**Implementation of Government Internal Oversight Policy: A Case Study of the Inspectorate of Gorontalo Province, Indonesia**

**ABSTRACT**

This study uses the Van Meter and Van Horn policy implementation framework to analyze the implementation of a policy to improve the capability of the Government’s Internal Control Apparatus at the Gorontalo Provincial Inspectorate. Using Van Meter and Van Horn’s policy implementation methodology, this study examines the implementation of a policy intended to improve the internal control capacity of the Gorontalo Provincial Inspectorate. A descriptive qualitative method was applied. The approach was qualitative, with data collection techniques through structured and unstructured interviews, participatory observation, and documentation involving auditors and relevant agency officials. The results showed that while there had been partial progress in risk-based planning and alignment of organizational structures, there were still significant gaps in preparing technical guidelines, human resource competencies, inter-organizational coordination, and budget allocation. The non-existence of a code of ethics for internal supervision implementers and civil servants’ low commitment also weaken the ethical foundation of supervision. The discussion emphasizes that successful policy implementation depends on the synergy between regulatory clarity, institutional readiness, and implementer motivation. The research concludes that structural elements of implementation are in place, but operational weaknesses are still a significant obstacle in strengthening the capability of the supervisory apparatus.

***Keywords: Internal Oversight, Capabilities of Internal Oversight Agencies, Human Resources***

**1. INTRODUCTION**

The Indonesian government has implemented bureaucratic reforms as part of its efforts to create clean, transparent, and accountable governance. These reforms are outlined in Presidential Regulation No. 81 of 2010 on the Grand Design of Bureaucratic Reform 2010–2025. One of the fundamental pillars of this strategic framework is the establishment of a robust internal oversight mechanism, wherein the Government Internal Oversight Agency plays a pivotal role in promoting accountability, transparency, and the overall effectiveness of government functions. The capabilities of the Government Internal Oversight Agency, in this case, represent the structural and functional competencies required to ensure that oversight is not merely an administrative control tool but also a mechanism for ensuring the quality of public governance (Ibrahim & Azahra, 2023).

The Indonesian government, through the BPKP, has established Regulation of the Head of BPKP No. 8 of 2021, which outlines six main elements for evaluating the Government Internal Oversight Agency capabilities (BPKP Indonesia, 2021). These elements include roles and services, human resource management, professional practices, accountability and performance management, organizational culture, and governance structure. Additionally, the Minister of Home Affairs' Circular Letter No. 700.1.1/8737/SJ of 2022 mandates that regions allocate a minimum of 0.90% of their regional budget for oversight, demonstrating a structural commitment to strengthening the Government Internal Oversight Agency function (Lubis, & Bahmid, 2024).

Theoretically, enhancing the Government Internal Oversight Agency capabilities refers to the Internal Audit Capability Model (IACM) developed by the Institute of Internal Auditors Research Foundation (Airlangga, Rossieta, 2023). This model presents five levels of capability, ranging from ‘Initial’ to ‘Optimized,’ indicating the maturity level of the oversight system and the organization's readiness to perform strategic and technical roles simultaneously (Sari et al., 2020).

The Indonesian government, through BPKP Regulation No. 8 of 2021, has adopted this model in the national evaluation system for internal oversight institutions at the ministry/agency/regional levels. The Gorontalo Provincial Inspectorate carries out its mandate as part of the Government Internal Oversight Agency to oversee the implementation of regional budgets and programs. The development of internal oversight capacity in the field of public administration has undergone a transformation through the IACM capability model. This model classifies oversight capacity into five levels, ranging from Initial (Level 1) to Optimising (Level 5). Research by McGuire, Alon-Barkat, and Lee (2021) states that high internal audit capabilities significantly contribute to improving public service quality and reducing corruption.

This study uses Van Meter and Van Horn’s policy implementation model, which highlights six main variables that influence the success of public policy implementation: policy standards and objectives, resources, inter-organizational communication, characteristics of implementing agents, socio-economic-political conditions, and the attitudes of policy implementers. Using a qualitative descriptive approach, this study aims to provide a comprehensive understanding of the factors that facilitate and hinder the implementation of the Government Internal Oversight Agency capability policies in the Gorontalo Provincial Government.

The results of a study by Marwoto and Sari (2020) reveal that policy standards, resource adequacy, and the quality of internal communication greatly influence the success of improving the Government Internal Oversight Agency capabilities. Competent and proactive leaders are essential in ensuring consistency in implementing oversight policies at the regional level. Previous studies have discussed strengthening the Government Internal Oversight Agency capabilities in normative terms and using different approaches (Sumanti, 2020; Mardan, 2017). However, these studies have not examined the context of Gorontalo Province in depth.

`The BPKP evaluation report confirms that the Gorontalo Provincial Inspectorate has remained stagnant at Level 3 in the last two years. This finding raises questions about the strategy's effectiveness in implementing capacity-strengthening policies in the Gorontalo region. This research uses the policy implementation model approach of Van Meter and Van Horn (1975), highlighting six main variables that influence the success of public policy implementation, namely: Policy standards and objectives, resources, inter-organizational communication, characteristics of implementing agents, socio-economic-political conditions, and the attitudes of policy implementers. Using a qualitative descriptive approach, this study aims to provide a comprehensive understanding of the factors that facilitate and hinder the implementation of the Government Internal Oversight Agency capability policies within the Gorontalo Provincial Government.

This study aims to analyze the implementation of the Government Internal Oversight Agency capability policies at the Gorontalo Provincial Inspectorate. This study will likely strengthen public administration studies, particularly in internal oversight policy implementation.

**2. METHODOLOGY**

This research was conducted at the Gorontalo Provincial Inspectorate, located at Jl. Jend. Sudirman No. 79, Wumialo Village, Gorontalo City, for six months, from July to December 2024. The research approach used was qualitative with a descriptive qualitative research type. The research procedures included pre-field, field, and data analysis stages (Moleong, 2012; Sugiyono, 2017).

The research informants included nine people, namely senior auditors, echelon III officials at the Inspectorate and Regional Government Organisations, and representatives of the Gorontalo BPKP. Data were collected through participatory observation, structured, semi-structured, and unstructured interviews, as well as documentation, and then validated through technical and source triangulation (Sugiyono, 2017).

Data analysis techniques were based on the Miles and Huberman model, which includes data reduction, data presentation, and conclusion drawing (Sugiyono, 2017). Data validity was tested using four criteria: credibility, transferability, dependability, and confirmability (Bachri, 2010). The researcher was present in the field as a key instrument to preserve context and depth of information (Patton, 2002).

**3. RESULTS AND DISCUSSION**

Based on data collected through in-depth interviews and document review, a brief description of each sub-focus is presented in Table 1 below.

Table 1. Field findings based on research sub-focus

| Sub-focus | Findings |
| --- | --- |
| 1. Policy Standards and Objectives | Regulations are available Pergub 80/2024 for risk-based PKPT, but socialization is still limited; Audit Universe is incomplete, risk monitoring documents need revision, and Internal Audit Charter still needs adjustment; There are no guidelines for the capability of Government internal supervisory apparatus, peer reviews, and HR coaching; there are no adequate coordination and communication guidelines:  SOPs and mechanisms for reporting consulting services to management are not yet available. |
| 2. Resources | The number of functional positions has been analyzed.- There is no provision for selection for transfer of positions.- Competency standards refer to PER-211/K/JF/2010.- Education/training and supervision budget is limited. |
| 3. Inter-organisational Relations | - The number of functional positions has been analysed. - There are no provisions for job transfer selection. - Competency standards refer to PER-211/K/JF/2010. - The budget for education/training and supervision is limited. |
| 4. Characteristics of Implementing Agents | - Has participated in government management. - Coordination with local government organizations regarding follow-up on supervision results is still lacking. |
| 5. Social, Political and Economic Conditions | - The organizational structure is appropriate for needs. - There are no rules of conduct for supervision. |
| 6. Attitudes of Implementers | - Central (Ministry of Home Affairs) and regional policies influence the implementation of supervision. |

***Source: Primary data collected through in-depth interviews, 2025***

**1. Policy Standards and Objectives**

Implementing standards such as the risk-based Annual Supervision Work Programmed (PKPT) and Audit Quality Standards demonstrates progressive steps in strengthening the institutional structure of supervision. By incorporating risk-based guidelines, the PKPT aims to minimize obstacles and achieve organizational goals, demonstrating the practical benefits of this approach in public sector oversight (Maulana et al., 2024). This aligns with the theory of Arens et al. (2017), who state that risk-based policies are a modern audit approach that ensures efficiency and effectiveness. However, the lack of capability guidelines and limited understanding among functional officials create an implementation gap hindering the Government Internal Oversight Agency capabilities. In the view of Van Meter and Van Horn (1975), the success of implementation is determined mainly by the actors’ understanding of the objectives and mechanisms of the policy. Good practices can be seen from the experience of the National Audit Office (NAO) in the United Kingdom, which implements risk-based auditing with a comprehensive and structured audit map for all state institutions (NAO, 2021). In Indonesia, the Inspectorate General of the Ministry of Finance has implemented an extensive and regularly updated Audit Universe (Solihat, 2018).

**2. Human Resources**

The results of position mapping through Position Analysis and Workload Analysis show that the institutional structure of the supervisory organization has a strong formal basis. However, significant weaknesses lie in the lack of requirements governing job transfer mechanisms and vacancies in strategic positions, such as the secretariat. This phenomenon reflects limitations in the planning and management of human resources, which affects the supervisory function’s effectiveness. These conditions are relevant to Lipsky (2010), who emphasizes the central role of street-level bureaucrats as key actors in public policy implementation. When the capacity of human resources at the forefront of government is not strengthened, the quality of policy implementation becomes suboptimal. Further field findings indicate minimal budget allocation for Human Resources capacity development. This limitation has a direct impact on improving personnel competence, as shown by the low frequency of technical training and continuous supervision. The weakness in funding is a significant criticism of organizations’ commitment to building professionalism and internal capabilities.

The OECD (2023) explicitly underlines that investment in human resource capacity development is one of the leading indicators in the maturity model of supervisory organizations. Components of such investment include ongoing training, strengthening technical and strategic skills for auditors and supervisors, and enhancing institutional capacity to adopt modern practices such as risk-based auditing, performance auditing, and integration of digital technology in supervision. Without adequate investment support, oversight organizations will face serious obstacles in achieving a high level of maturity, particularly in terms of institutional independence, professionalism, operational capacity, and public legitimacy of their oversight functions.

**3. Inter-organizational Relations**

The involvement of the Inspectorate in government management reflects inter-agency collaboration, which, according to Agranoff & McGuire (2014), is important in governance networks. However, field data indicates that coordination with local government organizations in Gorontalo in monitoring audit follow-up is weak. This condition illustrates a failure in cross-sector communication. This highlights the need to strengthen feedback and audit follow-up mechanisms. As stated by Power (2022), audits that are not followed up only serve as a ritual and do not provide added value. A study by the Government Accountability Office (GAO) in the United States highlights the importance of follow-up audits as an indicator of the accountability of audit institutions (GAO, 2020). Research reports by Panday and Jamil (2011) Nugroho et al. (2021) state that factors causing weak coordination between local government organizations include significant central government interference, leading to partial decentralization, and weak local government structures and capacity, inadequate institutional rules and regulations, unclear financial management systems, and poorly defined accountability patterns.

**4. Characteristics of Implementing Agents**

An organizational structure tailored to needs and equitable delegation of tasks reflects a good organizational design—however, the absence of rules of conduct results in a high potential for ethical violations. According to Huberts’ (2021) model of institutional integrity, rules of conduct are the foundation of an ethical oversight system. Organizations such as the Corruption Eradication Commission (KPK) in Indonesia and the Office of Government Ethics (OGE) in the US have established binding codes of ethics for all members as standards of executive integrity (OGE, 2018). Establishing a code of ethics in the Inspectorate should be a top priority to prevent conflicts of interest and maintain the institution’s reputation. As stated by Isufaj (2022), it is important to develop a comprehensive legal and procedural framework to prevent conflicts of interest in public administration. Implementing a code of ethics in the Inspectorate will support these efforts by promoting institutional integrity and ensuring ethical decision-making. With clear guidelines, officials will be better able to avoid situations that could potentially give rise to conflicts of interest while strengthening their accountability. These proactive measures are crucial to maintaining the institution's reputation and strengthening public trust in the administrative system.

**5. Social, Political, and Economic Conditions**

Central policy support shows potential vertical and horizontal synergies. According to Pollitt & Bouckaert (2020), central-regional policy harmonization is key to public sector reform. However, in practice, public policy design in many developing countries, including Indonesia, still shows elitist tendencies where policy formulation is concentrated at the central level and is top-down. This creates significant gaps in the implementation stages, especially at the technical or operational level in local governments. These gaps can reduce policy effectiveness and create inconsistencies in implementation. As stated by Boin et al. (2020), the success of public policy depends not only on the quality of design but also on the operational readiness and cohesion among actors involved at all levels of government. Kim & Lee (2020) reported the experience of South Korea, where internal oversight policies were complemented by intensive training down to the village level through an e-governance Platform.

**6. Attitudes of Implementers**

The commitment of State Civil Apparatus to not violate the law is a significant positive value. The trust of the community and OPDs indicates the existence of social capital. However, the lack of established rules of conduct and low commitment among State Civil Apparatus’s have degraded work ethics. According to Svara (2022), the integrity of implementers is at the heart of ethical governance. The absence of formal rules weakens the value system and work culture of the Government Internal Oversight Agency. The integration of local cultural values into the civil servant integrity model encourages a sense of belonging and responsibility among employees, thereby reducing the level of ethical violations (Resmawan et al., 2022).

Empirical findings show a systematic discrepancy between normative planning and technical policy implementation to strengthen the Government’s Internal Supervisory Apparatus capabilities. This discrepancy reflects the complexity of the dynamics of public policy implementation analyzed using the Van Meter and Van Horn (1975) framework, which consists of six main variables.

The results of the study indicate that the dimensions of resources, communication between actors, and the disposition or behavioral tendencies of implementers are the dominant weaknesses that hinder the effectiveness of implementation. When viewed inductively, these findings indicate that the clarity of formal regulations alone does not sufficiently guarantee the successful implementation of supervisory policies but is highly dependent on the adaptive capacity of the implementing institutions, particularly at the regional level. In the context of public policy implementation theory, this is in line with the findings of Aneta et al. (2020), who emphasize that the availability of resources and infrastructure readiness play a crucial role in determining the success of a policy. Therefore, the approach to supervisory policy reform should not only focus on regulatory aspects but also on strengthening the institutional capacity and communication networks of implementers in the field.

In the context of Gorontalo Province, institutional structures have been established through regulations such as Governor Regulations and Annual Supervision Work Programmers. However, gaps in technical aspects such as Audit Universe, SOPs for consulting services, and codes of ethics indicate that cohesive governance has not yet been established. In addition, the lack of synergy between agencies adds to the complexity of policy implementation. This situation supports Lipsky’s (2010) theory that ‘street-level bureaucrats’ or field implementers play a crucial role as real policy actors, and without strengthening their competencies and providing adequate incentives, strategic policy directions will not be achieved.

The low commitment of the State Civil Apparatus to organizational ethical values poses a significant challenge in efforts to strengthen the government’s internal control system, as this can undermine the integrity, transparency and accountability mechanisms needed to ensure compliance, prevent corruption and promote a culture of ethical governance across public institutions. In addition, the high integrity of the State Civil Apparatus is a key prerequisite for quality public service delivery. Therefore, strengthening the capability of the Government’s Internal Audit Apparatus must be carried out through a systemic and holistic approach, including improving regulations, optimizing resource allocation, increasing human resource capacity, and institutionalizing ethical values on an ongoing basis. Without implementing these strategic steps, the transformation of internal control risks becomes mere policy jargon with no real impact on accountability and governance.

**4. CONCLUSION**

In general, implementing the Government’s Internal Supervisory Apparatus capability policy in the Gorontalo Provincial Inspectorate has demonstrated systematic efforts to strengthen the role of internal supervision. However, there is a significant gap between regulations and policy operationalization. The main obstacles are the lack of technical guidelines, budget constraints, weak human resources, and coordination across Regional Apparatus Organization. Therefore, it is necessary to strengthen the policy structure by developing technical guidelines and comprehensive standard operating procedures (SOPs), optimizing resources through a competency-based selection of civil servants and balanced budget allocation, and establishing clear and structured cross-sectoral coordination mechanisms.

Disclaimer (Artificial intelligence)

Option 1:

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc.) and text-to-image generators have been used during the writing or editing of this manuscript.

**REFERENCES**

Agranoff, R., & McGuire, M. (2014). Collaborative public management: New strategies for local government. Georgetown University Press.

Airlangga, D. K. and Rossieta, H. (2023). Improved internal audit capability of government agencies. Owner, 7(4), 3028-3040. https://doi.org/10.33395/owner.v7i4.1661

Aneta, A., Aneta, Y., Dama, H. (2020). Institutional Problems in Local Public Services. Journal of Public Administration, 8(2), 79-86.

Arens, A. A., Elder, R. J., & Beasley, M. S. (2017). Audit and assurance services: An integrated approach (15th ed.). Pearson.

Bachri, B. S. (2010). Ensuring data validity through triangulation in qualitative research. Journal of Educational Technology, 10(1), 46–55.

BPKP. (2010). Regulation of the Head of the Financial and Development Supervisory Agency Number PER-211/K/JF/2010 Concerning Auditor Potential Standards. Government Financial Supervisory Agency. Jakarta. Indonesia.

Boin, A., Lodge, M., & Luesink, M. (2020). Managing crises in the modern era. Public Administration Review, 80(5), 817–825. <https://doi.org/10.1111/puar.13190>

BPKP Indonesia. (2021). Regulation of the Financial and Development Supervisory Agency Number 8 of 2021 concerning Capability Assessment of Government Internal Audit Apparatus at Ministries / Institutions / Local Governments. Peraturan.bpk.go.id.

GAO. (2020). Government audit standards: 2018 revision. Government Accountability Office. <https://www.gao.gov/products/GAO-18-568G>

Huberts, L. (2021). Integrity: What it is and why it matters. Public Integrity, 23(6), 585–598. <https://doi.org/10.1080/10999922.2020.1855867>

Ibrahim, R., Sidiq, F., & Azahra, A. S. (2023). Bureaucratic Reform and Clean Governance: Efforts Towards Social Justice and Sustainable Economic Growth in Indonesia. https://doi.org/10.46336/ijhlp.v1i3.33

Isufaj, M. (2022). Prevention of Conflict-of-interest situations in public administration. Interdisciplinary Journal of Research and Development, 9(4.S2), 86. <https://doi.org/10.56345/ijrdv9n4s213>

Keputusan Gubernur Gorontalo. (2024). Gorontalo Governor Decree Number 80/8/I/2024 Concerning Annual Supervision Work Programme Of The Gorontalo Provincial Inspectorate In 2024. Regional Government of Gorontalo Province.

Kim, S., & Lee, J. (2020). E-government and public trust in Korea. Government Information Quarterly, 37(1), 101412. https://doi.org/10.1016/j.giq.2019.101412

Lipsky, M. (2010). Street-level bureaucracy: Individual dilemmas in public service (30th anniversary edition). Russell Sage Foundation.

Lubis, S. S., & Bahmid, B. (2024). Implementation of Government Internal Supervisory Apparatus in Improving Accountability and Transparency of Local Government Administration (Study at the Regional Inspectorate of Asahan Regency). Legality, 16(2), 143. <https://doi.org/10.33087/legalitas.v16i2.704>

Marwoto, T., & Sari, Y. D. (2020). Improving the capabilities of the Government Internal Oversight Agency in realising quality supervision in local government. Journal of Public Administration, 17(1), 23–38.

McGuire, E., Alon-Barkat, S., & Lee, J. (2021).Internal audit quality and government performance: Evidence from local governments. Public Administration Review, 81(6), 1012–1027. https://doi.org/10.1111/puar.13384

Moleong, L. J. (2012). Qualitative research methodology (Revised Edition). PT Remaja Rosdakarya.

National Audit Office (NAO). (2021). Good Practice Guidance: Managing Business Operations – Using A Risk-Based Approach To Internal Audit. UK: NAO. Retrieved From: [Https://Www.Nao.Org.Uk](https://www.nao.org.uk/)

Nugroho, A., Sanjaya, N., & Jumanah, X. (2021). The Causes Of Failure Of Decentralization In The Implementation Of Local Government. Scholedge International Journal of Multidisciplinary & Allied Studies, 9(9), 15–19. Https://Doi.Org/10.70729/Se21909154201

OECD. (2023). Public integrity handbook. OECD Publishing. https://doi.org/10.1787/9789264130864-en

Panday, P. K., & Jamil, I. (2011). Challenges of coordination in implementing urban policy: The Bangladesh experience. Public Organization Review, 11(2), 155–176. https://doi.org/10.1007/S11115-010-0116-5

Patton, M. Q. (2002). Qualitative research & evaluation methods (3rd ed.). Sage Publications.

Pollitt, C., & Bouckaert, G. (2020). Public management reform: A comparative analysis (4th ed.). Oxford University Press.

Resmawan, E., Surya, I., & Anwar, A. (2022). Factors Affecting The Ethical Conduct Of Local Government Officers (Study Case Of The Behavior Agency Of Yogyakarta City Civil Servants). Jurnal Ad-Ministrare: Jurnal Pemikiran Ilmiah Dan Pendidikan Administrasi Perkantoran, 9(1), 11. https://doi.org/10.26858/ja.v9i1.23113

Sari, I. M., Mas'ud, A., & Ilham, M. F. A. (2020). Analysis of the improvement of the capability of internal government supervisory apparatus based on the internal audit capability model (IACM) at the Inspectorate of Southeast Sulawesi Province. Journal of Accounting and Finance, 5(1). <https://doi.org/10.33772/jak-uho.v5i1.13412>

Sholihat, N. I. (2018). The Implementation of COBIT 4.1 and COBIT 5-Based IT Governance Audits in the Ministry of Finance of Indonesia. The Indonesian Journal of Accounting Research, 21(2). <https://doi.org/10.33312/IJAR.341>

Syakoer, M. (2023). Integritas yang Kokoh dalam Membentuk Kepribadian State Civil Apparatus. Jurnal Manajemen Dan Sains, 8(1), 922. https://doi.org/10.33087/jmas.v8i1.1187

Sugiyono. (2017). Qualitative, quantitative, and R&D research methods. Alfabeta.

Svara, J. H. (2022). The ethics primer for public administrators in government and nonprofit organisations (2nd ed.). Jones & Bartlett Learning.

Van Meter, D. S., & Van Horn, C. E. (1975). The policy implementation process: A conceptual framework. Administration & Society, 6(4), 445–488. https://doi.org/10.1177/009539977500600404