussion of target setting in this study is not limited to whether quarterly targets helped strengthen control, but also extends to whether the target system influenced the way BPPK adapted in its efforts to improve efficiency. This is important because the findings are expected to show not only the extent of target achievement, but also how the design of performance trajectories, quarterly control, and adjustment mechanisms shaped the

relationship between measurable achievement and actual organizational performance.

4.2.5. Utilization of Performance Information

To ensure that performance systems do not stop at mere reporting, the literature emphasizes the importance of performance information use, referring to the extent to which performance data are actually used in managerial decision-making and action. Kroll (2015) and Allegrini et al. (2022), through systematic literature reviews, show that the use of performance information is influenced by numerous factors such as organizational capacity, leadership support, culture, data quality, and external pressures indicating that performance data are not automatically used simply because they exist.

Behn (2003) argues that performance information serves multiple purposes evaluate, control, budget, motivate, learn, and improve making its use inherently multifunctional. In practice, these differing purposes shape the types of indicators selected, their interpretation, and the nature of follow-up actions taken.

Nevertheless, the literature also cautions against overreliance on such information: when performance data are publicly disclosed and used as strict control mechanisms, they can produce dysfunctional consequences such as behavioral distortion, organizational ossification, and tunnel vision focusing only on what is measurable (Smith, 1995; van Thiel & Leeuw, 2002; Taylor, 2021).

4.3. Organizational Risk Management (ISO 31000:2018)

4.3.1. The Concept of Risk and Risk Management in Organizational Governance

In an organizational context, risk can be understood as uncertainty that may affect the achievement of objectives. Accordingly, risk management is positioned as a governance practice designed to help organizations anticipate threats and opportunities while enhancing preparedness in decision-making. The ISO framework emphasizes that ISO 31000 provides principles and guidelines for risk management, offering a comprehensive approach to the identification, analysis, evaluation, treatment, monitoring, and communication of risks across the organization (International Organization for Standardization, 2018).

In the public sector, literature indicates growing attention to risk management, while also highlighting the danger of its symbolic use if it is not integrated with other managerial systems such as performance management and organizational control (Bracci et al., 2020). In other words, risk management practices become meaningful only when they move beyond risk documentation to become an integral part of decision-making and performance governance (Bracci et al., 2020).

4.3.2. Principles of Risk Management According to ISO 31000:2018 Guidelines

ISO 31000:2018 positions risk management as an integrated practice that must be embedded within the organization's governance system. The standard

emphasizes that ISO 31000 helps embed risk management into governance, strategy, planning, reporting processes, policies, values, and culture. This means that the ISO 31000 principles do not encourage risk management as a separate activity but as a component of the organizational system that influences how objectives are set and achieved (International Organization for Standardization, 2018).

In practical implementation, practitioner guidelines from the Institute of Risk Management (IRM) highlight that ISO 31000 provides robust high level guidance rather than a uniform step-by-step checklist; organizations must tailor its principles and components to their specific contexts (International Organization for Standardization, 2018). This aligns with the flexible nature of ISO 31000 as a guiding framework, which requires adaptation to match the organization's unique risk profile, capacity, and governance needs.

4.3.3. The ISO 31000: 2018 Risk Management Framework

ISO 31000:2018 emphasizes that risk management must be integrated into organizational governance, strategy, planning, reporting, policies, values, and culture through risk-based decision-making. The principle of integration is not merely rhetorical; at the framework level, ISO 31000 underscores the importance of leadership and commitment, as well as the clear allocation of roles, responsibilities, and resources to ensure that risk management practices operate effectively (Institute of Risk Management, 2018; International Organization for Standardization, 2018).

According to the IRM guidelines, the framework components align with the logic of the plan–do–check–act (or PIML: plan, implement, measure, learn) cycle, encompassing elements of integration, design, implementation, evaluation, and improvement (International Organization for Standardization, 2018). The IRM also explains that the effectiveness of risk management depends on its integration across all organizational activities, including decision-making (International Organization for Standardization, 2018).

At the practical level, IRM describes the risk management framework as a combination of risk architecture, risk strategy, and risk protocols for instance, committee structures or defined roles, requirements for internal and external reporting, the establishment of risk appetite or attitude, assessment techniques, as well as documentation and training arrangements (International Organization for Standardization, 2018).

4.3.4. The ISO 31000: 2018 Risk Management Process

ISO 31000:2018 defines risk management as comprising three core elements: principles, framework, and process (International Organization for Standardization, 2018). At the process level, IRM outlines the main stages of ISO 31000, which include: communication and consultation, scope context criteria, risk assessment (identification, analysis, evaluation), risk treatment, monitoring and review, and recording and reporting (International Organization for Standardization, 2018).

The ISO 31000 process is understood to be iterative. IRM notes that the steps are not intended as a rigid sequence, but rather as coordinated and repeatable

activities depending on organizational needs. In practice, risk management tends to be cyclical and adaptive (International Organization for Standardization, 2018). This implies that organizations should not conduct risk identification only once; instead, they must regularly update assessments, treatment effectiveness, and risk status through continuous monitoring and traceable reporting (International Organization for Standardization, 2018).

At the scope context criteria stage, IRM explains that defining risk criteria includes specifying “the amount and type of risk that may or may not be taken relative to objectives,” a notion often associated with risk appetite (though ISO 31000 does not always use the term explicitly) (International Organization for Standardization, 2018). Hence, ISO 31000 provides a structured framework for aligning risk decisions with organizational objectives through transparent and well-defined criteria (International Organization for Standardization, 2018).

4.3.5. Critical Notes on the Use of ISO 31000 as a Practice Standard

Although ISO 31000 has been widely adopted for its high-level, adaptable guidance, the literature urges caution in its application. The IRM acknowledges that while ISO 31000 offers valuable guidelines, it does not provide a step-by-step checklist, requiring risk professionals to reinterpret and tailor the guidance according to each organization’s implementation context (International Organization for Standardization, 2018).

Furthermore, academic analyses have critiqued the growing “power of standards” in the field of risk and safety, including ISO 31000 because standards are often used broadly despite ongoing debates about their scientific foundations

and consistency. This underscores the need for a stronger, science-based learning environment to guide practical application (Aven & Ylönen, 2019).

Accordingly, in this study, ISO 31000:2018 is treated as a conceptual benchmark for analyzing risk management practices, rather than as a claim that all organizational practices are automatically “ideal” merely by referring to the ISO standard (Aven & Ylönen, 2019; ISO 31000 – Standard Deviations).

4.4. Integration of Performance Management and Risk Management

4.4.1. Theoretical Relevance of the Integration to This Study

Risk management becomes theoretically relevant to performance management because organizations do not pursue targets in a risk-free environment. Performance management defines what should be achieved, whereas risk management helps identify the uncertainties that may hinder, delay, or distort the achievement of those targets. In this sense, risk management is not a parallel administrative function, but a complementary governance mechanism that enables performance information to be interpreted together with threats, vulnerabilities, and mitigation needs (COSO, 2017; International Organization for Standardization, 2018).

ISO 31000:2018 emphasizes that risk management should be integrated into organizational processes, decision-making, and performance-related activities rather than being treated as a separate compliance exercise (International Organization for Standardization, 2018). Likewise, the Institute of Risk Management (2018) stresses that monitoring, review, and reporting are

essential because risk treatment must be continuously aligned with changing organizational conditions. This means that risk management becomes directly connected to performance management whenever managers need to review whether targets remain achievable, what constraints are emerging, and which follow-up actions are required.

This integration is particularly relevant to the present study because budget efficiency creates a condition in which performance cannot be understood solely through target achievement figures. Reduced budgets may alter implementation methods, create quality risks, limit evaluation depth, or increase adjustment burdens on organizational units. Therefore, the stability of performance indicators at BPPK can only be interpreted adequately when performance achievements are read together with the risks, mitigation measures, and follow-up mechanisms that accompany them.

For that reason, the integration of performance management and risk management in this study is used to explain how BPPK was able to maintain reported performance during the efficiency period while still facing operational and quality pressures. The concept is not used merely to describe the existence of risk registers or ISO-based procedures, but to show why performance monitoring forums, mitigation reviews, and follow-up actions are theoretically important in interpreting organizational resilience under budget constraints (Bracci et al., 2024; Huber et al., 2024; Institute of Risk Management, 2018).

4.4.2. Integration of Risk Management and Management Control:

The Role of Performance Systems

Risk management is increasingly recognized as an integral component of management control and accountability, rather than merely an administrative activity, as risk practices have implications for organizational responsibility structures and control mechanisms (Soin & Collier, 2013; Bracci et al., 2022).

Studies show that ERM operates more effectively when integrated with anchor practices such as the Balanced Scorecard (BSC), because this integration embeds ERM within performance evaluation routines and managerial decision-making processes (Huber et al., 2024).

4.4.3. Integration in Public Organizations: Opportunities and Challenges

In public organizations, the integration of performance management and risk management often appears well-established at the documentary or policy level, but less so in operational practice due to various obstacles and differing actor roles (Bracci et al., 2024).

Therefore, the integration of risk performance must be analyzed at two levels: the instrumental/document level (policies, report formats) and the operational practice level (monitoring, follow-up on mitigation measures, evaluation), so that “high performance figures” can still emerge even when risks are not yet fully controlled (Bracci et al., 2024).

4.4.4. Integration Instruments: Risk Register, Mitigation Plan, Monitoring, and Reporting

ISO 31000 identifies monitoring & review and recording & reporting as core elements of the risk management process. Accordingly, risk registers and mitigation plans must be continuously monitored, updated, and reported to evaluate the effectiveness of risk treatments (Institute of Risk Management, 2018; International Organization for Standardization, 2018).

In risk-based governance practice, integration instruments function effectively when risk status and mitigation follow-up are reviewed alongside performance achievements, enabling managerial decisions to consider both performance targets and risk exposure (IRM, 2018; COSO, 2017).

4.5. Organizational Adaptation Under Budget Constraints

4.5.1. Budget Efficiency as Organizational Pressure (Resource Constraint)

In the public sector, efficiency policies often emerge as a demand for "doing more with less" that is, maintaining or increasing organizational deliverables amid shrinking resources (budget, time, and work capacity). Cross-country studies in Europe show that the "doing more with less" dynamic is associated with pressure on working conditions and employee work attitudes (such as job satisfaction and work motivation), which conceptually may have implications for performance and service sustainability (Esteve et al., 2017)

Fiscal pressure can also be understood through the lens of cutback management literature, which examines how public organizations manage resource reductions without sacrificing complex public objectives. The literature emphasizes that cutbacks are not merely cost reductions but organizational changes that present trade-offs between short-term savings and long-term consequences for organizational capacity (Raudla et al., 2015; Pandey, 2010).

4.5.2. Organizational Adaptation Strategies: Reprioritization, Substitution, and Coordination

The cutback management literature highlights that public organizations generally face strategic choices such as across the board cuts versus targeted cuts, and must weigh organizational consequences (for example, employee morale, service quality, and effects on priority programs). A "taking stock" review of the cutback literature emphasizes that cutback decisions often carry structural and operational consequences, so organizations need to manage trade offs consciously (Raudla et al., 2015).

In practice, adaptation during austerity also involves "rhetorical" and "real" responses that are not always aligned: governments or organizations may present narratives of innovation, while in reality they predominantly rely on fiscal stability measures. This finding underscores the importance of understanding adaptation as a combination of process changes and internal policies, not merely formal claims (Overmans & Noordegraaf, 2014).

To prevent cutbacks from triggering major internal conflict, the literature suggests viewing cutbacks as an organizational change process. The change

management perspective framework for cutbacks emphasizes the dimensions of context, content, process, outcomes, and leadership, so that changes resulting from efficiency should be seen as changes that need to be managed (including communication, leadership, and internal acceptance) (Schmidt et al., 2017).

4.5.3. Adaptive Capabilities: Dynamic Capabilities, Bricolage, and Organizational Resilience

From an organizational strategy perspective, adaptation under resource constraints can be explained through "dynamic capabilities" the organization's ability to integrate, build, and reconfigure resources and competencies to align with environmental changes. This framework emphasizes that organizations need to "reconfigure" their ways of working (processes) and resource combinations to maintain the achievement of objectives (Teece et al., 1997; Bos Nehles et al., 2023).

Further development explains that the micro foundations of dynamic capabilities encompass sensing, seizing, and reconfiguring, which manifest in routines, procedures, structures, and decision rules; this is important when organizations must still achieve targets but their ways of working change due to efficiency measures (Teece, 2007; Bos Nehles et al., 2023).

Additionally, the concept of bricolage helps explain "making do" practices when organizations lack resources: organizations utilize "resources at hand," recombine existing assets, and create practical solutions to meet new demands. Under efficiency conditions, bricolage is relevant for understanding how work

units maintain output through activity redesign (for example, substitution of work methods) (Baker & Nelson, 2005).

In the public sector context, organizational resilience refers to the capacity to maintain core functions while adapting when shocks occur (including fiscal shocks). The strategic HRM for resilience perspective emphasizes that strengthening competencies, coordination, and internal learning are part of an organization's resilience capacity (Lengnick-Hall et al., 2011).

4.5.4. Digitalization as an Efficiency Mechanism and Operational Efficiency

Digitalization as digital substitution can be understood not merely as moving services to digital platforms, but as digital transformation that changes work processes, structures, and how organizations generate value. In public organizations, this transformation is often linked to efficiency needs because it encourages process redesign (e.g., offline → online) so that outputs can still be achieved amid resource constraints. However, its success depends heavily on organizational flexibility, process architecture readiness, and the ability to carry out strategic renewal (Mergel et al., 2019; Gong et al., 2020; Warner & Wäger, 2019; Vial, 2019).

Beyond process digitalization, operational efficiency also emerges through work arrangement patterns such as telework, work from home (WFH), and hybrid work arrangements aimed at reducing routine costs and maintaining organizational work continuity. The literature shows that telework in public organizations requires policy support and supportive leadership to be effective,

while studies on hybrid arrangements find that WFH can be associated with job performance through daily mechanisms such as concentration and work engagement although coordination management and cross-unit work dynamics still need to be addressed (Toscano et al., 2025; Mele et al., 2023).

4.6. High-Performance Work Systems (HPWS) and Organizational Performance

4.6.1. The Concept of HPWS and Key Practice Components

HPWS (high-performance work systems) is generally understood as bundles or packages of complementary HR or work practices designed to enhance productivity and performance. The "bundle" framework is important because HPWS operates as a system, not as isolated practices; this means its effects are stronger when HR practices reinforce one another (for example, selection, training, empowerment, and team-based work) (Combs et al., 2006; Assanti, 2025).

The book *Manufacturing Advantage* emphasizes that discussions of HPWS should be evidence-based rather than anecdotal, viewing HPWS as work organization design that encourages discretionary effort and improved outcomes. Accordingly, HPWS can be positioned as a work design approach that supports organizations in achieving performance targets (Appelbaum et al., 2000).

4.6.2. Mechanisms of HPWS Influence on Performance.

One of the dominant theoretical mechanisms explaining HPWS is the Ability, Motivation, Opportunity (AMO) framework, which posits that

performance improves when organizations strengthen ability, encourage motivation, and expand opportunities to contribute. Meta-analyses show that AMO-based HR dimensions are associated with proximal outcomes (human capital, motivation) and extend to more distal outcomes (turnover, operational performance, financial results) (Jiang et al., 2012).

In the context of this research, AMO is useful because it provides a "logical pathway" for how work practices and HR systems can support organizational adaptation: Ability is strengthened through enhanced skills and learning; Motivation is reinforced through support, recognition, and clarity; Opportunity is expanded through empowerment, teamwork, and participatory space (Jiang et al., 2017.).

4.6.3. HPWS in the Public Sector Context: Opportunities and Limitations.

The application of HPWS in the public sector must consider its distinctive characteristics: multi-dimensional public objectives, demands for fairness, and bureaucratic regulatory constraints that can affect HR practice design. AMO-based research in public organizations shows that ability-, motivation-, and opportunity-enhancing practices can have different impacts on various dimensions of public sector performance (such as effectiveness, efficiency, and fairness), meaning HPWS cannot be treated as "identical" to private sector applications (Vermeeren, 2017).

Nevertheless, evidence also demonstrates the relevance of HPWS for public sector workplace performance. A study in Britain found that the use of

HPWS in public sector workplaces was positively correlated with assessments of financial performance and the implementation of organizational change/modernization, while being negatively correlated with wage costs. Thus, HPWS can be understood as a factor supporting efficiency and operational change (Bryson & White, 2021).

4.6.4. Relevance of HPWS to This Research

In this research, HPWS is positioned as a supporting lens (not the main theory) to explain how "work systems" and HR practices can strengthen an organization's capacity to maintain performance when facing efficiency pressures. Conceptually, HPWS can explain why organizations remain able to sustain achievements through learning, coordination, and empowerment, without shifting the primary research focus away from performance risk management (Jiang et al., 2012; Appelbaum et al., 2000).

Furthermore, public sector findings regarding the relationship between HPWS and cost reduction/efficiency savings as well as modernizing change strengthen the argument that performance-oriented work practices can support process adaptation (such as digitalization or restructuring of work methods) as responses to efficiency demands (Bryson & White, 2021).

4.7. Previous Research

4.7.1. Efficiency or Austerity and Its Impact on Public Organization Performance

Research on austerity and cutback management shows that fiscal stress drives public organizations to implement savings through various strategies, ranging from across-the-board cuts to targeted cuts, with consequences that can extend to organizational capacity, working conditions, and service quality (Raudla et al., 2015; Pandey, 2010). Quantitative survey-based studies across organizations have also found that the "doing more with less" dynamic is associated with pressure on the work environment and employee work attitudes, so austerity is understood as structural pressure that potentially affects performance sustainability (Esteve et al., 2017).

On the other hand, the literature emphasizes that responses to austerity are not always "linear"; organizations can develop adaptive responses that are rhetorical as well as real (Overmans & Noordegraaf, 2014), and cutbacks are often understood as organizational change processes that require change management to avoid prolonged internal disruption (Schmidt et al., 2017). Thus, previous research provides a foundation showing that aggregate performance may appear stable or high, yet operational pressures and trade-offs still occur and need to be examined through managerial and governance lenses (Esteve et al., 2017; Schmidt et al., 2017).

4.7.2. Public Sector Performance Management and Performance Information Use

The public sector performance management literature affirms the distinction between performance measurement (measuring/reporting) and performance management (using performance information to guide action and improvement), meaning the essence of a performance system is not just indicators but how that information is used for control, learning, and accountability (Van Dooren et al., 2015; Moynihan, 2008; Behn, 2003). However, research also reveals the risk of performance paradox and gaming when targets become ends in themselves (target fixation), which can cause priority distortion or "good numbers" without substantive improvement (Taylor, 2021; van Thiel & Leeuw, 2002; Bevan & Hood, 2006; Smith, 1995).

A systematic review on performance information use confirms that the use of performance information is influenced by factors such as leadership support, organizational capacity, culture, and data quality; thus, data availability does not automatically mean data are used meaningfully (Kroll, 2015). These findings are relevant for the research that positions performance systems as managerial processes, because changes in work methods and target adjustments can affect how achievements are interpreted and acted upon (Behn, 2003; Kroll, 2015).

4.7.3. ISO 31000/ERM and the Integration of Performance Risk Management in Public Organizations

In the realm of risk management, ISO 31000:2018 is positioned as guidelines emphasizing integration into governance, decision-making, and

continual improvement (ISO, 2018; IRM, 2018). The ERM literature also emphasizes the need to integrate risk with strategy and performance so that risk is not managed as an administrative silo but becomes risk-based governance that guides priorities and managerial actions (COSO, 2017; Bromiley et al., 2015).

In the public organization context, empirical research shows that the integration of performance management and risk management may appear "acceptable" at the document level but often fails to materialize at the operational practice level due to obstacles (such as role fragmentation, bureaucratic culture, or administrative compliance), resulting in the phenomenon of disintegration (Bracci et al., 2024). This study affirms the importance of viewing integration as two cycles the performance cycle and the risk cycle which may run in parallel without being truly connected in practice (Bracci et al., 2024).

4.7.4. HPWS and Organizational Performance, Including in the Public Sector Context

HPWS research emphasizes that effective HR practices work as bundles (systems) rather than isolated practices, and meta-analyses show that HPWS has a positive association with organizational performance (Combs et al., 2006). The mechanism commonly used to explain this influence pathway is AMO (ability, motivation, opportunity), which emphasizes that HR systems improve performance through strengthening competencies, motivation, and opportunities to contribute (Jiang et al., 2012).

In the public sector, the literature also shows that HPWS remains relevant despite being influenced by bureaucratic characteristics and multidimensional

public objectives; research in public sector workplaces in Britain found that increased use of HPWS was positively correlated with financial performance ratings and organizational change, and negatively correlated with wage costs (Bryson & White, 2021). These findings strengthen the position of HPWS as a supporting lens for understanding an organization's capacity to maintain performance amid efficiency pressures, without shifting the primary research focus away from performance–risk management (Jiang et al., 2012; Bryson & White, 2021).

4.7.5. Summary of Gaps and Research Position

In general, previous research provides a strong foundation regarding;

4.7.5.1. Austerity as pressure on public organizations and potential trade-offs (Esteve et al., 2017; Raudla et al., 2015).

4.7.5.2. Consequences of target systems and the performance paradox in performance management (van Thiel & Leeuw, 2002; Bevan & Hood, 2006).

4.7.5.3. The need for risk–performance integration, which in practice can face disintegration (Bracci et al., 2024).

However, studies that combine all three lenses simultaneously in a public organization setting that uses multi-perspective composite measurement and conducts periodic performance–risk forums as a governance mechanism remain limited. Therefore, this research is positioned to enrich understanding of how aggregate achievement stability, process adjustments, and operational risks occur

concurrently during an efficiency phase (Bracci et al., 2024; Van Dooren et al., 2015; Esteve et al., 2017).

4.8. Research Framework

4.8.1. Conceptual Framework of the Research

Figure 4 1. Conceptual Framework of the Research (Conceptual Map)

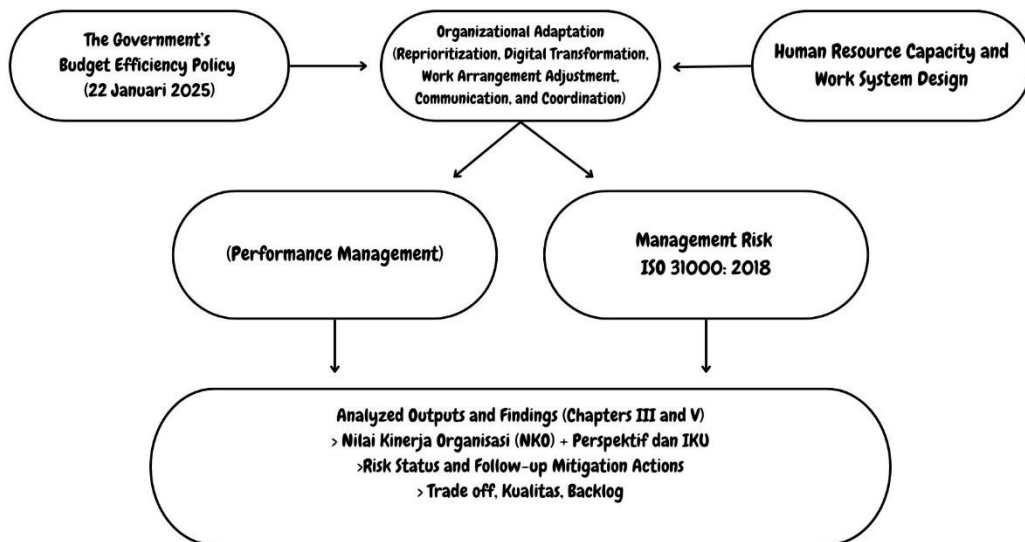


Figure 4.1 illustrates the relationships among the main research concepts at a high-level conceptual map. Budget efficiency is understood as a resource constraint that drives organizations to adapt their work processes (such as changes in program delivery, reprioritization, and the use of technology/WFH-hybrid arrangements). This adaptation then influences two main domains that are the focus of this research: performance management (IKUs, targets/trajectory, performance information use) and risk management (risk assessment, mitigation, monitoring/reporting), which refer to ISO 31000 principles as a conceptual benchmark (Van Dooren et al., 2015; International Organization for

Standardization, 2018). Within this framework, HPWS/AMO is positioned as an enabling condition (supporting lens) that strengthens organizational capacity in carrying out adaptation, because changes in work methods will be more effective when supported by ability, motivation, opportunity aspects (Jiang et al., 2012; Bryson & White, 2021).

4.8.2. Operationalization of the Framework by Quarter (Process Map)

Figure 4 2. Operationalization of the Framework by Quarter (Process Map)

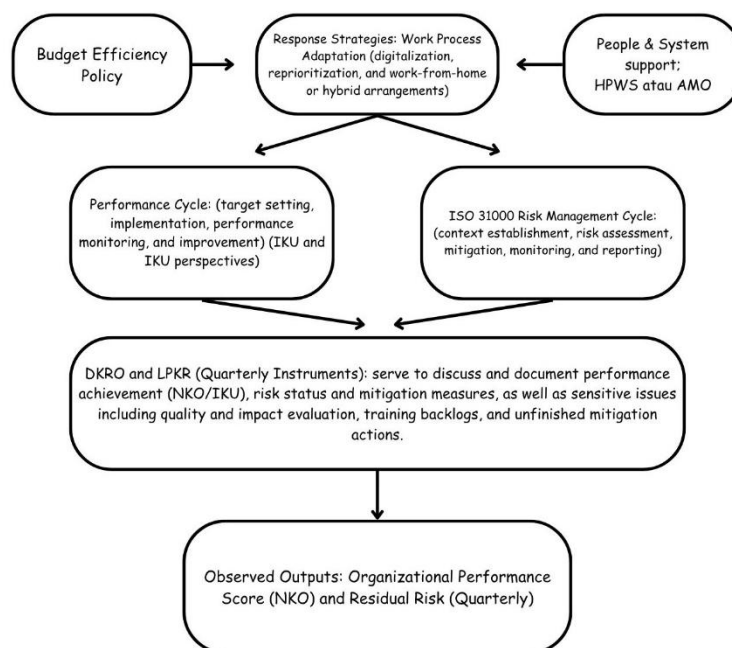


Figure 4.2 shows how the conceptual framework is operationalized within the quarterly work cycle (process map). At the operational level, efficiency drives adaptation of work methods, then the organization runs two parallel cycles: the

performance cycle (target planning, implementation, monitoring, evaluation/follow-up) and the ISO 31000 risk cycle (context establishment, risk assessment, mitigation, monitoring & reporting) (Moynihan, 2008; Van Dooren et al., 2015; International Organization for Standardization, 2018).

In the context of this research, DKRO & LPKR are positioned as quarterly governance instruments that bring together discussions of performance achievements (NKO/IKUs) and risk/mitigation status, while also recording sensitive issues that need to be monitored (such as quality/impact evaluation, backlogs, or incomplete mitigation). The placement of DKRO/LPKR within this framework also aligns with literature emphasizing the importance of risk–performance integration so that governance does not stop at the document level but functions as a forum for monitoring and follow-up (Bracci et al., 2024; COSO, 2017).

CHAPTER V

DISCUSSIONS

5.1. Introduction to the Discussions

This chapter discusses the findings presented in Chapter III by explaining their meaning in relation to the three research questions and the theoretical framework outlined in Chapter IV. Accordingly, the function of this chapter is not to repeat the descriptive results, but rather to interpret how and why BPPK was able to maintain a high aggregate Organizational Performance Score (NKO) during the budget efficiency period, what managerial mechanisms supported this condition, and what factors influenced the effectiveness of employee performance management under resource constraints (Behn, 2003; Moynihan, 2008; Van Dooren et al., 2015; Garengo & Sardi, 2021).

The discussion is developed around three analytical priorities that are central to this study. First, it explains why the observed stability of the NKO should not be interpreted as simple evidence that budget efficiency had no organizational consequences. Second, it examines the role of performance management, particularly through quarterly governance routines and their integration with risk management, in sustaining the continuity of reported performance. Third, it identifies the factors that shaped the effectiveness of employee performance management during the adjustment period, including digital readiness, coordination, work adaptation, and implementation pressures (Kroll, 2015; Allegrini et al., 2022; Bracci et al., 2024).

5.2. Discussion of Research Question 1: Why does the budget efficiency policy not have a significant impact on organizational performance at BPPK?

5.2.1. Stability of Reported Organizational Performance During the Efficiency Period

At the aggregate indicator level, the empirical findings show that BPPK maintained a high NKO both before and after the implementation of the budget efficiency policy. The DKRO for Quarter IV of 2024 recorded a BPPK NKO of 111.83, the DKRO for Quarter I of 2025 recorded an increase to 113.74, and the LPKR for Quarter II of 2025 recorded 113.82. At first glance, this pattern suggests that the efficiency policy was not followed by a decline in reported organizational performance (BPPK DKRO Quarter IV 2024; BPPK DKRO Quarter I 2025; BPPK LPKR Quarter II 2025).

However, this stability should not be interpreted in isolation. BPPK's own performance documents caution that NKO values across periods cannot be directly compared because the number of IKU, the formulas, and the targets changed across years and periods. Therefore, the increase in NKO is more appropriately understood as evidence of stability in reported performance rather than as direct evidence that organizational performance substantively improved in a linear manner (BPPK DKRO Quarter I 2025; BPPK LPKR Quarter II 2025).

This cautious interpretation is also supported by the interview findings. Informant 3 stated that the impact of the efficiency policy was "*perhaps not very visible*" if one looked only at the performance figures; however, he immediately added that "*behind all of that, there were certainly efforts we had undertaken and*

adjustments that were implemented so that performance remained unchanged” (Informant 3, 23/01/2026). This statement is important because it indicates that the figures remained high not because nothing had changed, but because the organization made internal adjustments to sustain the reported results.

5.2.2. Why the Stability of NKO Should Not Be Read as Simple Evidence of “No Impact”.

The findings in Chapter III show that the budget efficiency policy did have an effect on BPPK. However, its principal impact was reflected in implementation processes rather than merely in aggregate indicators. Learning activities that had previously been planned in conventional formats were converted into digital formats, certain operational arrangements were adjusted, and the organization sought alternatives that allowed programs to continue with lower cost components. Thus, the issue is not that efficiency had no effect on the organization, but rather that its effect was mediated through adaptation (BPPK DKRO Quarter I 2025; BPPK LPKR Quarter II 2025).

This interpretation is reinforced by the interview evidence. Informant 1 stated that the organization’s performance “*continued to be achieved very well*”; however, she also explained that “*learning activities that were initially conducted face-to-face were transformed entirely into digital formats*,” and that several post-learning activities that had previously been carried out directly had to be shifted online (Informant 1, 06/09/2025). Informant 4 likewise emphasized that the training was “*not ... entirely canceled*,” because “*a conversion occurred*” from conventional methods to digital ones, allowing participant targets to remain achievable while reducing travel and catering costs (Informant 4, 03/03/2026).

From the perspective of public sector performance management, this pattern is consistent with the distinction between performance measurement and performance management. Performance measurement records indicator outcomes, whereas performance management concerns how organizations use performance information to guide action, maintain continuity, and improve implementation. As Behn (2003), Moynihan (2008), and Van Dooren et al. (2015) argue, stable indicators are often the result of managerial action rather than self-sustaining outcomes. In the BPPK case, the stability of NKO is best read as the result of managerial adjustment and organizational adaptation under resource constraints rather than as evidence that efficiency produced no consequences.

5.2.3. Real Performance and Measured Performance

One of the central points of this study is the distinction between actual performance and measured performance. Measured performance refers to what is reflected in the achievement of the NKO and IKU, whereas actual performance refers to the substantive quality of implementation, the depth of its impact, and the extent to which the organization's programs genuinely produce the intended outcomes in practice (Van Dooren et al., 2015; Garengo & Sardi, 2021). In the case of BPPK, the evidence indicates that measured performance remained high; however, actual performance must be interpreted more cautiously because several implementation-related consequences emerged during the efficiency period.

The clearest example can be seen in post-learning evaluation and quality assurance. The Quarter II 2025 LPKR shows that the budget efficiency policy affected the implementation of post-learning evaluation, particularly evaluation

up to Level 4, because several programs were shifted to e-learning or distance learning formats, thereby limiting the number of programs that could be assessed at Level 4. The same report also identifies this issue as one requiring mitigation and closer attention (BPPK LPKR Quarter II 2025). This means that the stability of the NKO coincided with pressure on one of the most substantive dimensions of learning performance, namely the ability to verify whether training actually produced organizational impact.

The interview findings point to the same conclusion. Informant 1 explained that when learning shifted from conventional methods to digital ones, the evaluation process also changed because “data collection” and “direct interviews,” which had previously been conducted on-site, were “now partly carried out online” (Informant 1, 06/09/2025). She also noted that the implementing units regarded the requirement to maintain strict evaluation targets under these conditions as a burden. Therefore, although measured performance remained high, actual performance in terms of the depth of impact and the scope of evaluation faced greater pressure.

5.2.4. Linking the Finding to The Performance Paradox Concept

The distinction outlined above can be understood more clearly through the concept of the performance paradox. The public sector literature cautions that high indicator values do not always correspond to substantive improvement, because indicators may become detached from actual performance, particularly when they are influenced by target systems, selective measurement, or adaptive organizational behavior (van Thiel & Leeuw, 2002; Smith, 1995; Bevan & Hood,

2006; Taylor, 2021). In other words, an organization may display “good numbers” while still facing quality pressures, compromises, or uneven improvement across different operational dimensions.

In the case of BPPK, the performance paradox does not mean that the reported performance was inaccurate. Rather, it means that the increase in NKO should not automatically be equated with comprehensive substantive improvement across all dimensions of the organization’s work. Mr. Yoga’s statement that the impact of efficiency was “*perhaps not very visible*” if one looked only at the figures, while “*behind all of that*” there were many adjustments, supports this interpretation (Informant 3, 23/01/2026). Ms. Lili’s explains that post-training data collection and several evaluation practices also had to shift online points in the same direction (Informant 1, 06/09/2025). Therefore, the evidence indicates that the organization maintained strong measured performance through adaptation, quarterly governance, and target management; however, the same period also involved a narrower scope for certain forms of evaluation, pressures on quality assurance, and adjustment burdens on implementing units (BPPK DKRO Quarter I 2025; BPPK LPKR Quarter II 2025; Informant 1, 06/09/2025; Informant 3, 23/01/2026)

Therefore, the most defensible interpretation is that the changes observed in BPPK reflect a combination of performance stability in measured terms and conditional improvement in substantive terms. The organization was able to maintain its overall performance; however, this achievement was secured through adaptation and managerial effort, not because efficiency measures carried no

organizational consequences. This is precisely why the concept of the performance paradox is useful in this study: it helps explain how stable or improving indicators can coexist with real implementation pressures.

5.3. Discussion of Research Question 2: How is the role of performance management in maintaining and improving BPPK performance during the efficiency policy period?

5.3.1. Performance Management as a Governance Mechanism

The findings indicate that the role of performance management during the efficiency period was not limited to measuring results at the end of the cycle. Rather, performance management functioned as a governance mechanism through which BPPK planned targets, monitored achievements, evaluated implementation, identified emerging constraints, and determined follow-up actions on a quarterly basis. This interpretation is consistent with the public sector literature, which describes performance management as a cycle linking planning, implementation, monitoring, evaluation, and reporting for the purposes of learning and improvement, rather than as a mere reporting exercise (Moynihan, 2008; Van Dooren et al., 2015; Garengo & Sardi, 2021).

At BPPK, this governance role was evident in the routine use of quarterly performance documents and forums. The DKRO documents integrated performance reviews, risk reviews, and follow-up discussions, while the LPKR functioned as a structured monitoring document that recorded both achievements and risk developments during the period. Thus, performance management served

not only as a means of reporting results but also as a mechanism for maintaining organizational alignment amid efficiency pressures (BPPK DKRO Quarter IV 2024; BPPK DKRO Quarter I 2025; BPPK LPKR Quarter II 2025).

5.3.2. The Role of DKRO and LPKR in Quarterly Governance

The role of DKRO and LPKR was crucial because these instruments transformed performance information into sustained managerial dialogue. The documents show that BPPK did not wait until the end of the year to identify implementation problems. Instead, achievements and risks were discussed on a quarterly basis, mitigation plans were documented, and follow-up actions were monitored. This supports the argument that performance information becomes meaningful only when it is actually used in decision-making and organizational routines, as emphasized by Behn (2003), Kroll (2015), and Allegrini et al. (2022).

Empirically, DKRO and LPKR enabled the organization to identify which indicators required attention, which risks remained significant, and which mitigation measures still needed to be completed. For example, the Quarter II 2025 LPKR explicitly highlighted the need for attention to post-learning evaluation and quality assurance in the second semester, while also linking these issues to risk mitigation and transitional organizational conditions. This indicates that the quarterly governance process did not stop at reporting a high NKO value, but also brought implementation weaknesses into formal managerial discussion (BPPK LPKR Quarter II 2025). This process was also reflected in the interview material. Informant 2 explained that the NKO is “*a collection of IKUs*” organized through a balanced scorecard architecture, and that the organization did not

merely calculate an average of numbers, but operated through a structured system of indicators and perspectives (Informant 2, 08/03/2026). In the same vein, Informant 1 emphasized that “the strategy may be in planning and coordination,” so that indicators remained visible and manageable despite changes in working methods (Informant 1, 06/09/2025).

5.3.3. The Integration of Performance Management and Risk Management

The findings further indicate that the role of performance management during the efficiency period cannot be understood in isolation from risk management. Chapter IV has already mentioned that ISO 31000 conceptualizes risk management as an activity that should be integrated into governance, planning, implementation, monitoring, and reporting, rather than treated as a stand-alone administrative exercise (International Organization for Standardization, 2018; IRM, 2018). The literature on public sector integration similarly suggests that the integration of performance and risk becomes meaningful when risk information is reviewed alongside performance information and used to inform follow-up actions (Bracci et al., 2024; Soin & Collier, 2013).

The BPPK documents reflect this integrated practice. Risks related to program implementation, learning quality, post-learning evaluation, and management support were documented in terms of their levels, trends, and mitigation needs, while the performance dimension recorded achievement patterns and issues requiring attention. This indicates that the sustainability of

performance during the efficiency period was supported not only by the monitoring of achievements, but also by the assessment of risks and the follow-up of mitigation measures within the same quarterly governance cycle (BPPK DKRO Quarter I 2025; BPPK LPKR Quarter II 2025).

This integrated approach is important because high aggregate performance can coexist with unresolved or newly emerging risks. In the case of BPPK, the organization not only reported that its performance remained high; it also documented which implementation-related consequences required attention. Accordingly, the role of performance management was strengthened through its integration with risk management, because this integration helped the organization understand not only whether targets were achieved, but also under what conditions they were achieved and what vulnerabilities still remained.

5.3.4. Monitoring, Adjustment, and Follow-Up Under Efficiency

The discussion of Research Question 2 also requires attention to target adjustment and follow-up actions. Interview evidence indicates that, in certain cases, BPPK employed accountability mechanisms such as relaxation measures or addenda to align targets with changing implementation conditions. Informant 2 noted that “*we were given relaxation,*” and that, when efficiency measures directly affected a particular target, “*a target of 100 ... was lowered and adjusted in line with the efficiency policy, for example, to 80,*” through a mechanism that still required logical justification rather than arbitrary manipulation of figures (Informant 2, 08/03/2026).

Theoretically, such adjustments must be examined carefully. The goal-setting literature suggests that targets can enhance focus and effort, but they may also generate distortions when numerical achievement becomes the primary concern (Locke & Latham, 2002; Ordóñez et al., 2009; Bevan & Hood, 2006; Taylor, 2021). In the case of BPPK, the evidence indicates that target adjustment was not the primary explanation for performance stability, but rather one of several managerial tools employed within a broader process of adaptation. Stability was maintained not by targets alone, but by the combined roles of planning, monitoring, risk identification, method conversion, and follow-up actions.

Thus, the role of performance management during the efficiency period can be summarized as a structured managerial function: it ensured that targets remained clearly visible, enabled discussion of implementation constraints, linked risks to the evaluation of achievements, and facilitated formal follow-up decision-making. For this reason, performance management at BPPK during the efficiency period is best understood as an active governance process rather than merely a passive measurement system.

5.4. Discussion of Research Question 3: What factors influence the effectiveness of BPPK employee performance management in dealing with budget efficiency policies?

5.4.1. Digital Readiness and Work Adaptation

The first factor affecting the effectiveness of employee performance management was digital readiness and the organization's ability to adjust its

working methods. The empirical findings show that BPPK had already gained experience with e-learning and distance learning prior to the 2025 efficiency policy, which reduced the impact of the subsequent budget cuts. Informant 3 explained that, even before the efficiency policy, BPPK had attempted to shift part of its learning activities “*to distance learning or ... e-learning,*” and that this prior experience made the later conversion easier (Informant 3, 23/01/2026). Informant 4 likewise stated that, prior to the policy, BPPK had already been focusing its training on “*digital learning,*” while Mr. Giri emphasized that the organization had “*already started to become accustomed*” to e-learning well before the 2025 budget cuts (Informant 4, 03/03/2026; Informant 5, 06/02/2026:). This prior experience made it possible to convert some learning activities into digital forms rather than canceling them altogether.

These findings are consistent with the literature discussed in Chapter IV on organizational adaptation under budget constraints. Research on fiscal austerity in the public sector and digital transformation shows that organizations facing resource pressures often rely on substitution, reprioritization, and digitalization to maintain operational continuity; however, the success of such adaptation depends on how effectively processes, coordination, and implementation quality are redesigned, rather than merely transferred to online platforms (Raudla et al., 2015; Esteve et al., 2017; Mergel et al., 2019; Vial, 2019; Eom & Lee, 2022).

In the case of BPPK, digital readiness enhanced the effectiveness of employee performance management because it preserved the organization’s capacity to keep programs running and maintain output continuity. At the same

time, the findings show that digital adaptation was not always straightforward. Ms. Shinta observed that some training activities would still be “*more effective if conducted face-to-face, especially those involving practical components,*” while Mr. Giri emphasized that, for certain technical learning activities, it was “*indeed a difficult option,*” because theoretical components could be moved online, but practical components still required careful redesign (Informant 4, 03/03/2026; Informant 5, 06/02/2026). Thus, digital readiness was helpful, but it did not eliminate all implementation risks.

5.4.2. Coordination, Planning, and Target Visibility

The second factor was coordination supported by clear planning. Informant 1 described planning and coordination as the principal strategy for ensuring that indicators remained achievable even when implementation methods had to shift from offline to online modes. In her words, “*the strategy may be in planning and coordination,*” and the indicators had to remain “visible” so that units could still assess whether the targets could be achieved under changing implementation conditions (Informant 1, 06/09/2025). This suggests that the effectiveness of employee performance management depended not only on the formal existence of indicators, but also on whether those indicators remained understandable, discussable, and manageable for the units responsible for implementation.

This is consistent with the literature on the use of performance information, which emphasizes that data become useful only when organizational actors possess the capacity, routines, and leadership support necessary to interpret and act upon them (Kroll, 2015; Allegrini et al., 2022). During the efficiency period,

this became even more important because the challenge shifted from achieving routine targets to achieving targets under constrained implementation conditions. Therefore, transparent planning and close coordination functioned as prerequisites for effective employee performance management at BPPK.

5.4.3. Work Behavior, Adjustment Burden, and Implementation Pressure

The third factor relates to the implications of efficiency measures for work behavior, the burden of adjustment, and implementation pressures. The interview findings do not indicate any drastic decline in motivation or a substantial deterioration in work behavior. Rather, they show that the efficiency period created a phase of adjustment in which implementing units had to redesign methods, respond to quality expectations, and bear additional burdens associated with changes in implementation formats. Informant 1 described the situation as “more challenging” because offline activities had to shift online, while Informant 4 stated that the main issue was not an increase in formal workload, but rather “the initial adjustment” when many training arrangements had to be redesigned (Informant 1, 06/09/2025; Informant 4, 03/03/2026).

These findings can be interpreted through the critical perspective on goal setting and target systems discussed in Chapter IV. Target systems may stimulate effort and focus, but they can also generate pressure, narrow attention, and create implementation tensions when actors are expected to meet high standards under increasingly tight constraints (Locke & Latham, 2002; Ordóñez et al., 2009; Taylor, 2021). The BPPK interviews illustrate this tension clearly. Informant 1

recalled that some units had even proposed lower post-learning evaluation requirements, yet “*the leadership still set the highest target*” because the organization “*must not lower quality even for the sake of efficiency*” (Informant 1, 06/09/2025). This indicates that quality standards remained high, while shifts in implementation methods and resource constraints created complaints and adjustment burdens for the implementing units.

Therefore, the effectiveness of employee performance management in this study cannot be most accurately understood as a direct function of indicator design alone. Rather, it depended on whether the organization was able to maintain conditions that enabled adaptation, including coordinated support, realistic planning, and implementation arrangements that allowed employees to meet demands without drastically compromising quality.

5.4.4. Organizational Support Beyond the Indicator

A final point in RQ3 is that employee performance management remains effective only when organizational support extends beyond the indicator itself. Chapter IV positioned HPWS and AMO as supporting lenses for understanding how work systems and human resource conditions can support performance under pressure. In that perspective, organizational effectiveness is more likely when employees have the ability, motivation, and opportunity to contribute through supportive work systems rather than through target pressure alone (Jiang et al., 2012; Bos Nehles et al., 2023; Bryson & White, 2021).

The BPPK findings fit that logic in a limited but relevant way. Ability was reflected in the organization’s digital adaptation capacity. Motivation was

reflected in the continuing effort to maintain targets and quality despite efficiency pressure. Opportunity was reflected in the availability of coordination forums, quarterly governance routines, and work arrangements that enabled continued implementation. Thus, the effectiveness of employee performance management during the efficiency period depended not only on performance indicators, but also on the organization's broader capacity to support adaptive work.

5.5. Cross-Cutting Trade-Offs of Budget Efficiency

5.5.1. What Improved

The first side of the trade-off is what was improved or preserved through the efficiency response. The evidence indicates that BPPK preserved continuity of aggregate performance, kept participant targets broadly achievable, expanded or relied more heavily on digital learning, and reduced certain cost components associated with classical training, travel, meetings, and consumption. Ms. Shinta explained that some training which would normally require participant travel and consumption could still be delivered digitally so that "*there was no need to incur any costs*" for those components (Informant 4, 03/03/2026). Informant 5 likewise noted that when classical budgets were cut, "*for activities whose classroom-based budget was cut, we converted them into digital formats so they could still be carried out*" (Informant 5, 06/02/2026). In this sense, the organization demonstrated adaptive efficiency rather than simple activity reduction (DKRO BPPK Quarter I 2025; LPKR BPPK Quarter II 2025; Informant 4, 03/03/2026; Informant 5, 06/02/2026).

This pattern is consistent with the literature on cutback management, which argues that public organizations under fiscal stress do not only cut costs; they also reprioritize and redesign processes in an attempt to protect core functions (Raudla et al., 2015; Pandey, 2010). In the BPPK case, what improved was not necessarily every dimension of substantive performance, but rather the organization's ability to continue operating and maintain strong aggregate indicators under tighter resource constraints.

5.5.2. What Was Sacrificed or Put Under Greater Pressure

The second side of the trade-off concerns what was sacrificed or placed under greater pressure. The most visible pressures emerged in post-learning evaluation, quality assurance, and the implementation of programs that depended heavily on direct practice. The LPKR for Quarter II of 2025 explicitly identifies post learning evaluation and quality assurance as areas requiring attention, including the limited completion of Level 4 evaluations and concerns related to changes in quality assurance arrangements (BPPK LPKR Quarter II 2025).

Interview evidence points in the same direction. Informant 1 explained that digital conversion affected post-learning evaluation because activities that had previously involved direct data collection and interviews now had to be conducted online, and she acknowledged that units considered these requirements difficult to meet under the new conditions (Informant 1, 06/09/2025). Informant 4 emphasized that some training is *"more effective when delivered in a classical face to face format, particularly for activities involving practical components,"* while Informant 5 similarly stressed that some technical programs remained

difficult because "training programs that in fact require technical skills" could not simply be shifted online without consequences for quality (Informant 4, 03/03/2026; Informant 5, 06/02/2026).

Accordingly, the trade-off should be stated clearly. What was improved or preserved was continuity of aggregate performance, digital flexibility, and cost efficiency in selected operational components. What was placed under pressure was the depth of impact evaluation, the assurance of learning quality in some programs, and the adjustment burden experienced by implementing units. This is the clearest way to state the trade-off that remained implicit in the earlier version of the manuscript.

5.5.3. The Most Affected Stage of Performance Management

Although the study discusses planning, monitoring, and evaluation, the evidence indicates that evaluation was the most affected stage of performance management during the efficiency period. Planning clearly changed because programs and delivery methods had to be redesigned, and monitoring remained relatively strong because quarterly governance through DKRO and LPKR continued to function. However, evaluation especially post-learning evaluation and quality, faced the strongest pressure because it depended not only on reports, but also on the availability of evidence about implementation quality and learning impact. This is consistent with Informant 1's statement that post learning evaluation, including data collection and interview-based follow-up, had to be shifted into online formats and therefore became more challenging under the efficiency policy (LPKR BPPK Quarter II 2025; Informant 1, 06/09/2025).

5.6. Summary of the Discussion

Taken together, the discussion shows that the budget efficiency policy did not leave BPPK's organizational performance untouched. Rather, the policy influenced implementation conditions and work processes, while BPPK maintained high reported performance through adaptation, target management, digital conversion, and quarterly governance routines. Therefore, the stability of NKO should be interpreted as managed performance stability rather than simple evidence of "no impact" (DKRO BPPK Quarter IV 2024; DKRO BPPK Quarter I 2025; LPKR BPPK Quarter II 2025).

The discussion of Research Question 1 shows that the main analytical issue lies in the distinction between measured performance and real performance. Measured performance remained high, but substantive performance must be interpreted more carefully because implementation pressures were concentrated in evaluation depth, quality assurance, and the work of maintaining outcomes under changed conditions. This is why the performance paradox is central to the interpretation of the findings (van Thiel & Leeuw, 2002; Smith, 1995; Bevan & Hood, 2006; Taylor, 2021).

The discussion of Research Question 2 shows that performance management contributed to stability through disciplined quarterly governance, especially through the use of DKRO and LPKR, and through its integration with risk management. The discussion of Research Question 3 shows that the effectiveness of employee performance management depended on digital readiness, planning visibility, coordination, and the organization's ability to manage adjustment burdens without abandoning quality expectations (International Organization for Standardization, 2018; IRM, 2018; Bracci et al., 2024; Kroll, 2015).

Finally, the cross-cutting discussion makes the trade-off of efficiency clear. What was improved or preserved was aggregate performance continuity, digital flexibility, and cost efficiency in selected activities. What was placed under greater pressure was the depth of post-learning evaluation, quality assurance, and the adjustment burden on implementing units. On that basis, the most defensible conclusion of this chapter is that budget efficiency at BPPK produced managed stability in reported performance, but that stability coexisted with substantive trade-offs that require careful interpretation and should not be concealed by high aggregate numbers alone.

5.7. Contributions & Limitations

5.7.1. Research Contributions

Theoretically, this study contributes to the field of public sector performance management by demonstrating that stable or improving aggregate performance during the efficiency phase can be explained through quarterly governance mechanisms (monitoring–follow-up), rather than merely as a “natural outcome” of indicators. This study also reinforces the performance–risk integration perspective: the interpretation of aggregate performance becomes more meaningful when considered alongside the associated risk status, mitigation measures, and operational consequences.

Practically, this research offers implications for strengthening performance–risk governance within management units (PKRO) through three approaches: (1) discipline in DKRO/LPKR follow-up and standards for interpreting outcomes, (2) digital adaptation design that maintains quality and impact evaluation, and (3) strengthening the traceability of mitigation measures

and the capacity of human resources/work systems to ensure adaptation is not ad hoc. These implications are realistic because they are derived from existing mechanisms (quarterly forums and monitoring documents), rather than adding new structures that could potentially increase the bureaucratic burden.

5.7.2. Limitations of the Study

First, this study is a case study focused on a single unit (PKRO) and a single organization (BPPK) during a specific period; therefore, the findings primarily describe the mechanisms within that context and cannot automatically be generalized to all public organizations.

Second, analyzing NKO trends across years has methodological limitations because performance documents indicate changes in the number of IKUs, formulas, and targets/trajectories, making cross-year comparability indirect. Therefore, the interpretations in this study emphasize explanations of patterns and mechanisms rather than quantitative causal claims.

Third, although the study combines documents and interviews, some operational implications (e.g., the depth of impact evaluation on specific programs) still depend on the availability of supporting evidence and mitigation progress, which at some points have not yet been fully completed. Consequently, some findings are better positioned as indications of risks and trade-offs requiring further monitoring, rather than as final conclusions regarding long-term effectiveness

CHAPTER VI

CONCLUSIONS AND RECOMMENDATIONS

6.1. Conclusions

This study concludes that the budget efficiency policy at BPPK did not leave organizational performance unaffected in any simple sense. Rather, BPPK was able to sustain a high level of reported performance through adaptive performance management, selective digital substitution in particular activities, quarterly governance through DKRO and LPKR, and sustained coordination and follow-up across units (BPPK, 2024; BPPK, 2025a; BPPK, 2025b; Behn, 2003; Moynihan, 2008; Van Dooren et al., 2015). Accordingly, the empirical pattern of NKO stability from Quarter IV 2024 to Quarter II 2025 should be interpreted as managed stability in reported performance, rather than as evidence of an absence of organizational consequences.

At the same time, the findings demonstrate that such stability was not achieved without substantive adjustment costs. Informant 3 explicitly stated that *“if you just look at the performance, it might not seem to make a difference. But behind the scenes, a lot has been done many changes have been made to adjust to the reduced budget”* (Informant 3, 23/01/2026). Informant 1 similarly explained that activities *“that were initially conducted face-to-face were transformed entirely into digital formats,”* while several post-learning evaluation activities also had to shift online (Informant 1, 06/09/2025). These findings indicate that budget efficiency altered actual implementation practices, even when aggregate performance indicators remained high.

Accordingly, the most defensible final conclusion is that budget efficiency at BPPK produced both enabling and distortive effects. On the one hand, it improved selected dimensions of operational efficiency by encouraging digital flexibility, tighter cost discipline, and more adaptive coordination. On the other hand, it created a risk of distorted performance interpretation when high indicators were read without adequate attention to implementation trade-offs, quality assurance pressures, and limitations in post-learning evaluation (van Thiel & Leeuw, 2002; Smith, 1995; Bevan & Hood, 2006; Taylor, 2021; BPPK, 2025b). In sum, budget efficiency neither unequivocally improved organizational performance nor merely undermined it; rather, it generated managed stability in reported performance alongside substantive trade-offs that require careful analytical interpretation.

6.2. Conclusive Answers to Research Questions

6.2.1. Answer to Research Question 1

Why does the budget efficiency policy not have a significant impact on organizational performance at BPPK?

The first conclusion of this study is that the budget efficiency policy did not significantly reduce BPPK's reported organizational performance because the organization adapted its implementation methods sufficiently to preserve aggregate achievement. The NKO remained high throughout the observed period; however, the stability of these figures was supported by concrete adjustments, including the conversion of classical training into digital delivery, the reorganization of work arrangements, and the maintenance of continuous

performance review through quarterly governance (BPPK, 2024; BPPK, 2025a; BPPK, 2025b).

However, this conclusion must be stated carefully. Informant 1 noted that learning activities “*that were initially conducted face-to-face were transformed entirely into digital formats,*” while Informant 4 emphasized that the training “*was not ... entirely canceled*” because it was converted into digital forms instead (Informant 1, 06/09/2025; Informant 4, 03/03/2026). Therefore, the answer to the first research question is not that efficiency had no impact, but that its impact was absorbed through adaptation so that the aggregate indicators did not collapse. This means the policy did not leave performance untouched; it changed the way performance was maintained.

6.2.2. Answer to Research Question 2

How is the role of performance management in maintaining and improving BPPK performance during the efficiency policy period?

The second conclusion is that performance management played a central role in maintaining and improving BPPK’s reported performance during the efficiency period because it operated as an active governance mechanism rather than as a passive measurement system. The use of DKRO and LPKR enabled the organization to monitor achievements, identify implementation constraints, discuss risks, determine follow-up actions, and maintain a disciplined quarterly performance cycle (BPPK, 2024; BPPK, 2025a; BPPK, 2025b; Kroll, 2015; Allegrini et al., 2022).

Interview evidence reinforces this conclusion. Informant 2 explained that under certain conditions the organization was “*given relaxation*,” and that “*we have an Addendum mechanism ... a readjustment of the target*,” provided that the adjustment was justified logically and not used arbitrarily (Informant 2, 08/03/2026). This shows that performance management at BPPK during the efficiency period operated through planning, monitoring, evaluation, and formal adjustment. Moreover, its effectiveness was strengthened by integration with risk management, because performance achievements were reviewed together with risk status and mitigation needs rather than being treated as separate administrative streams (International Organization for Standardization, 2018; IRM, 2018; Bracci et al., 2024).

6.2.3. Answer to Research Question 3

What factors influence the effectiveness of BPPK’s employee performance management in implementing budget efficiency policies?

The third conclusion is that the effectiveness of employee performance management at BPPK during the efficiency period was influenced by a combination of digital readiness, coordination quality, planning visibility, flexible work arrangements, and the organization’s capacity to absorb adjustment burdens without allowing aggregate performance to decline. Prior organizational experience with e-learning and distance learning reduced the severity of the budget cuts because some activities could be converted, rather than canceled outright (Mergel et al., 2019; Vial, 2019; BPPK, 2025a). This conclusion is strongly supported by the interview findings. Informant 5 stated that before the

2025 efficiency measures, BPPK had already “*been working to shift our training to distance learning*” and expand e-learning, which made later conversion more feasible (Informant 5, 06/02/2026). Informant 1 emphasized that the main strategy was “*planning and coordination*,” while Informant 4 explained that the main burden was not necessarily a higher formal workload but “*the initial adjustment*” when many arrangements had to be redesigned (Informant 1, 06/09/2025; Informant 4, 03/03/2026). At the same time, not all aspects were equally protected: the evaluation stage, especially post-learning evaluation and quality assurance, was the most affected because implementation changes reduced the depth and ease of evidence collection (BPPK, 2025b).

6.3. Critical Reflection on the Limits of Performance Indicators

A critical reflection is necessary because this study relies substantially on performance indicators such as NKO and IKU. These indicators are useful for tracing achievement trends, structuring accountability, and supporting quarterly governance; however, they may also lead to misleading conclusions when interpreted as though they fully represent substantive organizational performance in all dimensions (Van Dooren et al., 2015; Garengo & Sardi, 2021). In BPPK’s case, the organization’s own documents explicitly caution that comparisons across periods must be made carefully because the number of IKU, the formulas, and the targets changed across years and quarters (BPPK, 2025a; BPPK, 2025b).

This limitation becomes even more important when viewed through the concept of the performance paradox. Public sector literature shows that strong indicator results can coexist with distortions, selective adaptation, or a narrowing

of attention toward what is easiest to measure rather than what matters most substantively (van Thiel & Leeuw, 2002; Smith, 1995; Bevan & Hood, 2006; Choi & Park, 2023; Taylor, 2021). In this study, the high NKO should therefore not be read as automatic proof that efficiency improved organizational performance in a fully substantive sense. Rather, it shows that BPPK succeeded in preserving reported aggregate performance while also facing pressures in implementation quality, impact evaluation, and adjustment burden.

For that reason, performance indicators in this study are treated as an entry point for interpretation, not as self-sufficient proof. Informant 3 explicitly noted that the impact was “*perhaps not very visible*” if one looked only at the numbers, while “*behind the scenes*” many changes had been made to adjust to the reduced budget (Informant 3, 23/01/2026). This statement captures the main critical lesson of the thesis: indicators remain important, but they must always be interpreted together with implementation processes, risk conditions, and evidence about actual organizational practice.

6.4. Contributions of the Study

6.4.1. Theoretical Contribution

Theoretically, this study contributes to public sector performance management research by showing that stable aggregate performance under fiscal constraint is better explained through adaptive governance mechanisms than through indicator outcomes alone. The study also strengthens the usefulness of the performance paradox as an interpretive lens in contexts where reported

achievements remain high despite substantive implementation pressure (van Thiel & Leeuw, 2002; Van Dooren et al., 2015; Bracci et al., 2024).

6.4.2. Methodological Contribution

Methodologically, this study demonstrates the value of combining documentary evidence from DKRO and LPKR with semi-structured interviews in order to construct a process-based explanation rather than relying solely on trend data. This triangulated approach allows a more careful distinction between measured performance and actual performance (Creswell & Poth, 2018; Braun & Clarke, 2006; BPPK, 2025a; BPPK, 2025b)

6.4.3. Practical Contribution

Practically, the study provides evidence-based input for BPPK and comparable public organizations regarding how reported performance may be preserved under fiscal pressure without neglecting the protection of implementation quality, evaluation depth, and risk monitoring. The findings highlight the importance of disciplined quarterly governance, selective digitalization, and explicit recognition of trade-offs in managerial decision-making (BPPK, 2025a; BPPK, 2025b; Informant 1, 06/09/2025; Informant 2, 08/03/2026)

6.5. Recommendations

The implications of this study should not remain at a merely general level. Based on these findings, BPPK should not completely abandon the principle of budget efficiency, but neither should it apply that principle uniformly and uncritically. Rather,

the organization should maintain an efficiency-oriented approach for activities that can be digitalized or coordinated online without significantly compromising substantive quality, refine its performance management mechanisms to reduce indicator bias, and redesign the handling of activities whose quality depends heavily on direct practice, field interaction, or more intensive evaluation. This recommendation is directly grounded in the finding that budget efficiency generated both efficiency gains and substantive trade-offs (BPPK, 2025a; BPPK, 2025b; Informant 1, 06/09/2025; Informant 5, 06/02/2026).

6.5.1. Recommendations for BPPK

Table 6 1. Recommendations for BPPK

NO	Strategic Action	Recommendation	Analytical Rationale
1	Continue efficiency for administratively substitutable activities	BPPK should continue budget efficiency for activities such as routine coordination meetings, selected internal briefings, and training components that are primarily concept-oriented and have already demonstrated adequate performance in digital format.	The findings indicate that digital conversion and online coordination reduced travel, meeting, and consumption costs while allowing programs to continue (Informant 4, 03/03/2026; Informant 5, 06/02/2026; BPPK, 2025b)
2	Adjust the indicator system and interpretation practice	BPPK should refine the interpretation of performance by requiring every quarterly review to distinguish clearly between reported achievement and substantive implementation quality. A concise explanatory note should accompany NKO reporting whenever formulas, targets, or indicator structures change	The study demonstrates that reliance on high indicators alone may produce misleading conclusions, particularly when the number of IKU, formulas, and targets differ across periods (BPPK, 2025a; BPPK, 2025b; van Thiel & Leeuw, 2002).
3	Institutionalize stronger quarterly performance–risk governance	BPPK should strengthen DKRO and LPKR as decision-making forums by	The study shows that performance stability was maintained through repeated

		standardizing follow-up deadlines, mitigation tracking, and evidence requirements for unresolved issues.	quarterly monitoring, risk discussion, and follow-up, rather than through reporting alone (BPPK, 2024; BPPK, 2025a; BPPK, 2025b; Bracci et al., 2024).
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6.5.2. Recommendations for Other Public Organizations

Other public organizations facing budget efficiency issues should avoid treating efficiency as a uniform reduction target across all programs. The findings of this study suggest that organizations should first map which activities that can be substituted digitally with minimal loss, which activities require hybrid treatment, and which activities need protected resources because their quality depends on direct implementation and evaluation. This differentiated approach is more defensible than across-the-board cuts because public sector cutback literature consistently warns against ignoring program-level trade-offs (Raudla et al., 2015; Pandey, 2010; Schmidt et al., 2017).

6.5.3. Recommendations for Future Research

Future research should compare several public organizations or units to examine whether the combination of high reported performance and substantive trade-offs is specific to BPPK or represents a broader pattern in public sector efficiency management. Subsequent studies may also focus more deeply on indicator-sensitive programs, long-term effects of digital substitution on learning quality, and the relationship between target adjustment mechanisms and performance interpretation (Bracci et al., 2024; Esteve et al., 2017; Taylor, 2021)

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APPENDICES

Appendix 1

- **Transcript Interview Online (08/03/2026 : Oleh Mas Anang, Anggota PKRO Setban BPPK)**

No	Researcher	Informant
1	Di awal 2025 ada kebijakan efisiensi anggaran. Menurut Mas Anang, kebijakan efisiensi anggaran tersebut memengaruhi pengelolaan kinerja dan risiko di BPPK secara keseluruhan atau enggak, Mas?	Kalau efisiensi sendiri ya, sebenarnya kalau dari kita, karena kita kan dukungan manajemen, tim support lah intinya BPPK itu, nah itu sebenarnya enggak terlalu pengaruh. Tapi ada sedikit banyak pengaruh. Contohnya pelatihan-pelatihan kita. Pelatihan itu kan sudah direncanakan T-1, dari tahun sebelumnya kita sudah AKP ke unit-unit, terus akhirnya merencanakan pelatihan tahun 2025. Akhirnya banyak yang di-cut di pelatihan itu dan cukup lumayan membuat kelimpungan. Tapi kalau dari sisi kinerja yang lain, yang administratif, itu bisa diakali karena kita ada relaksasi.
2	Berarti terkait relaksasi itu seperti kelonggaran?	Jadi misalnya target 100 untuk triwulan ini. Karena pengelola keuangan tahu kondisinya kita sedang efisiensi, makanya 100-nya ini diturunkan, disesuaikan dengan efisiensi, misalnya jadi 80. Kurang lebih gitu.
3	Kalau menurut Mas Anang sendiri, kebijakan ini lebih banyak memberikan tantangan atau peluang?	Kalau kami sih tantangannya cukup lumayan menantang. Karena di BPPK sebenarnya itu sudah efisien seefisien mungkin. Kita sudah jarang pelatihan klasikal. Sejak ada KLC itu cukup lumayan membantu dan cukup lumayan efisien. Jadi beberapa diklat yang menurut kami enggak terlalu penting untuk dilakukan klasikal, kami lakukan via e-learning atau PJJ
4	Yang membuat NKO tetap bertahan bahkan naik setelah kebijakan efisiensi anggaran itu apa, Mas?	Setelah disampaikan ada efisiensi anggaran yang otomatis memengaruhi beberapa IKU kita, akhirnya kami pengelola kinerja menanggulangnya dengan melakukan relaksasi dan ada mekanisme adendum. Adendum itu penyesuaian kembali target.

		Jadi target awal tahun 100, terus ada efisiensi ini jadi 90, itu masih dimungkinkan dengan alasan yang logis. Jadi menurut kami enggak terlalu pengaruh karena kami masih kebantu dengan bisa dilakukan adendum.
5	Untuk mekanisme perhitungan NKO itu di BPPK seperti apa? Apakah kumpulan IKU yang dirata-ratakan?	NKO itu adalah nilai kinerja organisasi. Nah NKO ini kumpulan dari IKU, tapi tidak serta-merta capaian IKU dirata-rata. Jadi kita ada mekanisme balanced scorecard. IKU dikelompokkan berdasarkan perspektif, lalu setiap perspektif ada bobotnya. Dari nilai perspektif-perspektif ini baru jadi nilai organisasi atau NKO.
6	Berarti selain memetakan juga merumuskan IKU tersebut ya, Mas?	Kalau merumuskan iya bisa, tapi khusus Sitban kebanyakan karena kita unit sekretariat, IKU yang benar-benar kita rumuskan sendiri cuma 3 atau 4. Lainnya dapat dari BPPK karena kita support-nya BPPK. Jadi hampir 80–90% itu kita dapat dari BPPK, dan BPPK dapatnya dari Kemenkeu. Jadi turun-turun, namanya cascading.
7	Jumlah IKU, formula, dan target itu berbeda-beda tiap periode. Yang menentukan itu apa dan siapa?	Kalau jumlah IKU itu ada batasnya. Tapi kita masih punya ruang di formula dan target. Di awal tahun kita ada refinement IKU. Kita kumpulkan masukan dari unit-unit, lalu kita rumuskan lagi formulanya. Formula itu kita cek lagi apakah masih relevan, apakah masih menantang. Kalau realisasi tahun lalu sudah terlalu tinggi, yaudah kita ubah formulanya.
8	Berarti perspektifnya juga bisa bertambah seperti itu, Pak?	Kalau perspektif itu enggak. Perspektif itu sudah punya teori. Harusnya ada empat: stakeholder, customer, business process, dan learning and growth. Kalau Sitban itu tiga karena stakeholder sama customer jadi satu. Jadi yang berubah itu bukan perspektifnya, tapi IKU dan formulanya.
9	Kalau terkait target, apa yang biasanya dilakukan?	Terkait target, kita punya namanya kualitas IKU. Jadi harus memastikan kualitas IKU dari tahun ke tahun semakin bagus. Kalau IKU-nya masih IKU lama, idealnya target naik. Tapi kalau targetnya sudah enggak

		relevan, ya direformulasi saja, bikin formula baru.
10	Kalau terkait trajectory, itu sama seperti target?	Trajectory itu cuma target per triwulan. Jadi target tahunan dipecah lagi per triwulan.
11	Kalau terkait IKU cascading itu, bisa memengaruhi ruang kendali dan strategi pengelolaan enggak, Mas?	Jelas. Karena banyak IKU datang dari cascading, ruang kendali unit jadi lebih terbatas. Kita mau enggak mau menerima mandat indikator dari atas. Jadi ruang kendali kita enggak besar untuk menentukan IKU dari nol.
12	Kalau untuk DKRO berarti sama seperti LPKR juga?	DKRO itu acaranya. Nama acaranya DKRO. Dokumen yang dipakai buat acaranya itu namanya LPKR. Jadi DKRO itu forum atau nama acaranya, sedangkan dokumen yang dibahas dalam acara itu LPKR.

- **Transcript Interview Online (03/03/2026: Oleh Mba Shinta, Staff PKRO Setban BPPK)**

No	Researcher	Informant
1	Dari pendapat Mbak Sinta, kebijakan efisiensi anggaran itu lebih memberikan tantangan atau peluang?	Kalau di BPPK ini utamanya pelaksanaan pendidikan dan pelatihan, dan porsi terbesarnya di pelatihan. Sebelum adanya kebijakan efisiensi anggaran ini, kita juga sudah menerapkan model pembelajaran digital. Jadi dari sebelum adanya efisiensi pun, di BPPK ini anggarannya sudah dipaksa efisien mungkin dengan pelaksanaan pelatihan secara digital. Makanya ketika ada efisiensi anggaran, yang ditekan salah satunya biaya-biaya yang biasanya keluar untuk pelatihan klasikal. Namun bukan serta-merta pelatihan itu batal seluruhnya. Jadi ada konversi, pelatihan yang seharusnya klasikal dikonversi menjadi pelatihan digital.
2	Berarti secara kinerja tidak berpengaruh negatif ya, Mbak?	Iya, secara kinerja tetap tidak berpengaruh negatif. Karena pelatihannya tetap dilaksanakan, hanya beberapa dikonversi menjadi pelatihan digital. Jadi secara peserta pelatihan tidak terlalu berpengaruh,

		target-target pesertanya tetap bisa dilaksanakan.
3	Kalau kendala atau tantangannya apa, Mbak?	Ada beberapa pelatihan yang sebenarnya lebih efektif ketika dilaksanakan secara klasikal, terutama yang ada praktiknya. Itu mungkin akan lebih maksimal hasilnya atau penyerapan materinya kalau secara klasikal. Jadi tantangannya bagaimana penyusun desain atau kurikulum bisa menyusun materi itu supaya tetap efektif walaupun dilaksanakan secara jarak jauh.
4	Kalau NKO tetap naik, strategi BPPK sendiri apa untuk menjaganya?	Mungkin dari pemantauannya juga. Waktu di awal-awal itu memang sempit bagaimana bisa menyusun. Jadi kalau NKO ini beberapa disesuaikan kembali. Misalnya ada anggaran terkait pengembangan pegawai yang lumayan besar, namun karena adanya kebijakan efisiensi anggaran, anggaran itu dipotong. Jadi bagaimana supaya kinerjanya tetap bisa tercapai, salah satunya dengan melakukan penyesuaian pengukuran. Jadi yang diukurnya itu mungkin disesuaikan. Jadi hal yang tidak dilaksanakan tidak diukur, makanya tidak terpengaruh.
5	Berarti memang setelah kebijakan juga ada penyesuaian kembali ya?	Betul, ada penyesuaian kembali untuk komponen-komponen yang diukur.
6	Menurut Mbak Sinta sendiri, apakah kebijakan efisiensi itu menurunkan motivasi kerja atau menambah beban kerja?	Mungkin bukan beban kerja yang meningkat. Cuma mungkin di awal-awal karena adanya perubahan yang tadinya klasikal menjadi digital, jadi kita perlu penyesuaian ulang atau belajar lagi. Banyak pelatihan yang dulunya klasikal menjadi digital, itu kan ada kesulitan tersendiri. Jadi beban kerjanya mungkin tidak meningkat, tapi memang penyesuaian saja sih di awal. Cuma karena sudah berlangsung lumayan lama, jadi semakin bisa disesuaikan.
7	Kalau standar ISO 31000 itu diterapkan enggak ya, Mbak?	Aduh aku kurang paham ya kalau itu. Kayak Mas Giri tuh yang paham, ISO-ISO.
8	Bagaimana cara pimpinan atau koordinator menyesuaikan pola manajemen atau monitoring pekerjaan di tengah efisiensi anggaran?	Kalau dari sisi manajemen dari pimpinan, salah satunya dengan memaksimalkan penggunaan sarana komunikasi. Jadi monitoring pekerjaan bisa dilakukan lewat

		online. Beberapa rapat sekarang lebih sering dilakukan secara online. Itu juga salah satu bentuk penghematan anggaran, karena kalau rapat-rapatan dulu kan ada biaya transportasi atau biaya konsumsi. Sedangkan kalau sekarang rapat online, hal tersebut tidak diperlukan. Jadi memaksimalkan penggunaan teknologi sih. Pembinaan teknis kepada unit-unit atau mitra itu juga dilakukan secara online, dan monitoring maupun tindak lanjut kegiatannya juga biasanya dilakukan secara online.
9	Jadi kalau pimpinan seperti itu berarti mendukung kebijakan efisiensi ya?	Iya, salah satunya seperti itu. Mungkin kalau beberapa pimpinan zaman dulu lebih suka rapat datang langsung, tapi kalau di sini rapat-rapat online itu juga lebih sering dipakai. Jadi memang ditekankan di bagian komunikasi yang sekarang.

- **Transcript Interview Online (06/02/2026: Oleh Mas Giri, Staff PKRO Setban BPPK)**

No	Researcher	Informant
1	Kalau dari Mas Giri, bagaimana kebijakan efisiensi anggaran itu memengaruhi kegiatan pembelajaran di BPPK?	Kita sudah melakukan analisis kebutuhan pembelajaran di tahun sebelumnya. Jadi untuk kegiatan pembelajaran di 2025 itu sudah kita rancang. Sebenarnya ada kegiatan-kegiatan yang pembelajarannya klasikal, dan itu membutuhkan dana yang enggak sedikit, apalagi kalau diklatnya diasramakan atau butuh praktik lapangan. Akibat adanya efisiensi kebijakan pemerintah yang mulai disampaikan di Januari dan Februari, itu akhirnya memaksa kita buat berpikir lebih keras lagi gimana caranya pembelajarannya tetap dilaksanakan, dengan kualitas yang diharapkan pimpinan tetap sama, enggak mau berbeda.
2	Apa respons yang dilakukan BPPK saat itu?	Pilihannya waktu itu dilaksanakan dua: melalui pelatihan jarak jauh dan juga e-learning. Nah pemilihan itu akhirnya merubah kalender pembelajaran. Yang tadinya sudah kita set sebagai klasikal, mau enggak mau enggak bisa karena

		anggarnya jadi enggak ada. Jadi metode pembelajarannya diubah.
3	Kalau untuk pelatihan yang butuh keterampilan teknis gimana, Mas?	Nah itu yang sulit. Misalnya pelatihan di Bea Cukai, pemeriksaan barang, kan sulit banget sebetulnya kalau hanya PJJ. Akhirnya kita memotong menjadi dua. Yang tadinya pelatihannya dilaksanakan dua minggu, mana yang teorinya bisa dilaksanakan dulu lewat PJJ atau e-learning, nanti praktiknya dilakukan pelatihan lain lagi. Kayak semacam pembagian menjadi dua.
4	Kalau dari sisi kontrak kinerja organisasi, apakah targetnya diubah?	Sebetulnya bisa melakukan adendum kontrak kinerja, tapi kebijakan pimpinan berbeda. Ya udah, tetap kinerja ini yang sudah kita kontrakkan, enggak boleh berubah dari sisi komposisi pembelajaran. Karena dampaknya nanti lebih kepada kebutuhan pembelajaran unit-unit mitra kita yang enggak terpenuhi.
5	Kenapa NKO BPPK tetap bisa naik di situasi kebijakan efisiensi anggaran ini?	Sebenarnya kita enggak terlalu kaget ketika ada efisiensi anggaran karena kita sudah mulai terbiasa melakukan pembelajaran secara e-learning jauh-jauh hari. Jadi begitu ada pemotongan anggaran, dari sisi infrastruktur kita sudah lebih siap. Paling tantangannya di transfer of knowledge-nya, karena yang tadinya klasikal menjadi PJJ atau e-learning, itu butuh effort banget. Harus merubah kurikulum, bikin konten, dan lain-lain.
6	Kalau dari segi pendekatan baru dalam integrasi pengelolaan kinerja dan risiko, ada enggak yang lebih adaptif terhadap efisiensi?	Salah satunya melakukan analisis kebutuhan pembelajaran lagi. Jadi yang awalnya sudah dilakukan di tahun sebelumnya, karena ada perubahan kebijakan, kita konfirmasi lagi ke unit mitra pelatihan-pelatihan apa saja yang sebetulnya disepakati menjadi e-learning atau jarak jauh. Setelah itu kita merubah kurikulum lagi, mendesain lagi dari ulang. Bahkan kalender program pembelajaran juga berubah.
7	Di BPPK, IKU itu sekarang lebih banyak mengukur apa, Mas?	Makin ke sini kita dituntut terkait outcome-nya. Yang tadinya mungkin hanya output, berapa orang yang dilatih, sekarang kita mengukur dampaknya. Misalnya

		persentase alumni pelatihan yang meningkat kinerjanya, tingkat kepuasan stakeholder dan pengguna layanan, indeks mutu penyelenggaraan, dan seterusnya. Jadi sekarang banyak yang outcome.
8	Kalau menurut Mas Giri sendiri, setelah ada kebijakan efisiensi anggaran, motivasi kerja bagaimana?	Yang pasti, pada saat ada pemotongan anggaran, ada strategi yang sebetulnya waktu itu diterapkan sistem WFH. Kenapa demikian? Karena ketika pegawai masuk kantor, otomatis akan mengakibatkan biaya operasional cukup membengkak, karena penggunaan lampu, penggunaan AC, dan lain-lain. Jadi sempat ada kebijakan work from home.
9	Berarti tantangannya bukan cuma biaya pembelajaran ya, Mas?	Iya. Yang paling menantang itu terkait pembelajarannya. Pimpinan sama stakeholder meminta kualitas minimal sama dengan yang dilakukan secara klasikal. Padahal kontrolnya jauh lebih sulit saat e-learning atau PJJ, kita enggak bisa melihat langsung. Jadi memang tantangan utamanya ada di menjaga kualitas sambil tetap efisien.
10	Jadi secara singkat, apa inti adaptasi BPPK waktu itu?	Intinya pembelajaran tetap harus jalan, kualitas tetap diupayakan sama, dan karena anggaran klasikal dipotong, kita cari jalan lewat e-learning, PJJ, redesign kurikulum, dan penyesuaian kalender pembelajaran.

- **Transcript Interview Online (23/01/2026, Mas Yoga, Staff PKRO Setban BPPK)**

No	Researcher	Informant
1	Kalau dari keseluruhan tim kerja dan organisasi, efisiensi anggaran ini berdampak besar enggak di BPPK, Mas?	Kalau dari keseluruhan tim kerja dan organisasi, efektivitas anggaran ini mungkin enggak terlalu kelihatan dampaknya. Karena di BPPK, cara delivery pelatihannya itu sudah enggak terlalu terkait lagi sama anggaran. Jadi masih bisa dicarikan alternatif-alternatif lain yang tidak terlalu memangkas anggaran.
2	Tapi kalau cuma melihat kinerjanya, kenapa kelihatannya enggak berpengaruh?	Jadi kalau untuk kinerja BPPK secara umum, mungkin tidak terlalu terlihat ada dampaknya. Tapi dibalik itu semua, pasti

		ada usaha-usaha yang kita lakukan dan ada penyesuaian-penyesuaian yang dilakukan sehingga kinerjanya tetap sama. Jadi kalau cuma melihat dari kinerjanya, mungkin kelihatannya enggak berpengaruh. Tapi di belakang itu banyak hal yang dilakukan untuk menyesuaikan dengan anggaran yang berkurang.
3	Menurut Mas Yoga, faktor apa yang bikin BPPK bisa mempertahankan NKO itu?	Kalau mau melihat kenapa bisa tidak terlalu terpengaruh, perlu melihat beberapa tahun ke belakang. Sebelum COVID, BPPK sudah mulai mengalihkan pelatihan yang dulu banyak klasikal menjadi PJJ atau e-learning. Untuk pelatihan yang tujuannya hanya memahami, lebih pas pakai e-learning atau PJJ. Jadi ketika kemarin ada pemotongan anggaran, beberapa pelatihan yang awalnya direncanakan klasikal memang enggak bisa dilakukan, tapi tetap bisa ditutupi dengan pelatihan-pelatihan lain yang didigitalisasi.
4	Kalau terkait performa pegawainya sendiri bagaimana, Mas?	Kalau secara belanja untuk gaji dan tunjangan kan tidak terpotong, jadi untuk itu saya rasa enggak ada pengaruh. Mungkin yang terpotong itu perjalanan dinas, biaya konsumsi, atau rapat-rapat. Tapi kalau di BPPK juga sudah terbiasa melakukan online, jadi rapat-rapat itu sudah terbiasa online, perjalanan dinas juga dari lama kita batasi untuk hal-hal yang memang enggak bisa dilakukan secara online.
5	Kalau IKU dari sebelum kebijakan efisiensi anggaran dan setelah itu apakah harus ada penyesuaian, Mas?	Kemarin itu kita ada penyesuaian, tapi bukan karena efisiensi anggaran. Karena memang pas ada penataan organisasi di BPPK di tengah tahun. Di BPPK itu kebanyakan IKU mengukur kualitas. Jadi kalau pelatihan itu kita enggak cuma mengukur berapa jumlahnya, tapi juga evaluasi pembelajaran, level 4 itu dampak pembelajaran. Jadi bukan yang tergantung banget sama jumlah.
6	Berarti ada jalan lain untuk menilai IKU ya, Mas?	Iya. Kalau di Kemenkeu malah IKU yang bagus itu bukan IKU yang hanya mengukur jumlah, tapi dari penilaian eksternal, hasil survei, atau hasil evaluasi

		dampak setelah pelatihan. Jadi enggak cuma melihat jumlah pelatihan.
7	Berarti bisa disimpulkan kalau BPPK itu dari zaman COVID sudah terbiasa terkait efisiensi ya, Mas?	Mungkin bukan pengurangan kegiatan, tapi mengaktifkan kegiatan sehingga bisa dilakukan. Misalnya dari awal butuh 100 pelatihan, kalau awalnya 50-an klasikal berarti anggarannya lebih gede. Tapi ketika anggaran klasikal dipotong, kita cari jalan, kita bikin digital biar tetap bisa dilakukan. Kurang lebih sederhananya gitu.
8	Kalau terkait kebijakan efisiensi ini, apakah memiliki dampak meningkatkan beban kerja?	Pasti bertambah kalau menurutku. Karena ada hal-hal yang harus kita lakukan untuk mensiasati agar tujuan awal itu tetap dilakukan. Jadi misalnya awalnya kita cuma konversi 10 pelatihan, tapi karena ada yang dipotong dan kita harus konversi lebih banyak, berarti ada tambahan yang harus dilakukan.
9	Kalau menerima beban kerja yang banyak, cara memprioritaskan strateginya bagaimana, Mas?	Kalau saya harus terbuka sama rekan-rekan. Ketika bekerja, kita sudah saling komunikasi. Saya lagi ngerjain yang ini, lalu komunikasinya juga ke atasan. Karena enggak mungkin saya bisa selesaikan semuanya. Ketika prioritasnya sudah sama-sama dengan atasan, nanti dibantu, bisa di-share ke rekan yang mungkin masih bisa bantu. Itu sih, komunikasi.
10	Jadi secara singkat, apa inti adaptasi BPPK waktu itu?	Intinya pembelajaran tetap harus jalan, kualitas tetap diupayakan sama, dan karena anggaran klasikal dipotong, kita cari jalan lewat e-learning, PJJ, redesign kurikulum, dan penyesuaian kalender pembelajaran.

- **Transcript Interview Online (06/09/2025, Ibu Lili, Kadiv PKRO Setban BPPK)**

No	Researcher	Informant
1	Bagaimana Ibu Lili melihat kebijakan efisiensi anggaran di 2025 yang dapat memengaruhi pengelolaan kinerja dan risiko organisasi di BPPK secara keseluruhan?	Sebenarnya kalau dibilang antara pengaruh dan enggak pengaruh ya, pada dasarnya seperti yang bisa dilihat di data-data, nilai kinerja organisasi juga tetap tercapai dengan sangat baik. Terus pastinya itu memengaruhi kami sebagai pengelola kinerja organisasi di awal dalam hal

		perencanaan, misalnya pembelajaran-pembelajaran yang awalnya klasikal berubah menjadi sepenuhnya digital. Kegiatan-kegiatan yang sifatnya luring juga diganti jadi daring, dan itu memengaruhi beberapa hal, misalnya evaluasi pasca pembelajaran yang sebelumnya banyak dilakukan langsung jadi dilakukan secara daring.
2	Kalau kebijakan ini lebih banyak memberi tantangan atau peluang bagi unit Ibu?	Balance sekali ya. Kalau pun ada tantangan pasti ada. Kalau kita tanya ke unit-unit, biasanya mereka yang lebih menyuarakan tantangannya, bahwa susah juga ngajarnya online terus. Beberapa materi lebih enak disampaikan secara offline, seperti penguatan karakter atau latihan-latihan yang sifatnya fisik. Tapi kalau manfaat juga ada, misalnya dari sisi waktu. Kita enggak perlu melakukan perjalanan atau transportasi menuju ke luar kantor. Jadi menurut saya balance antara tantangan maupun manfaatnya.
3	Strategi apa yang digunakan untuk memastikan capaian nilai kinerja organisasi atau NKO itu tetap terjaga meskipun terjadi efisiensi anggaran?	Strateginya mungkin perencanaan dan koordinasi, terutama di awal. Jadi merencanakan indeks kinerja utama itu-itu yang kita tetapkan, baik di unit BPPK maupun unit-unit yang di bawah BPPK, supaya memang sesuatu yang visible, kira-kira bisa tercapai. Kedua koordinasi, kita menginformasikan IKU-IKU ini sehingga kita juga dapat masukan dari unit-unit, kira-kira tantangannya apa, masukannya seperti apa, visible-nya seperti apa.
4	Adakah pendekatan baru dalam integrasi pengelolaan kinerja dan risiko organisasi agar lebih adaptif terhadap efisiensi?	Mungkin salah satu pendekatan yang digunakan adalah mendesain IKU sedemikian rupa sehingga tidak terpengaruh kalau kegiatan-kegiatan pekerjaannya atau aktivitasnya dilakukan secara daring. Jadi tidak harus secara luring.
5	Risiko terbesar apa yang didapati BPPK akibat kebijakan efisiensi tersebut?	Ada risiko-risiko tidak tercapainya capaian itu ada. Contohnya kondisi pasca pembelajaran, memastikan bahwa pembelajaran yang dilakukan BPPK berdampak, dan dampaknya itu kita ukur. Sebelum-sebelumnya pengukuran datanya banyak dilakukan secara luring,

		pembelajarannya juga luring. Tapi dengan efisiensi pembelajarannya jadi daring, evaluasi pasca pembelajarannya juga metode pengukuran datanya harus daring. Itu kita lumayan dapat komplain dari unit-unit BPPK bahwa ini berat untuk tercapai, apalagi kalau harus ada program yang diukur sampai level empat. Tapi pimpinan tetap set target tertinggi, jadi kita enggak boleh menurunkan kualitas meskipun dengan efisiensi.
6	Kalau standar ISO 31000:2018 itu pernah diterapkan enggak, Bu, di BPPK?	Dulu pernah ya, sebelum saya di sini lagi. Berarti tahun 2011-an gitu ya. Waktu itu kalau saya enggak salah lebih ke administrasi, pengalaman dokumen, kelengkapan dokumen. Jadi saya tidak terlalu paham juga seperti apa implementasinya. Tapi untuk bisa memperoleh itu, waktu itu kita sudah pernah.
7	Menurut Ibu Lili sendiri, faktor apa yang paling mendukung keberhasilan BPPK dalam menjaga kinerja di masa efisiensi seperti ini?	Mungkin koordinasi ya. Tadi perencanaan dan koordinasi itu sendiri. Dari segi perencanaan memang sudah visible. Kemudian juga kita berkoordinasi dengan unit-unit secara melekat. Jadi kalau misalnya unit-unit punya kendala, kapan pun boleh konsultasi dengan kami. Anytime kitanya juga memantau juga. Jadi memastikan bahwa segala sesuatunya itu bisa tercapai dengan baik.
8	Apa pembelajaran utama yang didapat di masa efisiensi seperti ini?	Pastinya bahwa pekerjaan itu enggak terikat harus luring. Mindset bahwa baru berdampak kalau luring, baru berkinerja tinggi kalau luring itu adalah pemahaman yang mungkin keliru. Bahwa pada dasarnya setiap moda, jadi daring sekalipun, atau malah justru fleksibilitas memberi ruang kita untuk memberikan yang terbaik. Dan kedua, efisiensi ini juga bukan sekadar kebijakan tapi harusnya sudah menjadi gaya hidup, gaya kerja.
9	Rekomendasi apa yang Ibu anggap penting untuk perbaikan pengelolaan kinerja dan risiko organisasi BPPK di masa mendatang?	Mungkin rekomendasinya lebih kepada mengurangi beban administratif, terutama pada pengelola risiko. Pengelola risiko ini kan masih banyak unsur kualitatifnya. Ketika administrasinya banyak, kita jadi lebih sulit fleksibel. Jadi seandainya

		administrasinya, dokumen-dokumennya, jenis-jenis dokumen yang harus dilakukan itu bisa di-cut, bisa dipotong, bisa dikurangi, mungkin itu akan memudahkan kami sebagai pengelola kinerja dan risiko organisasi.
10	Bagaimana Ibu melihat peran subbagian ini dalam mendukung visi besar BPPK sebagai Kemenkeu Corporate University?	Yang pasti kita memastikan bahwa tercapainya BPPK sebagai Kemenkeu Corporate University itu ada indikatornya, ada ukurannya. Misalnya salah satunya pembelajaran berdampak, pendidikan yang berkualitas tinggi. Itu yang menjadi indikator kenapa BPPK bisa dikatakan sebagai Kemenkeu Corporate University.

Appendix 2

Foto:



