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The Role of Infrastructure, Technology, and Financial Resources in Enhancing the Organizational Capacity of the Inspectorate in Central Mamuju Regency

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Abstract. This study investigates the organizational capacity of the Inspectorate of Central Mamuju Regency, focusing on the critical roles of infrastructure, technology, and financial resources. Employing a qualitative approach with a descriptive design, the research draws upon in-depth interviews with nine key informants, including the Inspector, auditors, and other relevant stakeholders. The findings reveal that the Inspectorate has made significant strides in enhancing its infrastructure, adopting advanced technologies, and implementing robust financial management practices. These capacity-building efforts have contributed to improved efficiency, productivity, and public trust in the institution's ability to promote good governance and combat corruption. However, the study also identifies opportunities for further strengthening organizational capacity, such as continued investments in infrastructure upgrades, staying abreast of emerging technologies, and regularly updating financial management procedures. The research highlights the need for ongoing staff training and development to optimize the utilization of these resources. Furthermore, it underscores the importance of exploring additional dimensions of organizational capacity, such as human resource management, leadership effectiveness, and stakeholder engagement, to gain a more comprehensive understanding of the Inspectorate's strengths and challenges. The findings offer valuable insights for policymakers and stake holders seeking to enhance the Inspectorate's capacity and its contributions to good governance in Central Mamuju Regency.

Keywords: Financial Resources, Good Governance, Infrastructure, Organizational Capacity, Technology.

1. INTRODUCTION

Good governance is a crucial concept in the implementation of government administration during the era of regional autonomy. This concept demands transparency, accountability, and participation in governmental management to achieve optimal public services (Saputri et al, 2024; UNDP, 1997). In this context, the role of internal supervisory institutions such as the Inspectorate becomes critically important. Regional inspectorates are responsible for conducting supervision, examination, and evaluation of financial management and bureaucratic performance within local government (Akbar et al, 2021; Government Regulation No. 60 of 2008). However, various studies indicate that the organizational capacity of inspectorates in many regions remains suboptimal in executing their supervisory functions (Daniel, 2016; Tethool, 2017; Anjani et al,2023).

Central Mamuju Regency is a new autonomous region resulting from a division in 2013. As a relatively young region, the Central Mamuju Regency Inspectorate faces numerous challenges in attempting to strengthen its organizational capacity. The local government performance report for 2023 reveals several encountered problems, including insufficient supervision budget, limited number of auditors and supervisory personnel, and inadequate follow-up on audit recommendations by examined entities.

The concept of organizational capacity refers to an organization's ability to effectively perform its functions to achieve established objectives (Horton, 2003). Organizational capacity encompasses various components ranging from human resources, infrastructure, and technology to leadership and management aspects (Dewi et al, 2022; Danquah et al, 2023). Organizational capacity development becomes crucial for improving performance, productivity, and the organization's ability to adapt to changes (Mwaniki, 2021; Rengkung, et al, 2022).

In the context of supervisory institutions like inspectorates, organizational capacity significantly determines the effectiveness of audit and supervision functions. Tethool's (2017) research in Tual City found that human resource limitations, high workload, and minimal budget and leadership support were impediments to inspectorate capacity development. Daniel's (2016) study in Sidoarjo Regency also demonstrated that the competence, independence, and integrity of inspectorate personnel still require enhancement through systematic human resource training and development. Al Lawati et al, (2024) highlighted the importance of information technology utilization in supporting inspectorate supervision tasks. Audit process digitalization through e-audit implementation can improve transparency, speed, and examination accuracy. However, technology implementation is often constrained by infrastructural limitations and human resource readiness (Hilman et al, 2021; Kholillulloh & Shet et al, 2021).

Furthermore, existing regulatory frameworks have not fully supported regional inspectorate capacity strengthening. Although Law No. 23/2014, Government Regulation No. 60/2008, and Minister of Home Affairs Regulation No. 13/2006 provide legal foundations for the inspectorate's role, there are no specific policies promoting increased supervision budget allocation or supervision human resource recruitment in regions (Adlitama et al, 2024; Wibisono, 2019). The Central Mamuju Regency Inspectorate was established based on Local Regulation No. 1/2022 and has the primary task of supervising governmental affairs within regional

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authority (Regional Head Regulation No. 39/2022). However, 2023 local government performance reports indicate various challenges faced by the inspectorate in executing its functions.

First, the allocated supervision budget remains below the minimum 1% of the Regional Budget as regulated in Minister of Home Affairs Regulation No. 84/2022. This minimal budget impacts the limited scope and frequency of possible examination activities. Second, the number of auditors and supervision personnel is also insufficient. The regency inspectorate currently has only 5 auditors and 8 government internal control officials, far below its ideal formation (Audit Report 2023). Third, issues exist regarding follow-up on examination results. Data indicates that only approximately 40% of audit recommendations are followed up by examined entities, demonstrating insufficient commitment and awareness among regional apparatus to implement inspectorate recommendations. Fourth, information technology utilization in supervision processes remains minimal. Existing examination application systems are not well-integrated, and most processes are still conducted manually (Audit Report 2023).

The various challenges faced by the Central Mamuju Regency Inspectorate demonstrate the need for systematic and comprehensive efforts to strengthen its organizational capacity. An capable and effective inspectorate is crucial for realizing good governance and corruption-free administration (Matei et al, 2017; Darwati, 2020; Tumboimbela et al, 2022). The organization's current capacity confronts challenges in budgeting, human resources, regulations, and technology utilization. These issues require immediate resolution to enable the inspectorate to optimally execute its supervision function in achieving good governance.

This research will comprehensively examine the organizational capacity of the Central Mamuju Regency Inspectorate and formulate strengthening strategies. The study is expected to provide academic contributions to internal governmental supervision concept and theory development. Practically, this research can also serve as a policy input for the Central Mamuju Regency Government in efforts to strengthen the inspectorate's role and functions moving forward.

2. METHOD

This study employs a qualitative research approach with a descriptive design to investigate the organizational capacity of the Inspectorate of Central Mamuju Regency. The research relies on purposive sampling to select nine key informants who possess deep understanding of the topic and are actively involved in the Inspectorate's operations. These informants include the Inspector, Inspector II, auditors at various levels, the Acting Regional Secretary, the Head of PBJ Setda, and the Secretary of LAKI Central Mamuju. The selection of these informants ensures that the study captures diverse perspectives from individuals with direct knowledge of the Inspectorate's capacity.

Data collection will be conducted through a combination of in-depth interviews, observations, and documentation at the Inspectorate Office from August to September 2024. Both primary and secondary data sources will be utilized to provide a comprehensive understanding of the Inspectorate's organizational capacity. Primary data will be obtained directly from informants, while secondary data will be gathered from relevant documents, archives, and regulations. Triangulation techniques will be employed to validate the collected data by cross-checking its accuracy using different sources, methods, and times.

The data analysis will follow Miles and Huberman's interactive model, consisting of data collection, reduction, display, and conclusion drawing. The researcher will focus on relevant information, arrange the data systematically, and draw conclusions based on observed relationships and propositions. This approach ensures that the findings are argumentative, credible, and provide valuable insights into the Inspectorate's organizational capacity. The nine carefully selected informants, combined with rigorous data collection and analysis methods, will enable the study to thoroughly explore the factors influencing the Inspectorate's ability to effectively carry out its functions in Central Mamuju Regency.

3. RESULT AND DISCUSSION

3.1. Infrastructure

The Inspectorate of Central Mamuju Regency has made significant investments in improving its infrastructure to support operational efficiency and effectiveness. While the institution does not provide official vehicles for in-district audits, requiring auditors to use their personal vehicles, it offers transportation or accommodation arrangements for out-of-district assignments. This policy ensures that auditors have the necessary means to conduct their work while optimizing resource allocation. In terms of office infrastructure, the Inspectorate is well-equipped with modern computer systems and a reliable internet connection. These technological resources enable staff to streamline work processes, manage information efficiently, and access global resources and communication tools. The availability of these facilities has significantly contributed to enhancing productivity and collaboration among team members.

Furthermore, the Inspectorate building has been designed and constructed to meet rigorous safety and security standards. The use of durable materials and a disaster-resistant design ensures that the facility can withstand potential natural hazards, providing a secure working environment for employees. The building also features well-appointed workspaces, meeting rooms, and restrooms, as well as accessibility features for

individuals with disabilities. These amenities contribute to staff comfort, well-being, and productivity, enabling them to focus on their core responsibilities. The design of the Inspectorate building aligns closely with the institution's functions and objectives. The layout and facilities have been carefully planned to support effective administration, public service delivery, and oversight activities. This strategic alignment ensures that the infrastructure serves as an enabler for the Inspectorate to carry out its mandate efficiently and effectively, ultimately contributing to the promotion of good governance and accountability in the region.

3.2. Technology

The Inspectorate of Central Mamuju Regency has embraced a wide range of technologies to enhance its operational efficiency and effectiveness in carrying out its mandate. These technologies play a crucial role in streamlining information exchange, reducing distance barriers, and improving overall work efficiency. At the core of the Inspectorate's technological infrastructure are robust data management systems that enable the secure storage, processing, and reporting of data related to oversight and audit activities. These systems ensure that critical information is readily accessible, accurate, and well-organized, facilitating informed decision-making and timely action.

To support its day-to-day operations, the Inspectorate has invested in modern computer hardware, including desktops and laptops, which are essential tools for staff and auditors. These devices enable personnel to efficiently carry out a wide range of tasks, such as administrative work, data analysis, and communication. The availability of reliable hardware ensures that team members have the necessary resources to perform their duties effectively, even when working remotely or in the field.

The Inspectorate recognizes the importance of connectivity in today's fast-paced and interconnected world. As such, the institution has secured access to high-speed and stable internet, which is a critical enabler for effective communication and information sharing. This connectivity allows staff to collaborate seamlessly, access relevant data and resources, and engage with stakeholders in real-time, regardless of their physical location. The reliable internet infrastructure also supports the use of cloud-based services and remote access to internal systems, further enhancing flexibility and productivity.

In addition to general-purpose technologies, the Inspectorate has adopted specialized applications and software tailored to its specific needs. These tools are designed to streamline and automate various aspects of the audit and oversight process, such as data collection, analysis, and reporting. By leveraging these purpose-built solutions, the Inspectorate can enhance the efficiency and accuracy of its work, reducing the risk of errors and ensuring that findings are based on solid evidence. The use of specialized software also enables the institution to standardize its processes and methodologies, promoting consistency and comparability across different audits and oversight activities.

To further support its operations and enable effective collaboration, the Inspectorate has deployed a range of communication and teleconferencing tools. Platforms such as WhatsApp, Zoom, and Google Meet have become indispensable for facilitating remote meetings, interviews, and data collection during the audit process. These tools allow auditors to engage with stakeholders, gather evidence, and conduct investigations even when physical presence is not possible or practical. The use of secure communication channels also ensures that sensitive information is protected and that the integrity of the audit process is maintained. Moreover, the Inspectorate has implemented robust information security systems to safeguard its digital assets and prevent unauthorized access or data breaches. These measures are essential for maintaining public trust and confidence in the institution's ability to handle confidential information responsibly.

3.3. Financial Resources and Management Strategy

The financial management of the Inspectorate of Central Mamuju Regency represents a critical component of its operational effectiveness, with funding sourced primarily from local and central government budgets. This financial framework requires sophisticated and strategic management to ensure optimal resource allocation, comprehensive program implementation, and strict adherence to governmental financial regulations. The Inspectorate has developed a comprehensive financial governance system that prioritizes transparency, accountability, and systematic financial control mechanisms, which are essential for maintaining public trust and ensuring the efficient use of public funds.

The budget planning and allocation process within the Inspectorate follows a meticulously structured approach that integrates strategic objectives with fiscal responsibility. Each financial year begins with a detailed assessment of organizational needs, potential challenges, and strategic priorities, which inform the comprehensive budget preparation. This process involves multiple stakeholders, including financial experts, departmental heads, and senior leadership, who collaborate to create a robust and realistic financial plan. The planning phase includes careful consideration of previous years' performance, emerging institutional requirements, and anticipated regulatory changes, ensuring that the budget is not merely a financial document but a strategic tool for organizational development and effectiveness.

Technological innovation plays a pivotal role in the Inspectorate's financial management strategy, with advanced digital applications and integrated financial management systems enhancing transparency and

operational efficiency. These technological solutions enable real-time tracking of financial transactions, comprehensive reporting, and immediate identification of potential discrepancies or areas requiring closer scrutiny. The implementation of sophisticated financial management applications allows for automated compliance checks, reducing the risk of human error and providing an additional layer of financial oversight. Moreover, these digital tools facilitate more streamlined internal and external reporting processes, enabling the Inspectorate to generate detailed financial reports quickly and accurately, which supports both internal decision-making and external accountability requirements.

Internal financial control represents another crucial aspect of the Inspectorate's financial resource management. The organization has established a robust internal audit mechanism that systematically reviews all financial transactions, ensuring strict compliance with established standard operating procedures (SOPs) and governmental financial regulations. These internal audits are conducted periodically and comprehensively, examining not just the financial transactions themselves but also the underlying processes and control mechanisms. The audit teams are trained to identify potential risks, recommend improvements, and ensure that every financial decision aligns with the principles of good governance, transparency, and fiscal responsibility. This multi-layered approach to financial oversight helps prevent potential mismanagement, reduces the risk of corruption, and maintains the highest standards of financial integrity.

The ultimate goal of the Inspectorate's financial resource management is to create a sustainable, transparent, and efficient financial ecosystem that supports the organization's broader mission of public service and governance (Lebec & Dudau, 2024). By integrating strategic planning, technological innovation, rigorous internal controls, and a commitment to transparency, the Inspectorate of Central Mamuju Regency demonstrates a sophisticated approach to financial management that goes beyond mere compliance. This holistic strategy ensures that every allocated budget rupiah is utilized effectively, contributing to the organization's operational excellence and reinforcing public confidence in governmental financial management. The continuous refinement of financial processes, coupled with a proactive approach to technological integration and regulatory compliance, positions the Inspectorate as a model of modern, accountable public financial management.

4. CONCLUSION

The Inspectorate of Central Mamuju Regency has made significant strides in enhancing its organizational capacity across the key dimensions of infrastructure, technology, and financial resources. By investing in modern facilities, adopting cutting-edge technologies, and implementing robust financial management practices, the institution has created a solid foundation for carrying out its critical oversight and audit functions effectively. These capacity-building efforts have not only boosted internal efficiency and productivity but also helped to foster public trust and confidence in the Inspectorate's ability to promote good governance and combat corruption. Despite these commendable achievements, there remain opportunities for the Inspectorate to further strengthen its organizational capacity. To ensure continued progress, the institution should prioritize ongoing investments in infrastructure upgrades, staying abreast of emerging technologies that can bolster its oversight capabilities, and regularly reviewing and updating its financial management procedures to maintain alignment with evolving regulations and best practices. Additionally, a focus on staff training and development will be crucial for cultivating the skills and expertise needed to optimize the utilization of the Inspectorate's infrastructure, technology, and financial resources.

While this study provides valuable insights into the Inspectorate's organizational capacity in these three critical areas, it also highlights the need for further research to develop a more comprehensive understanding of the institution's strengths and challenges. Future studies should explore additional dimensions of organizational capacity, such as human resource management, leadership effectiveness, and stakeholder engagement strategies. Investigating the impact of the Inspectorate's capacity-building initiatives on its overall performance and the quality of governance in Central Mamuju Regency will also be essential for gauging the success of these efforts and identifying areas for continuous improvement. By building upon the findings of this study and pursuing these additional avenues of research, stakeholders can gain a more nuanced understanding of how to optimize the Inspectorate's organizational capacity and enhance its contributions to good governance in the region.

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