

Organization of Local Government Performance in Perspective Balance Score Card (Case Study on Revenue Department of City Kendari)

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Abstract- The purpose of the study is to describe the performance of local government organizations in perspective Balance Score Card, consisting of a program of work organization, including program priorities in its strategic plan, labor relations organization with stakeholders and responsiveness of officials and the community, coordination procedures, variable organizational performance financial perspective, include revenue growth of regional income, the realization of the use of budget management and policy role in the utilization of the asset /facility organization, the customer perspective include; potential source of revenue, the acquisition of additional mandatory taxes and levies, the satisfaction of taxpayers, who provide value-added activities, variable internal business process perspective, include; process innovation, operational processes and maintaining relationships with customers /taxpayers, variable performance include the learning and growth perspective; the ability of employees, the ability to access information and motivation of employees. The approach used is qualitative method with case study strategy. Collecting data through interviews and observations and study of the document. The data analysis using descriptive analysis model. The results showed that the performance of local government organizations more oriented to internal, is characterized by the number of priority programs of institutional strengthening and apparatus more than the priority programs oriented to the interests and needs of the taxpayer, the performance of financial management showed growth in absolute, the actual reception area is greater than realization of the budget supported by the utilization of assets and facilities of the organization, but has not followed the pattern of use of a balanced budget. Potential source object and the taxpayer is sufficient, accretion of objects and taxpayers annually and activities that add value to influence the reception area and the satisfaction of taxpayers, But not maximized Because there is no minimum service standards specifically for the management of revenue area. Process innovation through improved systems and procedures affect the performance of duties and functions of the apparatus, in a well established partnership relations with shareholders and stakeholders. Growth and learning through enhanced capabilities and employee satisfaction, provision of information systems and the motivation to contribute to the other three perspectives.

Index Terms- organizational performance, local government, Balance Score Card.

I. INTRODUCTION

A shift in perspective and paradigm both in economic development (growth equity / justice) as well as the organization or administration of (*Old Public Administration* oriented country / state to *New Public Management-oriented* public), requires the performance of public sector organizations to change the measurement of the performance of the theory and practical as an alternative to the development of the paradigm.

The literature on performance measurement these days offer an alternative measure of performance based on a pattern of measurement of balance (*balance*) as well as the method of measuring the performance of *Balance Score Card* (BSC) in response to a variety of insistence that the government should not only focus on the dimensions of efficient administration and the only effective but also fair and balanced. Therefore, the perspective of *New Public Management* (NPM) can be used as an injection or spi rit for improved performance in which a paradigm shift and the orientation of the government.

New Public Management and *Balance Score Card* is a perspective that can be presented as a model for local government performance in this case the City of Kendari, which in this study focused on the Department of Revenue (Department of Revenue) Kendari, by looking at the complexity of performance covering various aspects of the theory and practice within the scope of his work as a regional public organization.

Chosen Revenue Service as well as the locus of NPM and the BSC as an analytical perspective is not without reason. Various theoretical problem (*teoritical problem*) and problems in the field (*empirical problem*) encapsulating. It is like views, that the policy of decentralization and regional autonomy that aims to give local people's welfare have not correctly - is realized. In the decentralization policy, the position of Regional Revenue Office as an organization into strategic regional government because through fiscal decentralization, allowing the regions to manage the assets and finances independently.

Therefore, it is certain that the poor performance of the Department of Revenue greatly affect the quality of the achievement of the goals of decentralization area and achievement of *good governance* the ideals of governance reform over the years. In connection with that, it takes an effort not only in terms of theory and practice, but also changes in government performance measurement paradigm to fit the character of *good governance* itself.

One model of performance measurement organizations that are considered relevant to the problem is the measurement model proposed by Kaplan (1996: 15, 67) to take measurements of all activities undertaken by the company, a good activity can be measured both qualitatively and quantitatively, consisting of; financial perspective, customer perspective, internal business process and learning and growth perspective.

II. RESEARCH METHODS

This research is a descriptive study using a qualitative approach. This research was conducted in the city of Kendari Southeast Sulawesi Province, on Department of Revenue (Department of Revenue) Government of Kendari. Concretely informant in researching the development of management and pengkatan performance asset management and revenue (PAD) Kendari set purposive as many as 27 people with the details as follows: (1) Internal Revenue Service (Department of Revenue) City of Kendari consisting of; Head of the Department of Revenue, Head of Division / Section Department of Revenue, Head of Unit, Department of Revenue, and the Head of Sub Division of Administration Regional Revenue Office. (2) Department / agencies involved include; Head of Urban, Head of Economic Affairs, Head of the Health Department, the head of the Sanitation Department, Head of Department of Animal Husbandry, head of the Department of City Planning, Head of Markets, Head of Department of Public Works, Head of Department of Housing, the head of the Civil Registry, and the head of Agency business park (BP); (3) The relevant government officials namely; Mayor and Chairman of the Parliament Kendari Kendari; (4) Mandatory taxes and levies are taken from Kendari City Entrepreneurs Association (IPL).

To obtain the data, the field research techniques used documentary techniques, observation and interview techniques. The data analysis using the model of Miles and Hubermans (1992) with interactive models through *data reduction, data presentation and conclusion*.

III. RESULTS AND DISCUSSION

Objective of this study was to describe a variety of things that are considered significant in improving the performance of public organizations / government in the area of revenue management in particular those working dilingkup Regional Revenue Office of Kendari, as a result of performance measurement refers to the measurement of *Balanced Score Card* Kaplan and Norton (1996).

1. Orientation of Local Government Performance Kendari

The first parameter of the dimensional orientation of local government performance, is a priority program in accordance with the expectations of *stakeholders*, showed a cross substitution. revenue management sector priority program areas covered by the Strategic Plan and Work Plan (Renja) 2013-2017, outlined in the work plan of the Regional Revenue Office Kendari more internally oriented, to strengthening the institutional and personnel manager. The comparison is to

program the 5 strategically-oriented program of internal versus external 2-oriented program, and of the 61 activities or work plan 33 oriented institutional strengthening and only 28 community-oriented activities to the taxpayer. Thus it can be interpreted that the strategic program or priority less as expected by *shareholders* and *stakeholders*.

There are several factors that cause the performance of local government in this case the Department of Revenue of Kendari more internally oriented, among others; public participation in the drafting is not well-organized, because the legislators are less capable of organizing the interests and needs of constituents, every year there are two new programs proposed in the Work Plan (Renja), third budget constraints necessitated rationalization program through changes to the budget.

The second parameter is; the government seeks to improve relations with *shareholders* and *stakeholders* through the coordination procedures with the relevant agencies of the government's weakness and lack berfungsi; in providing services to the public. Although not maximized Regional Revenue Office of Kendari as agencies from local revenues annually conduct a community satisfaction survey or compulsory taxes and levies, as well as providing boxes and post complaints. The results of satisfaction surveys and complaints of tax payers and levies are not always followed up in the form of policies, feedback suggestions and complaints from taxpayers are often ignored and not didisposisi as a follow-up step, citing budget constraints. This fact supports the assertion Prasojo (2012) which states that the mechanism for public complaints is available only on a formal level but without follow-up. On the one hand, according Lenvine case (1990) the more follow-up to the needs and aspirations of the people who programmed and run by the organization, the government orgaisasi performance is considered good.

The third parameter of the orientation of the organization's performance is an attempt to minimize anxiety and public officials / taxpayer in tax and levies. This aspect illustrates that the efforts made by the government of Kendari in this case the Department of Revenue is not maximized., Still oriented internally. Department of Revenue more focus on service management revenue (PAD) and Levy area, through the program administrative services and capacity building resources power apparatus. Department of Revenue of Kendari not have the regulatory minimum service standards, still referring to Government Regulation No. 65 Year 2005 on Service Standards Mi Nimal. Budget constraints led to a program oriented to the interests of the taxpayer and levies can not be implemented, as well as the strength of certain officials in bargaining with decision makers and shift the priority order.

Based on the empirical facts, it appears that the Regional Revenue Office organizational performance Kendari, in linking the vision, mission, goals and objectives to be achieved, pretty consistent. But still tend to be oriented proportionally internal impressed substituted to the public interest. Therefore, there are still programs that need to be stressed. Performance orientation of public or governmental organization suggested the new public management, are changing the ways and models of traditional public bureaucracies towards the ways and models of private and market developments. No longer practiced way - how the legitimacy of public bureaucracy to the rescue of discretion in the

administration of government bureaucracy (Christopher Hood, 1995).

2. Performance Revenue Service in the Financial Perspective.

There are three parameters that are applied to analyze this dimension, and all of them provide sufficient evidence empirik. In general, the financial management of the Regional Revenue Office Kendari, achieving good liquidity, so does the level of profitability, but the ratio of budget absorption with local revenues fluctuate. Personnel expenditures which consist of routine expenditure and increasing the capacity of domain over an employee.

The growth of revenue receipts Kendari City area, is growing in proportion (57.91%) is smaller than the realization of the budget (85%). However, in absolute terms the realization of revenue from local income is greater than expenditure area. Department of Revenue in the management of local revenue reduce costs / expenditures by maximizing income.

Realization of Kendari 2013-2014 budget, showing the local government's financial liquidity is quite good. comparison of the allocation of funds from the central government funding provided by the proportion of its own. (solvency). shows that the profitability of realization of budgetary revenue and expenditure reached 52.58%, above the average standard. Referring to the principle of performance-based financing efficiency describes the level of profitability of the financial management of the Regional Revenue Office Kendari cukup good but not maximized. The allocation of the budget is predominantly used for institutional strengthening of its duties and functions in accordance with the Department of Revenue as revenue management institutions and reception area.

3. Performance Revenue Service Kendari in Customer Perspective

The first parameter is the customer's perspective, a potential source of revenue and income relating to the area of revenue growth in the previous discussion. Potential source of revenue that is in the scope of government work Kendari, adequate, namely [Revenue areas, Equity and other revenues that are considered legitimate. But there are still many potential sources of revenue that are not managed, among others; street lighting tax, tax non-metallic minerals and rocks, soil water taxes and fees for acquisition of land and buildings. levies administered is incorporated in the use of regional assets retribution.

The second parameter is the development of the object and the taxpayer as defined in *the Balance Score Card* approach known as customer growth. Facts found in this parameter is the development of the object of taxation and levies in line with the dynamics of regional economic growth and development of other public service sectors. The data series shows the growth in the amount of taxes and levies object is not in accordance with the announced target of extending the program policy. But the increase in the number of objects on the reception of certain species, for the Department of Revenue is significant in improving the acceptance of local revenue (PAD).

The third parameter is the customer's perspective; Customer acquisition is the addition of an object and taxpayers

by comparing the percentage gain (addition) of new taxpayer with tax revenues and levies. facts discovered the author suggests the addition of compulsory taxes and levies in line with the growing number of tax object.

The fourth parameter is; taxpayer satisfaction is one dimension or indicator to measure the organization's performance in maintaining and acquiring objects and taxpayers. Empirical facts showed that the Department of Revenue in service revenue management is not maximized. It was marked by the persistence of the *complaints* of taxpayers and levy, on several aspects. The fifth parameter is the customer's perspective; activities that provide added value; a close relationship with customers or the public trust. The facts found in the author's perspective, shows, activities that can provide added value, among others; product / service attributes or shape desired by the customer (taxpayer) for objects invite and levies; customer relationship, such approaches can increase the satisfaction of the taxpayer; *image and reparation*, can be done through the climate and maintain the efficiency report as promised.

The facts described show that the Department of Revenue Kendari city in increasing local revenues, conducted a series of activities that can provide added value. Although the results and usefulness have not shown satisfactory results directly to increased local revenue receipts. The expected conditions of this parameter is an activity that can increase the economic capacity of the taxpayer, so as to provide feedback to the receipt of income.

4. Performance Revenue Service Kendari in Internal Process Perspective

The first parameter of this dimension is; process innovation; namely the efforts made in the form of action or system changes, as well as creativity in product form of facilitation. Facts discovered authors relatively less support parameters of innovation in the scope of the Department of Revenue. The fact empirically that most support the idea Gasperzs (2005) and Kaplan (1996) that the process of innovation, internal process improvement implementation of the tasks and functions of the organization and working relationship developed basically aims to strengthen the organization in carrying out its duties and functions to enhance the broader role. Cooperation carried out in order to overcome all the limitations of the resources owned; be it human resources, material resources, financial resources and technology resources.

The second parameter of the internal process perspective is the operational process; meaningful as improvements are made to increase the intensity of regional revenue management process. repairs performed strongly supports the process of revenue management in particular areas Local Revenue (PAD) and other income are considered valid. In general, this parameter is quite good although not maximized as expected ..

The third parameter of the internal business process perspective is; maintenance of relationships with taxpayers and levies; the responsibility of the government (Department of Revenue) as a management institution fostering relationships with taxpayers and levies, through programs that can enhance the excitement (resp on) of tax payers, men u mbuhkan sense of community, increase community understanding of the mechanisms and procedures management of taxes and levies.

5. Performance Revenue Service Kendari in Learning and Growth Perspective.

The first parameter of the performance of Department of Revenue in the learning and growth perspective, is the ability Employees; which is divided into, employee satisfaction, consists of three main points yakni; employee satisfaction, mutation and staffing as well as employee productivity. Mutations and staffing, and employee productivity. In general the facts supporting the ability of employees fairly but not maximized.

As one indicator of skills and competencies, employee satisfaction, measured from its involvement in decision making, recognition of others, the ability to access to information, encouragement to creativity and initiative as well as support from superiors. Regional Revenue Service employee involvement in decision making in accordance with the level of the duties and functions as well as their respective capacities. Employee involvement in the process of determining the dominant object number and taxpayer as well as the determination of the value of taxes and levies as well as revenue (PAD) others are considered valid. The process of setting refers to the results of potency data subject, object and taxpayer in the scope of the Regional Revenue Office Kendari.

Then trust the leader or boss, to develop creativity in the performance of duties and functions of employees in the management of local revenue, especially revenue (PAD) and other revenues that are considered legitimate, tend to be technical and operational, so that the employee creativity and innovation become a necessity. In mutation and staffing level Department of Revenue, the fact that the authors found no suggestion of leaders Work Units (SKPD) (Department of Revenue) Kendari. All events placement of officials is processed solely by Regional Personnel Agency (BKD), ranging from the identification of the vacant positions, nominating candidates, and the issuance of a decision of appointment. There is also no Work Units (SKPD) leaders who dared refuse *dropping* officials. The reason, it is the authority Baperjakat, and dependent "users" to lift anyone in any positions. The position of authority Work Units (SKPD) leaders accept the officials placed *dilingkup* works. Although the positions that are technically functional, some proposed or recommended by the leadership of Work Units (SKPD) (Department of Revenue) Kendari.

The second parameter is the learning and growth perspective; the ability of information systems; the Regional Revenue Office Kendari carry out its duties and functions managing local revenue, especially revenue (PAD) and other income are considered valid, sufficient to provide the information system, in accordance with the structure of the duties and functions of each field. To support the use of the existing management information systems Revenue Service Kendari education and training programs for employees every year.

The third parameter learning and growth perspective, is employee motivation. Facts discovered authors showed no attempt device financial management (Department of Revenue) Kendari to m Enhancing employee motivation, among others, technical guidance and facilitation enhancement of skills and abilities of employees (capacity), the provision of facilities and infrastructure, the provision of *rewards* on job performance of employees, or compensation and incentives for activities and

additional tasks. The budget allocation for the facilitation work program associated with increased employee motivation in 2014, amounting to 1.5 billion rupiah.

Placement of employees in the field of employment in accordance with *komptensinya*, as well as technical guidance and education acquired skills be the driving employee in performing the tasks given. It was also the reason leader give confidence to employees to develop *kreativitas*. Technical training and functional yet reach all employees *menyebabkab* responsiveness as employees are less satisfied. Level leadership of the Regional Revenue less communicate causes that not all employees included education and training, both technical and functional.

The empirical facts give gam barrage that there is concern elements of leadership increases employee motivation in *eksterinsik* and create a conducive working *susana* and comfortable and self-development has been done. Although substantial budget allocation is not significant to the quality of work of employees, but quantitatively the duties and responsibilities of employees can be completed on time. Although the authority has not fully provided to employees, but the principle of decentralization has been granted, the execution of the work according to the duties and functions are the responsibility of the employee.

In general, the study found that the performance of the government of Kendari, has not completely followed the pattern of strategic management, recommended model of *Balance Score Card* of Kaplan and Norton (1996) in four perspective. In the fourth application of the *Balance Score Card* perspective there is always a marginal context and the process that follows the strategic program, but is the dominant cross substitution program *strata* *gis* and procedural administration.

Based on these findings, generally indicates that the local government performance measurement in this case the Department of Revenue of Kendari, still tend to refer to the traditional pattern, which is oriented on the *input, output*, and put forward the measures of financial, (a lagging indicator) which focuses on financial capability, thus the achievement dimensions maximum performance without the other is not supported by the involvement level of management and other resources, as expected in the measurement of *the Balance Score Card* *komperhenship* conducting measurements on all dimensions related to organizational performance.

IV. CONCLUSION

1. Strategic program and the work program of the Regional Revenue Office Kendari more oriented to internal, is marked with, the priority programs more geared to strengthening institutions and authorities, businesses repair procedure is done formally, less directed at improving public service compulsory taxes and levies, less as measured Balance Score Card (BSC), which expects a balance (synergy) compliance with the internal needs of external requirements.
2. Performance Regional Revenue Office of Kendari, the financial perspective as measured from revenue growth, cost reduction / budget and asset utilization, considered quite good, although not yet fully consistent with the principles of acceptance and use of a balanced budget.

3. Performance Revenue Service in the perspective of the customer; measured from the potential of objects and taxpayer, customer growth (objects and taxpayer), the acquisition or increase in the number of objects and taxpayers, customer satisfaction, and activities that provide added value, it is generally considered quite good, although not entirely as expected in *Balance Score Card* measurement, especially in the dimension of service and taxpayer satisfaction, which is still the formal and procedural administrative, as well as value-added activities that members still be incidental.
4. Performance Revenue Service area Kendari city in the perspective of internal processes, as measured from, innovation, operational processes, and building relationships with customers or taxpayers and levies, is considered adequate, although still less effective and efficient, the steps are carried out not in accordance recommended in the *Balance Score Card* approach that is not preceded by pendefenisian segments of society, with the selection of objectives and measures in accordance with the segment of tax payers and levies.
5. Performance Revenue Service Kendari in the learning and growth perspective, which measured; the ability of employees, information access and employee motivation, adequate although in certain dimensions is not maximized and treatment still partial. not integrated, with other perspectives.

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