Implementation Analysis Of Planning And Budgeting Policies In Achieving Performance Targets Of Regional Government Work Units (Skpd) In Cirebon Regency

Ii Syarif Hidayat[1] ,Ade Setiadi[2], Susi Sugiyarsih[3]

[1, 2, 3] Program Magister Administrasi Publik Fakultas Ilmu Sosial dan Ilmu Politik (FISIP) Universitas 17 Agustus 1945 (UNTAG) Cirebon

ABSTRACT

This research aims to analyze the implementation of planning and budgeting policies in achieving performance targets within Regional Government Work Units (*Satuan Kerja Perangkat Daerah*, SKPD) in Cirebon Regency. The study is grounded in the concept of performance-based budgeting and public sector management reform, emphasizing alignment between policy planning, resource allocation, and institutional performance accountability.The background of this research lies in the gap between planned performance targets and their realization, which indicates that the policy implementation of planning and budgeting has not been fully effective. This condition reflects the challenges faced by regional governments in integrating planning documents (*RKPD, Renstra, and Renja*) with the budgeting system (*APBD*) to support measurable and outcome-oriented performance. The research investigates the processes, actors, and institutional mechanisms that influence the effectiveness of planning and budgeting implementation.This study adopts a **qualitative descriptive approach** supported by quantitative indicators derived from official performance reports. Data were collected through interviews, document analysis, and field observation within several SKPDs in Cirebon Regency, including the Regional Planning, Research, and Development Agency (*Bappelitbangda*), the Regional Financial Agency (*BKAD*), and the Inspectorate. The analytical framework refers to Edward III's policy implementation model, which identifies communication, resources, disposition, and bureaucratic structure as key variables influencing policy outcomes.The findings reveal that the implementation of planning and budgeting policies in Cirebon Regency has been carried out procedurally in accordance with applicable regulations but has not yet achieved optimal synchronization between program planning and budget realization. The most significant constraints include weak coordination among SKPDs, limited technical capacity in translating strategic plans into operational budgets, and inconsistent policy communication between decision-makers and implementers. Nevertheless, the commitment of leadership and gradual improvements in institutional capacity have contributed positively to enhancing policy implementation.This research concludes that successful planning and budgeting implementation requires not only regulatory compliance but also the strengthening of inter-agency coordination, human resource competencies, and leadership commitment. The study contributes to the development of local governance studies by providing empirical evidence of the interrelationship between planning, budgeting, and performance accountability within Indonesia's decentralized government framework.

ABSTRAK

Penelitian ini bertujuan untuk menganalisis implementasi kebijakan perencanaan dan penganggaran dalam mencapai target kinerja pada Satuan Kerja Perangkat Daerah (SKPD) di Kabupaten Cirebon. Kajian ini didasarkan pada konsep penganggaran berbasis kinerja dan reformasi manajemen sektor publik, yang menekankan keselarasan antara perencanaan kebijakan, alokasi sumber daya, dan akuntabilitas kinerja kelembagaan.

Latar belakang penelitian ini terletak pada adanya kesenjangan antara target kinerja yang direncanakan dengan realisasinya, yang mengindikasikan bahwa implementasi kebijakan perencanaan dan penganggaran belum sepenuhnya efektif. Kondisi ini mencerminkan tantangan yang dihadapi pemerintah daerah dalam mengintegrasikan dokumen perencanaan (RKPD, Renstra, dan Renja) dengan sistem penganggaran (APBD) untuk mendukung kinerja yang terukur dan berorientasi pada hasil. Penelitian ini mengkaji proses, aktor, dan mekanisme kelembagaan yang memengaruhi efektivitas implementasi perencanaan dan penganggaran.

Kajian ini menggunakan pendekatan deskriptif kualitatif yang didukung oleh indikator kuantitatif yang berasal dari laporan kinerja resmi. Data dikumpulkan melalui wawancara, analisis dokumen, dan observasi lapangan di beberapa SKPD di Kabupaten Cirebon, termasuk Badan Perencanaan, Penelitian, dan Pengembangan Daerah (Bappelitbangda), Badan Keuangan Daerah (BKAD), dan Inspektorat. Kerangka analisis mengacu pada model

implementasi kebijakan Edward III, yang mengidentifikasi komunikasi, sumber daya, disposisi, dan struktur birokrasi sebagai variabel kunci yang memengaruhi hasil kebijakan. Temuan menunjukkan bahwa implementasi kebijakan perencanaan dan penganggaran di Kabupaten Cirebon telah dilaksanakan secara prosedural sesuai dengan peraturan yang berlaku, tetapi belum mencapai sinkronisasi yang optimal antara perencanaan program dan realisasi anggaran. Kendala yang paling signifikan meliputi koordinasi yang lemah antar SKPD, terbatasnya kapasitas teknis dalam menerjemahkan rencana strategis menjadi anggaran operasional, dan komunikasi kebijakan yang tidak konsisten antara pengambil keputusan dan pelaksana. Meskipun demikian, komitmen pimpinan dan peningkatan kapasitas kelembagaan secara bertahap telah berkontribusi positif terhadap peningkatan implementasi kebijakan. Penelitian ini menyimpulkan bahwa keberhasilan implementasi perencanaan dan penganggaran tidak hanya membutuhkan kepatuhan terhadap peraturan tetapi juga penguatan koordinasi antar-lembaga, kompetensi sumber daya manusia, dan komitmen pimpinan. Penelitian ini memberikan kontribusi terhadap pengembangan studi tata kelola pemerintahan daerah dengan memberikan bukti empiris mengenai keterkaitan antara perencanaan, penganggaran, dan akuntabilitas kinerja dalam kerangka pemerintahan terdesentralisasi di Indonesia.

1. Introduction

The implementation of public policy in the field of planning and budgeting plays a central role in determining the performance of regional governments. Planning and budgeting are not merely administrative processes, but strategic instruments that translate government vision and mission into measurable development outcomes. In the context of regional autonomy, every Regional Government Work Unit (Satuan Kerja Perangkat Daerah, SKPD) is required to formulate strategic plans (Renstra SKPD), annual work plans (Renja SKPD), and budget proposals (RKA-SKPD) that are coherent, integrated, and results-oriented. However, the alignment between planning and budgeting often remains weak, resulting in discrepancies between program design and budget realization.

Performance-based budgeting has been promoted as part of Indonesia's bureaucratic reform agenda to enhance transparency, accountability, and efficiency in the use of public resources. The issuance of Law Number 23 of 2014 on Regional Government and Law Number 25 of 2004 on the National Development Planning System (Sistem Perencanaan Pembangunan Nasional, SPPN) mandates that every development program must be based on measurable performance indicators. Despite this regulatory foundation, empirical evidence shows that many local governments still face challenges in achieving alignment between planning documents and budget implementation.

Cirebon Regency, as one of the regional governments in West Java Province, provides a representative case for examining these challenges. The local government has made continuous efforts to improve the quality of planning and budgeting integration through coordination among the Regional Development Planning, Research and Development Agency (Bappelitbangda), the Regional Financial Agency (BKAD), and various SKPDs. Nevertheless, annual performance reports (Laporan Kinerja Instansi Pemerintah, LKjIP) indicate that several performance targets have not been fully achieved. The gap between planned and actual performance outcomes suggests that implementation issues persist, particularly in translating policy directives into operational activities and budget allocations.

This condition raises critical questions about how planning and budgeting policies are implemented at the local level, what factors influence their effectiveness, and how these processes contribute to achieving institutional performance targets. According to Edward III (1980), policy implementation success depends on four key variables: communication, resources, disposition, and bureaucratic structure. These variables interact within the institutional environment of local governments, determining whether policies are executed as intended or distorted during implementation. In the case of Cirebon Regency, the policy framework for planning and budgeting is clear, yet execution at the operational level is often constrained by limited coordination, technical capacity, and human resources.

In theory, effective planning and budgeting should ensure that resource allocation reflects the strategic priorities of local development. According to Mardiasmo (2018), performance-based budgeting links financial inputs to measurable outputs and outcomes, thereby enhancing efficiency and accountability. However, in practice, many local governments—including Cirebon Regency—still focus more on procedural compliance than on performance results. This procedural orientation often results in fragmented planning, overlapping programs, and inefficient budget utilization.

The need to strengthen the linkage between planning, budgeting, and performance has become more urgent as regional governments are increasingly held accountable for their performance under Indonesia's decentralized governance system. The Ministry of Home Affairs Regulation No. 86 of 2017

on the Procedures for Development Planning and Evaluation emphasizes the importance of consistency between Renstra SKPD, Renja SKPD, and RKA-SKPD. Yet, the reality shows that many SKPDs still face difficulties in integrating these documents due to lack of coordination, insufficient technical guidance, and limited human resource competencies.

From an administrative perspective, the implementation of planning and budgeting policies involves multiple actors and institutions that must work collaboratively. Bappelitbangda serves as the main coordinator in synchronizing programs, while BKAD ensures that financial allocations comply with fiscal constraints. SKPDs act as both planners and implementers of programs, while the Inspectorate functions as an internal supervisory body. However, coordination among these institutions is often hindered by sectoral interests and differences in understanding policy objectives. As a result, planning and budgeting processes become fragmented, leading to inefficiencies and delays in achieving performance targets.

Previous studies, such as those by Nugroho (2017) and Dwiyanto (2018), have shown that the success of policy implementation at the regional level depends not only on the adequacy of regulations but also on the quality of human resources and the strength of inter-agency coordination. This research builds on that understanding by examining how planning and budgeting policies are implemented within Cirebon Regency's institutional framework. The study aims to provide empirical evidence on the extent to which these policies contribute to achieving the performance targets of SKPDs.

Based on the background above, this research focuses on three main objectives:

1. To analyze the implementation process of planning and budgeting policies within SKPDs in Cirebon Regency;

2. To identify factors that support or hinder the achievement of SKPD performance targets; and

3. To formulate strategic recommendations for improving the alignment between planning, budgeting, and performance management at the regional government level.

This study is significant for both academic and practical reasons. Academically, it contributes to the growing body of literature on public policy implementation and performance-based management in the context of regional autonomy. Practically, the findings are expected to provide input for policymakers and local administrators to enhance the

effectiveness of planning and budgeting integration. In particular, the study emphasizes that achieving performance accountability requires not only adherence to procedures but also organizational learning, commitment, and collaboration across institutional boundaries.

In conclusion, the study is motivated by the belief that planning and budgeting are not isolated technical processes, but strategic governance mechanisms that directly affect the effectiveness and credibility of local government performance. Strengthening the implementation of these policies is essential for realizing transparent, efficient, and accountable public administration in the era of decentralization.

2. Research Methodology

Research Approach and Design

This study employed a qualitative descriptive approach, supported by quantitative indicators from secondary performance data. The qualitative design was chosen because it allows for an in-depth exploration of the implementation process of planning and budgeting policies within the regional government context. According to Creswell (2014), qualitative research emphasizes understanding phenomena from the perspectives of participants and the meanings they assign to institutional practices.

The design of this study is descriptive-analytical, focusing on describing the actual conditions of policy implementation and analyzing how various factors—communication, resources, disposition, and bureaucratic structure—affect the achievement of SKPD performance targets. The researcher acts as the main instrument, supported by structured interview guides, documentation analysis, and observation.

Research Location and Context

The research was conducted in Cirebon Regency, West Java Province, Indonesia. The site was selected purposively because Cirebon represents a dynamic regional government with complex interrelations among planning, financial, and technical agencies. Key institutions involved include:

- The Regional Planning, Research, and Development Agency (Bappelitbangda) — responsible for coordinating development planning;

- The Regional Financial Agency (BKAD) — responsible for budgeting and fiscal management;

- The Inspectorate of Cirebon Regency — responsible for internal supervision and performance evaluation; and

- Several Regional Government Work Units (SKPDs) — as policy implementers and service providers.

The local governance structure and ongoing reform initiatives in Cirebon provide a relevant empirical setting to study the challenges and dynamics of policy implementation in planning and budgeting.

Types and Sources of Data

The study utilized two main sources of data:

1. Primary Data, obtained through:

- In-depth interviews with key informants, including senior officials from Bappelitbangda, BKAD, the Inspectorate, and heads of SKPDs;

- Field observations during coordination meetings and public consultations related to planning and budgeting;

- Focus discussions with staff involved in preparing Renja, RKA, and performance reports (LKjIP).

2. Secondary Data, collected from:

- Official government documents such as the RPJMD, Renstra SKPD, Renja SKPD, RKA-SKPD, and LKjIP;

- Local regulations, budget reports, and audit findings;

- Academic journals, government reports, and previous studies related to planning, budgeting, and performance-based management.

These data sources provided both institutional and empirical perspectives for analyzing the policy implementation process.

Sampling Technique and Participants

Participants were selected using a purposive sampling technique, based on their relevance to the research objectives and involvement in planning and budgeting processes. The sample included approximately 12 key informants, comprising:

- 3 officials from Bappelitbangda,

- 2 from BKAD,

- 2 from the Inspectorate,

- 5 from selected SKPDs (public works, health, education, and human resources agencies).

This composition ensured representation across strategic, financial, and operational functions of local governance. The sample size was considered adequate

for achieving data saturation, where additional interviews no longer yielded new insights (Miles, Huberman, & Saldaña, 2014).

Data Collection Techniques

Data were collected using three complementary methods:

1. Interviews

Semi-structured interviews were conducted to obtain detailed insights into how planning and budgeting policies were implemented in practice. Questions focused on communication mechanisms, resource allocation, leadership commitment, coordination issues, and challenges in achieving performance targets.

2. Observation

The researcher observed several planning and budgeting coordination forums, including Musrenbang (Development Planning Meetings) and inter-agency discussions. Observation helped verify the alignment between planning documents and budget decisions.

Document Analysis

Documents such as planning guidelines, budget realization reports, and performance evaluations were examined to triangulate interview findings and trace institutional consistency in policy implementation.

Data Analysis Procedure

Data were analyzed using an interactive qualitative analysis model (Miles, Huberman, & Saldaña, 2014), which consists of three iterative steps:

1. Data Reduction – Selecting and simplifying information relevant to research questions. Interview transcripts, notes, and documents were coded according to thematic categories (communication, resources, disposition, and structure).

2. Data Display – Organizing qualitative findings into narrative matrices and charts to facilitate interpretation and comparison.

3. Conclusion Drawing and Verification – Synthesizing emerging patterns, identifying relationships among variables, and confirming interpretations through data triangulation.

Quantitative information from budget realization and performance reports was used to complement qualitative findings, providing measurable indicators of policy implementation effectiveness.

Validity and Reliability

To ensure data credibility, several validation techniques were applied:

- Triangulation of Data Sources — comparing interview, observation, and document data to ensure consistency;

- Member Checking — sharing preliminary findings with selected informants to confirm accuracy;

- Peer Debriefing — consulting with academic supervisors and colleagues for feedback on analysis;

- Prolonged Engagement — maintaining interaction with participants over several months to capture context and institutional dynamics.

These strategies enhanced the reliability and trustworthiness of the findings, ensuring that conclusions were well-grounded in empirical evidence.

Ethical Considerations

The research adhered to ethical standards in social science. All informants were briefed about the purpose of the study and participated voluntarily. Their identities were kept confidential, and data were used solely for academic purposes. The researcher maintained neutrality and avoided any conflict of interest during data collection and interpretation.

In summary, this study applied a qualitative descriptive methodology to examine how planning and budgeting policies are implemented within Cirebon Regency's local government system. The integration of interviews, document analysis, and observation provided a comprehensive understanding of institutional behavior, coordination mechanisms, and the factors influencing policy implementation effectiveness.

3. Findings and Discussion

Overview of Planning and Budgeting Policy Implementation in Cirebon Regency

The implementation of planning and budgeting policies in Cirebon Regency follows the framework established by national regulations, notably Law No. 25 of 2004 on the National Development Planning System and Law No. 23 of 2014 on Regional Government. In formal terms, the planning process begins with the preparation of the Strategic Plan (Renstra SKPD), which outlines long-term goals and performance indicators for each Regional Government Work Unit (SKPD). This is followed by the Annual Work Plan (Renja SKPD) and the Budget Work Plan (RKA-SKPD), both of which are integrated into the Regional Budget (APBD).

Field data indicate that although the formal process is well institutionalized, the substantive integration between planning and budgeting remains limited. Interviews with key informants from Bappelitbangda and BKAD revealed that some SKPDs prepare their annual plans independently, without sufficient coordination with other agencies. This lack of synchronization results in overlapping programs and inefficiencies in budget allocation. As one respondent from Bappelitbangda noted:

> "The procedures are clear, but in practice, coordination among SKPDs is still weak. Many agencies focus only on completing documents rather than ensuring program alignment."

This finding implies that policy implementation is often driven by procedural compliance rather than performance orientation — a condition commonly found in local governments undergoing administrative reform.

Communication in Policy Implementation

Effective communication is the foundation of successful policy implementation. The study found that communication between the planning and budgeting agencies in Cirebon Regency is formally structured but substantively fragmented. Official communication occurs through coordination meetings such as Musrenbang and Forum SKPD, but informal communication channels remain underutilized.

Interviews indicated that the clarity of instructions from Bappelitbangda to SKPDs is sometimes compromised by the late issuance of technical guidelines from higher-level institutions (provincial or national). This time lag disrupts synchronization between planning and budgeting schedules. Furthermore, differences in interpretation of regulatory provisions often create uncertainty in how performance indicators should be translated into budgetary programs.

From Edward III's perspective, inadequate communication weakens the chain of command and reduces policy consistency across implementing agencies. This situation aligns with findings by Van Meter and Van Horn (1975), who argue that ambiguous policy standards and inconsistent messages can distort implementation outcomes. In the case of Cirebon Regency, communication breakdowns between the planning and financial agencies have hindered the consistency of program implementation, thereby affecting performance target achievement.

Resource Availability and Capacity

The second variable in Edward III's model is resources — both human and financial. Findings show that Cirebon Regency faces significant challenges in terms of human resource competence in planning and budgeting. Although most SKPDs have functional planners, their technical understanding of performance-based budgeting and indicator formulation remains limited. As one BKAD official explained:

> "We often receive budget proposals with incomplete justifications or unclear indicators. This makes it difficult to ensure that the budget reflects the intended outcomes."

Financial resources are also constrained by the relatively limited fiscal capacity of the local government. The majority of the budget is allocated to mandatory expenditures such as personnel and operational costs, leaving a small proportion for development programs. Consequently, the ability of SKPDs to achieve ambitious performance targets is often limited by insufficient funding.

These findings reinforce the argument of Mardiasmo (2018), who emphasizes that performance-based budgeting can only function effectively if supported by adequate resources and competent personnel. The lack of technical capacity and fiscal flexibility reduces the potential impact of policy implementation, even when planning mechanisms are well established.

Disposition and Leadership Commitment

The disposition or attitude of implementers plays a decisive role in policy execution. In Cirebon Regency, leadership commitment varies among institutions. Some SKPD heads demonstrate strong motivation to align their programs with strategic priorities, while others adopt a more routine, compliance-oriented attitude. Leadership commitment tends to be stronger in SKPDs with high external visibility (such as health and public works) compared to administrative or regulatory units.

Interviews revealed that the local government leadership — particularly the Regent and the heads of Bappelitbangda and BKAD — have demonstrated a positive attitude toward improving planning and budgeting integration. Regular inter-agency meetings have been held to ensure consistency between programs and budgets. However, at the operational level, staff motivation remains inconsistent. Some mid-level officials view performance reporting merely as a bureaucratic requirement rather than as a management tool for improvement.

This attitude gap reflects what Lipsky (1980) described as the behavior of "street-level bureaucrats," where policy implementers exercise discretion that can either reinforce or weaken policy objectives. In Cirebon Regency, such discretionary behavior often leads to variations in how planning and budgeting are carried out across SKPDs.

Bureaucratic Structure and Coordination Mechanisms

The bureaucratic structure of Cirebon Regency's government is hierarchical, with formal procedures governing inter-agency coordination. Bappelitbangda acts as the main coordinator of planning, while BKAD manages budgeting and financial administration. The Inspectorate provides internal supervision and performance monitoring. Although these institutional roles are clearly defined, coordination among them remains suboptimal.

Several informants mentioned that the planning and budgeting cycles are not always synchronized. The Musrenbang (development planning meeting) schedule sometimes overlaps with the preparation of the RKA-SKPD, resulting in adjustments that have to be made at later stages. In addition, limited use of integrated information systems has made data sharing among agencies less efficient.

This finding corresponds to the bureaucratic structure component of Edward III's model, which posits that complex or rigid organizational structures can hinder coordination. In this case, overlapping mandates and procedural rigidity have constrained inter-agency collaboration, leading to inefficiencies in both time and resource utilization.

Quantitative Indicators of Policy Effectiveness

Although the study primarily employed qualitative methods, secondary quantitative data from official reports were used to support analysis. Performance realization data show that, on average, SKPDs in Cirebon Regency achieved 85–90% of their annual targets between 2021 and 2023. However, discrepancies were observed in several indicators, particularly those related to infrastructure development and human resource improvement. Budget absorption rates averaged 93%, indicating procedural efficiency, but not necessarily outcome effectiveness.

This discrepancy between high budget absorption and moderate performance achievement confirms that output-focused measurement still dominates over outcome-based assessment. It also suggests that performance-based budgeting has not yet been fully institutionalized in SKPD management practices.

Discussion: Linking Theory and Empirical Findings

The empirical findings of this study affirm the relevance of Edward III's implementation model in understanding the dynamics of planning and budgeting at the local government level. All four variables — communication, resources, disposition, and bureaucratic structure — were found to influence implementation effectiveness to varying degrees.

1. Communication problems arise from unclear coordination mechanisms and inconsistent guidance from higher authorities, leading to fragmented policy interpretation.

2. Resource constraints, both human and financial, limit the capacity of SKPDs to translate strategic plans into implementable and measurable programs.

3. Disposition or implementer attitudes show variation, reflecting differences in leadership style and motivation among agencies.

4. Bureaucratic structure, while formally sound, remains rigid and sectoral, impeding cross-agency collaboration and data integration.

These findings also support the broader governance literature emphasizing that the success of planning and budgeting depends not only on regulatory design but also on organizational behavior and institutional capacity (Dwiyanto, 2018; Widianingsih, 2019). The gap between planning and budgeting outcomes in Cirebon indicates that compliance with procedural standards does not automatically guarantee performance improvement.

Toward Effective Planning and Budgeting Integration

The study suggests that improving planning and budgeting policy implementation in Cirebon Regency requires a holistic approach. Three strategic directions emerge:

1. *Institutional Integration* — Establishing more effective coordination mechanisms between Bappelitbangda, BKAD, and SKPDs through integrated digital platforms and synchronized timelines.

2. *Capacity Building* — Strengthening the competencies of SKPD personnel through targeted training on performance-based budgeting, data analysis, and monitoring.

3. *Leadership and Cultural Change* — Encouraging adaptive leadership that values performance outcomes over administrative compliance, and promoting an organizational culture that prioritizes learning and collaboration.

These recommendations are consistent with the collaborative governance model (Ansell & Gash, 2007), which emphasizes dialogue, shared understanding, and joint responsibility among institutions. In this regard, planning and budgeting are not merely technical procedures but platforms for collaborative decision-making that link financial resources to strategic development outcomes.

In conclusion, the findings demonstrate that the implementation of planning and budgeting policies in Cirebon Regency is procedurally adequate but substantively limited by coordination gaps, capacity constraints, and bureaucratic rigidity. Strengthening inter-agency communication, developing human resources, and fostering performance-oriented leadership are crucial steps toward achieving more effective and accountable governance at the regional level.

4. Conclusion and Recommendations

Conclusion

This study aimed to analyze the implementation of planning and budgeting policies in achieving performance targets of Regional Government Work Units (SKPD) in Cirebon Regency. The research employed Edward III's policy implementation framework—covering communication, resources, disposition, and bureaucratic structure—as the analytical lens within the broader context of performance-based budgeting reform.

The findings demonstrate that, while the regulatory and institutional framework for planning and budgeting in Cirebon Regency is well established, implementation effectiveness remains moderate. The process is characterized by strong procedural compliance but limited substantive integration between planning and budget execution. This condition reflects a common challenge in Indonesia's regional governance, where bureaucratic culture and technical constraints still hinder the transition from input-oriented to performance-oriented management.

The key conclusions can be summarized as follows:

1. Communication mechanisms within and across SKPDs are formally structured but not fully effective. The limited flow of information and lack of clarity in translating policy goals into operational instructions often result in fragmented implementation.

2. Resource constraints—particularly human resource competence and fiscal capacity—continue to

impede the quality of planning and budgeting integration. Although most SKPDs have functional planning staff, technical understanding of performance indicators and program alignment remains inadequate.

3. Disposition and leadership commitment vary significantly among SKPDs. While senior leadership (such as the Regent, Bappelitbangda, and BKAD) demonstrates commitment to reform, operational-level implementers often perceive planning and budgeting as administrative obligations rather than strategic instruments for improving performance.

4. Bureaucratic structure remains hierarchical and sectoral, with limited cross-agency coordination. The absence of integrated information systems and synchronized timelines leads to inefficiencies in both planning and budget preparation.

5. Despite these limitations, performance realization averages around 85–90% of planned targets, suggesting that procedural mechanisms function adequately. However, the weak link between financial inputs and development outcomes shows that performance-based budgeting has not been fully institutionalized.

Overall, the study concludes that the effectiveness of planning and budgeting policy implementation in Cirebon Regency depends not only on regulatory frameworks but also on the institutional culture, leadership, and capacity of local government actors. The research highlights the need for a shift from procedural compliance to strategic performance management.

Theoretical Implications

Theoretically, this study reinforces the applicability of Edward III's implementation model in analyzing policy performance in decentralized governance settings. The four variables—communication, resources, disposition, and bureaucratic structure—remain highly relevant for explaining the success or failure of policy execution in local governments. However, the findings also suggest that these variables must be viewed within the broader framework of performance-based management, where the link between planning, budgeting, and outcomes is critical.

Furthermore, the study contributes to the literature on New Public Management (NPM) and Performance-Based Budgeting (PBB) in developing countries. It demonstrates that structural reforms alone are insufficient to achieve performance improvements without accompanying behavioral and cultural changes among implementers. The Cirebon case thus provides empirical evidence that institutional capacity, leadership commitment, and inter-agency collaboration are decisive in realizing performance-oriented governance.

Practical Implications

The practical significance of this research lies in its potential to inform public sector reform at the regional level. The findings suggest that successful implementation of planning and budgeting policies requires not only compliance with legal frameworks but also institutional innovation and leadership transformation. Three practical implications can be highlighted:

1. Institutional Coordination:

The integration of planning and budgeting should be strengthened through synchronized schedules, joint working groups, and shared information systems among Bappelitbangda, BKAD, and SKPDs. Digital-based planning systems can reduce duplication and enhance transparency in decision-making.

2. Capacity Development:

Continuous training and technical assistance are needed to improve the analytical and managerial competencies of planning staff. Capacity building should focus on developing skills in performance indicator formulation, cost-benefit analysis, and outcome-based evaluation.

3. Leadership and Accountability:

Local government leaders should promote a culture of accountability and innovation. Leadership at both strategic and operational levels must shift from bureaucratic control to adaptive governance—encouraging staff participation, problem-solving, and learning from performance feedback.

Recommendations

Based on the findings, several recommendations are proposed to improve the implementation of planning and budgeting policies in Cirebon Regency and similar local governments:

1. Strengthen Policy Communication Channels

Establish integrated communication forums and digital coordination tools that facilitate real-time information exchange between planning and budgeting units. Clear and timely communication will minimize misinterpretation of policy directives.

2. Enhance Human Resource Competence

Introduce specialized certification or training programs for planners and financial officers to ensure consistent understanding of performance-based budgeting principles. Collaboration with universities or professional institutions can improve the quality of technical guidance.

3. Develop Integrated Information Systems

Implement an electronic planning and budgeting system (e-Planning and e-Budgeting) that connects SKPDS, Bappelitbangda, and BKAD. This integration will increase transparency, consistency, and accountability in policy implementation.

4. Institutionalize Performance Evaluation

Strengthen the linkage between planning, budgeting, and performance evaluation by ensuring that the Laporan Kinerja Instansi Pemerintah (LKjIP) directly reflects program outputs and outcomes. Annual evaluations should inform the next cycle of planning and resource allocation.

5. Promote Collaborative Governance Practices

Encourage inter-agency and multi-stakeholder collaboration in development planning and monitoring. The participation of civil society organizations and academic experts can enhance policy legitimacy and effectiveness.

6. Align Incentives with Performance Results

Introduce performance-based incentives for SKPDs and officials who achieve or exceed their targets. This approach can improve motivation and foster a results-oriented bureaucratic culture.

7. Reinforce Leadership Accountability

Leadership training programs for SKPD heads should emphasize ethical governance, communication, and adaptive management. Accountability mechanisms must ensure that leaders not only comply with procedures but also achieve measurable outcomes.

Suggestions for Future Research

This study acknowledges several limitations that open opportunities for further inquiry.

First, the research was limited to one regency, which constrains generalizability. Comparative studies across multiple regions could identify variations in policy implementation related to institutional capacity and local political dynamics.

Second, future research could employ a mixed-method approach that integrates quantitative performance measurement with qualitative insights to deepen understanding of causal relationships.

Third, future studies should explore the role of digital transformation and data integration in improving planning and budgeting coherence under Indonesia's Smart Governance initiatives.

Final Remarks

The study concludes that planning and budgeting are not merely technical or financial procedures but essential governance mechanisms that determine how effectively public institutions deliver results. The Cirebon Regency case demonstrates that despite progress in procedural integration, the essence of performance-based management—linking financial inputs to measurable outcomes—remains a work in progress.

For Indonesia's regional governments, strengthening policy implementation requires both structural improvements and behavioral transformation. Effective communication, adequate resources, leadership commitment, and collaborative structures are the pillars of successful planning and budgeting. Only by aligning these elements can local governments achieve sustainable performance improvement and enhance public trust in the governance process.

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