

Local Government Strategy in Increasing Regional Original Income in North Bolaang Mongondow Regency

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Abstract

This study raises the topic of the strategy to increase local revenue by the North Bolaang Mongondow Regency Government. Policy decentralization encourages the existence of local governments to be more competitive in strengthening fiscal capacity through efforts to increase Local Revenue which can be used to finance development programs that directly benefit the local community, such as education, health, infrastructure, and social programs. The contribution of PAD in North Bolaang Mongondow Regency from 2016-2020 tends to increase, although in 2018 there was a slight decline but in 2019 to 2020 it increased again. The research method uses a qualitative approach. The data analysis technique used in this study is the SWOT analysis technique with a qualitative approach consisting of Strengths, Weaknesses, Opportunities, Threats. The results of the study show that: 1) The SWOT analysis shows that the strategy to increase Local Revenue (PAD) of Bolaang Mongondow Regency is in quadrant I with an emphasis on the Progressive Strategy or better known as the ST Strategy; 2) The results of the QSPM analysis show that the TAS figure for external strategic factors of 4.53 is smaller than the TAS figure for internal strategic factors of 4.56; 3) The institutional/organizational aspect of managing local revenue (PAD) has implemented an employee placement system based on expertise in carrying out their main tasks and functions in each field; 4) The Governance Aspect, electronic transactions have a significant positive impact on local revenue by increasing tax compliance, administrative efficiency, and diversification of revenue sources; 5) The Personnel Aspect, shows that education and training programs related to regional financial management are in line with those carried out by the BPKD of North Bolaang Mongondow Regency by involving its employees in functional and managerial training as well as financial training at the central and regional levels.

Keywords:

local revenue; local economic potential; regional economic development;
regional autonomy; policy effectiveness

Introduction

The existence of local government is closely related to the fiscal capacity of the region or the financial capacity of the region to manage and finance development activities and provide public services to the community. The fiscal capacity of the region includes how much the local

government can collect, manage, and use its own financial resources. Strong local government and good fiscal capacity will support sustainable development, community empowerment, and welfare at the local level. Van der Kamp, (2017) said that the greater the financial autonomy, the greater the ability of the region to manage its own income and expenditure without being too dependent on fund transfers from the central government.

The fiscal capacity of the region is closely related to the Regional Original Income or hereinafter abbreviated as (PAD). The local government needs to have reliable and diverse sources of original income, such as local taxes, levies, and other income, to support public service activities and development in the region. Chen, et al (2019), emphasized that the efficiency of financial management is one of the keys to how the local government manages its public finances, including aspects of spending management and tax collection, will affect its fiscal capacity. Efficiency in financial management will increase the financial support of the region, Le, T. et al (2019). Meanwhile Bergman, (2016) added that if the local government is too dependent on transfer funds from the central government, this can limit its existence and fiscal capacity. Therefore, diversification of revenue sources is important to improve the fiscal capacity of the region.

Seeing the portrait of how developed countries manage the fiscal capacity of local governments can vary which generally relies on the government system, laws, and economic policies of each country. Sun, Y, et al (2022) said that in Scandinavian countries many implement fiscal decentralization which means giving authority to local governments to manage most of their own fiscal resources. This means that local governments can collect and manage their own tax revenues, such as property taxes, local sales taxes, and perhaps some income tax revenues. Biesbroek, et al (2010) also added that although developed countries in Europe implement a system of fund transfers from the central government to local governments to help them meet budget needs and basic services, the Prime Minister or President regulates policies on training and technical support may be provided to ensure that local governments have adequate financial management capabilities. This is as added by Adam, I., & Fazekas, M. (2021) aims to prevent inefficient fiscal budget leakage by encouraging local governments to strengthen their internal control systems, including effective internal audit and audit procedures, and providing guidance and technical support to ensure the implementation of good financial management practices. One of the things that need to be emulated in developed countries is how the central government overcomes fiscal leakage, namely conducting routine external audits to check the use of the budget by local governments. Alam, M., Zou, et al (2019). added that one effective strategy is to provide incentives to local governments that succeed in achieving financial targets and

demonstrate efficiency in budget management, and to set sanctions or consequences for local governments that fail to comply with financial regulations or show budget leakage. This study took the study locus in the Regional Government of Bolaang Mongondow Regency, North Sulawesi, where researchers focused on formulating a strategy model for utilizing Regional Original Income to be used as much as possible for the benefit of the community. Regional Original Income (PAD) according to Law Number 1 of 2022 concerning Central and Regional Financial Relations is regional income obtained from regional taxes, regional levies, results of management of separated regional assets, and other legitimate regional original income in accordance with laws and regulations. The role of regional taxes and regional levies is very strategic in providing significant contributions as sources of PAD revenue. However, based on the findings of researchers at the study locus, the dependence of regional governments on balancing funds and investment funds sourced from the Central Government of the Republic of Indonesia is still very high. This means that efforts to increase regional fiscal capacity through Regional Original Income are still less than optimal. Based on data from the North Bolaang Mongondow Regency Finance Agency in 2021. The contribution of PAD in North Bolaang Mongondow Regency from 2016-2020 tended to increase, although in 2018 there was a slight decrease but it was maintained un 2019 to 2020 has increased again. Factually, the table above shows that the strategy and efforts of the North Bolaang Mongondow Regency government have succeeded in increasing PAD in its working area, but based on the performance targets of the North Sulawesi Provincial Government, the increase in this figure is still far from what is expected, this is because the percentage increase in local revenue (PAD) in each district for each year has increased by at least 5% to realize fiscal independence in the working area of North Sulawesi Province (Bappeda Sulut 2022).

Community participation in increasing PAD is very good, but these efforts have not been able to increase fiscal independence in the North Bolaang Mongondow Regency area. The results of the researcher's investigation showed that this was caused by several factors including: 1) lack of education for the community. efforts are needed to provide education and training to the community so that they can understand their role and how they can participate in increasing regional income; 2) private sector investment. In addition to community participation, full involvement of the private sector, including business actors and the local business sector, can be the key to diversifying Local Revenue. Good cooperation between local governments and the private sector can create new opportunities to increase income; 3) regulations and policies. Local government regulation and policy factors can also affect fiscal independence. Regulations that facilitate investment and local economic development can be supporting factors; 4)

macroeconomic conditions. External factors such as general economic conditions, changes in the global market, or crisis situations can affect efforts to increase PAD.

In order to support the increase in Local Original Income in North Bolaang Mongondow Regency, cooperation from all parties is needed, starting from the government as the maker and implementer of regulations to the participation of taxpayers. Taxpayer participation or community participation in increasing PAD is the involvement of the number of taxpayers to be obliged to provide contributions by their tax objects in financing development implementation activities and are responsible for running the next development wheel. Community participation in paying Land and Building Tax is the active participation of every citizen where awareness and responsibility are needed as well as the timeliness of the community in paying taxes in the form of Land and Building Tax which is adjusted based on the land area of the taxpayer concerned. Therefore, the formulation of the problem in this research proposal is: 1) Institutional factors. How to strengthen the institutions responsible for managing and increasing PAD. This includes the role of the Regional Government, regionally-owned enterprises (BUMD), and non-governmental organizations (NGOs) involved in regional economic development; 2) Management factors. How are the administrative and managerial processes related to regional financial management related to efficiency and transparency in budget management, tax collection, and expenditure control; 3) Personnel factors. How the Regional Government's efforts to produce a qualified and competent workforce are very necessary in efforts to increase PAD

The problem-solving approach leads to: 1) In-depth SWOT analysis of how the Regional Government's strategy in providing human resource support, collaboration between related agencies to improve coordination and efficiency of PAD management; 2) Evaluation of administrative and managerial processes related to regional financial management which include budget submission procedures, tax collection, and budget control and expenditure; 3) Analysis of the effectiveness of the Regional Government in conducting training and development programs for employees related to regional financial management, including taxes, auditors, and financial administration, employee recruitment and selection policies, and employee incentive policies.

Based on the problem-solving approach above, in principle there have been many previous research results that have explored the topic of "local government fiscal policy". However, there are still few research studies that dissect the internal problems of bureaucratic organizations that result in less than optimal local revenue. Previous studies tend to focus more on macro policy analysis and its impact on local revenue, and less on the internal dynamics of bureaucratic organizations. Therefore, this study aims to explore solutions that are rooted in the internal bureaucratic organization, with the belief that it will provide a significant contribution

to efforts to increase local revenue sustainably, by designing an organizational intervention design that is based on the internal dynamics of the bureaucratic organization to increase local revenue sustainably. This design is called the "Internal Optimization Framework for Bureaucratic Organizations to Increase Local Revenue (PAD)" This system can project local revenue based on economic, social, and policy factors that allow the local government of North Bolaang Mongondow Regency to plan budgets more precisely with approaches, including: 1) local resource development; 2) case studies and best practices; 3) infrastructure development and public services; and 4) institutional and leadership aspects.

Methods

This study uses descriptive research with a qualitative approach. This method refers to the identification or characteristics that distinguish groups of people, objects, and events that cannot be generalized, Hennink, et al (2020). Basically, qualitative descriptive involves the process of conceptualization and results in the formation of a classification scheme. The data used are secondary data sourced from publications, namely books, journals, newspapers/magazines, websites, and policy documents related to the problem.

Ganong, P., & Shoag, D. (2017) The analytical tool in this article is quoted from the opinion of which emphasizes that factors for increasing Regional Original Income can be done with several aspects including: 1) institutional factors. Institutions focus on the preparation of PAD policies by identifying and inventorying all regional assets, including land, buildings, and other natural resources. Optimize these assets to increase Regional Original Income, such as through leasing or business cooperation with the private sector. Review the structure of regional taxes and levies to ensure that the rates are fair, efficient, and applicable. Provide training to employees in regional financial institutions to improve their understanding of financial management and tax administration; 2) governance factors. Governance focuses on the effectiveness and efficiency of tax and regional retribution collection by increasing community compliance in paying taxes, regulating the implementation of tax collection by utilizing electronic transactions, and supervising the collection with technological tools to monitor and audit periodic inspections, compiling performance indicators for supervision, and providing sanctions for taxpayers and retribution payers to the community or business actors who do not comply with paying taxes; 3) personnel factors. Personnel focuses on training and development, employee empowerment and involvement, awards and incentives, performance evaluation and feedback.

The data analysis technique used in this study is the SWOT analysis technique with a qualitative approach consisting of Strengths, Weaknesses, Opportunities, Threats. Grindle, M. S. (2004), This technique is carried out by evaluating internal and external factors that affect the performance of an organization or entity, in this case the fiscal capacity of the region in the form of Regional Original Income in North Bolaang Mongondow Regency. Based on the problem phenomena at the study locus, the definition of SWOT is explained based on the results of interviews and conclusions drawn by the researcher, so the mapping of strengths, weaknesses, opportunities and threats for the results of the SWOT analysis in this study can be explained in table 1. The mapping in the SWOT analysis is the result of identification as a pre-analysis, Gurl, E. (2017).

Table 1.
SWOT Analysis of Strategies to Increase Local Original Income
in North Bolaang Mongondow Regency

Internal factors		External Factors	
Strenght	Weakness	Opportunity	Threat
- Regulations - Methods and innovations in tax sector revenue - Management agencies	- Availability of Human Resources - Community Support - Bureaucratic Behavior - Low financial literacy - PAD sources still come from taxes and levies	- Optimization of natural resources - Development of leading sectors - Improvement of infrastructure - Existence of government programs	- High cases of corruption in Indonesia - PAD increase is still very low - Community and business participation is still low - Investment sector is still focused on the agricultural sector

Source: Managed by Researchers, 2024

Targeted achievement indicators

Problem Indicator	Indicator	Output Activity	Description
Institutional Factors	- Exceeding or not achieving regional revenue projections; - Unrealized regional spending allocations; - Changes in sources of regional financing; - Revenue budget planning is not based on regional potential; - Unsynchronized schedules or planning	- Observation, and participatory data collection for 360-degree assessment of OPD leadership and management performance - Literature review from various reference sources (books, journals, research reports)	- Testing and validation of fiscal consultants and public financial management consulting - Focus Group Discussion

	stages between the executive and legislative (DPRD);		
	Changes in regulations after the planning stage;		
Management Factors	- The realization of budget absorption does not match the document of the provision of funds, and the document of the provision of funds; - Budget absorption that is not proportional and often piles up at the end of the year, - Conflicting regulations between sectors/fields that cause multiple interpretations between implementers, examiners, and supervisors	- Conducting analysis of conflicting regulations that give rise to multiple interpretations; - Conducting analysis of economic and natural resource potentials, and potential sectors that can be developed to increase local original income	Regional financial planning and management workshop for related OPDs
Personnel Factors	- The process of preparing and presenting regional government financial reports often experiences delays in budget realization reports, balance sheets, equity change reports; - There is no relevance of performance evaluation to the accountability of government agencies in budget implementation	Holding discussion forums and consultations for experts, stakeholders, and industry players to discuss complex regulatory issues.	Desamination/dissemination of research results

Results and Discussion

1. Results of SWOT Analysis of Regional Original Income Increase Strategy

Table 1.

Internal Factor Analysis Summary (IFAS)

NO.	STRENGHT	WEIGHT	RATING	TOTAL
1.	The existence of regulations	0,50	5	2,50
2.	The existence of methods and innovations in tax sector revenue	0,33	5	1,67
3.	The existence of a management agency	0,17	3	0,50

Total Power					4,67	
NO.	WEAKNESS			WEIGHT	RATING	TOTAL
1.	Availability	of	human	0,25	5	1,25
	resources					
2.	Community Support			0,17	4	0,67
3.	Bureaucratic Behavior			0,25	5	1,25
4.	Low financial literacy			0,17	3	0,50
5.	PAD sources still come from			0,17	5	0,83
	taxes and levies					
Total Weakness						4,50
Total Strengths - Total Weaknesses Difference (S-W = X)						0,17

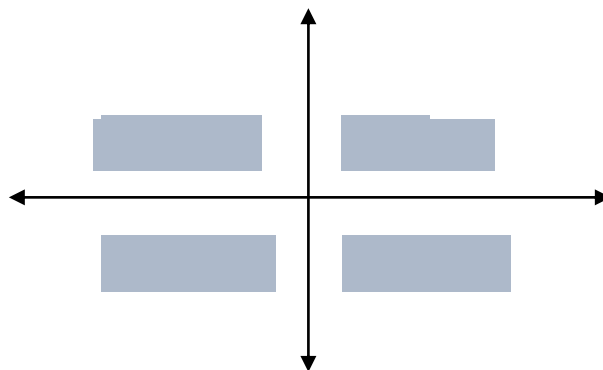
Source: Data processed by researchers, 2024

Table 2.

Eksternal Factor Analysis Summary (EFAS)

NO.	OPPORTUNITY			WEIGHT	RATING	TOTAL
1.	Optimization	of	natural	0,30	5	1,50
	resources					
2.	Development	of	leading	0,30	5	1,50
	sectors					
3.	Infrastructure improvements			0,20	5	1,00
4.	The existence of government			0,20	3	0,60
	programs					
Total Chances						4,60
NO.	THREAT			WEIGHT	RATING	TOTAL
1.	The high number of corruption			0,333	5	1,67
	cases in Indonesia					
2.	PAD increase is still very low			0,222	5	1,11
3.	Community and business actor			0,333	4	1,33
	participation is still low					
4.	The investment sector is still			0,111	3	0,33
	focused on the agricultural					
	sector					
Total Threat						4,44
Total Strengths - Total Weaknesses Difference (O-T = Y)						0,16

Source: Data processed by researchers, 2024



Based on the results of the IFAS and EFAS analysis on the page above, it shows that the strategy for increasing the Regional Original Income (PAD) of Bolaang Mongondow Regency is in quadrant I with an emphasis on the Progressive Strategy or better known as the ST Strategy (Strength Opportunity). This position indicates a strong and promising organization. The recommended strategy is Progressive, meaning that the organization is in prime and stable condition so that it is very possible to continue to expand, increase growth and achieve maximum progress.

The Quantitative Strategic Planning Matrix (QSPM) is a tool that allows strategists to objectively evaluate various alternative strategies, based on external and internal important success factors identified in the previous analysis. One of the advantages of QSPM is that its series of strategies can be observed sequentially and simultaneously. There is no limit to the number of strategies that can be evaluated or the number of series of strategies that can be observed at once when using QSPM (David, 2009).

The top row of the QSPM contains alternative strategies derived from the SWOT Matrix. Conceptually, the QSPM determines the relative attractiveness of various strategies built on external and internal critical success factors. The relative attractiveness of each strategy in a set of alternatives is calculated by determining the cumulative impact of each external and internal critical success factor. Any number of alternative strategy sets can be included in the QSPM, and any number of strategies can be included in each set, but only strategies in a particular set are evaluated relative to each other (David, 2009).

Based on the results of the QSPM analysis, it shows that the TAS figure for external strategic factors of 4.53 is smaller than the TAS figure for internal strategic factors of 4.56. This figure shows that the right strategy for increasing PAD in North Bolaang Mongondow Regency to be implemented is "Intensification Strategy".

Discussion

Based on the results of the SWOT and QSPM analysis, it is stated that the Bolmut Regency Government needs to be more proactive in increasing Regional Original Income, although several efforts and strategies have been carried out so far, but the desired targets and achievements have not met the expectations of the local government. The results of the SWOT analysis and QSPM analysis have similarities where the local government is expected to be more active in carrying

out or creating new strategies to strengthen the increase in Regional Original Income in the Bolmut Regency area. Therefore, to realize the wishes of the local government, we as researchers try to recommend several strategies or steps that need to be taken by the Bolmut Regency Government by emphasizing the intensification strategy. The intensification strategy is to improve the regional income management system by utilizing information technology related to registration, data collection, determination and collection of regional taxes and regional levies, while the factors for increasing Regional Original Income (PAD) are taxpayer compliance, regional leader performance, increasing regional tax and regional levy revenues, and also regional government spending. According to Halim (2007) intensification strategy is an effort, action or effort to increase revenue so that the desired target or budget that has been set in the previous APBD can be achieved or realized by conducting more active, strict and careful collection". Meanwhile, according to Suparmo (2010) intensification strategy is an effort made by the government to increase regional revenue which is achieved through increasing compliance of existing tax subjects.

Fred R. David stated that the implementation of intensification strategy in an organization requires intensive efforts to improve the competitive position of existing product companies. Included in the intensification strategy category are the following:

a. Market Penetration Strategy,

is trying to increase the market share of a product or service through greater marketing efforts. This strategy can be implemented either individually or together with other strategies to increase the number of salespeople, advertising costs, items for sales promotions and other promotional efforts. So the goal of this strategy is to increase market share with maximum marketing efforts.

b. Market Development Strategy,

This strategy aims to introduce existing products or services to areas that are geographically new. From a global perspective, international market development has been widely carried out by companies. However, certain industries will face difficulties in competing in the local market. So the goal of this strategy is to increase market share.

c. Product Development Strategy,

Is a strategy that aims for companies to increase sales by improving or modifying existing products or services. This strategy usually requires extensive and sharp research and requires quite a lot of money. So, the goal of this strategy is to improve and develop existing products.

The intensification strategy in this study refers to Kustiawan's theory (2010) which divides three aspects in efforts to develop and increase PAD in the Bolmut Regency area, the three

aspects consist of institutional aspects, management aspects, and personnel aspects. which are implemented through the following activities:

- a. Adjusting/improving the institutional/organizational aspects of managing local revenue (local revenue office), including its apparatus in accordance with the ever-growing needs, namely by optimally implementing the system and procedures for regional tax administration, regional levies and other revenue receipts regulated by the Decree of the Minister of Home Affairs of the Republic of Indonesia Number 43 of 1999.
- b. Providing an impact towards increasing local revenue, because this system can encourage the creation of: 1) Increasing the number of taxpayers and regional retribution payers; 2) Increasing the methods for determining taxes and levies; 3) Increasing the collection of taxes and levies in the correct amount and on time; 4) Improving the bookkeeping system, so that it is easier to search for tax and retribution arrears data which can ultimately facilitate its collection.
- c. Improving/adjusting the management aspects, both administrative and operational, which include: 1) Adjusting/improving the administration of levies; 2) Adjusting tariffs; 3) Adjusting the levy implementation system
- d. Increasing Supervision and Control which includes: 1) Supervision and legal control; 2) Technical supervision and control; 3) Supervision and control of administration
- e. Improving human resources for PAD managers by improving the quality of human resources/apparatus for managing regional income can be done by involving their apparatus in the Regional Finance Course (KKD), as well as education and training programs related to regional financial management.
- f. Increasing community outreach activities to raise public awareness of paying taxes and levies.

Based on the explanation above, the researcher tries to describe the intensification strategy for increasing PAD in North Bolaang Mongondow Regency by referring to Kustiawan's theory (2010):

1) Institutional Aspect

Institutions as rules of the game and organizations, play an important role in regulating the use/allocation of resources efficiently, evenly and sustainably. According to Sahyuti (2006) institutions are a consolidation of behavior that lives in a group of people which is something that is stable, steady and patterned; functions for certain purposes in society; found in traditional and modern social systems or can be traditional and modern and function to make social life more efficient. Specifically, Djogo (2003) tries to provide a definition of institutions, including the following: Institutions are a system and pattern of relationships between members of society in

an organization that has limiting and binding factors in the form of norms, formal rules, or non-formal to achieve common goals. According to Veblen, institutions are a set of norms and ideal conditions (as subjects of dramatic change) that are reproduced imperfectly through habits in each subsequent generation of individuals (Yustika: 2013). Thus, institutions act as a stimulus and guide to individual behavior. In this case, individual preferences are not a fundamental causal factor in decision making, so in this position there is no place to start a theory.

Institutions have a significant impact on increasing Regional Original Income (PAD). Regional Original Income (PAD) is the main source of income for local governments which comes from various sources, such as regional taxes, levies, regional business results, and other legitimate and halal sources of income.

2) Governance Aspect

Intensification efforts carried out by streamlining and making revenue effective by increasing the number of taxpayers and levy payers and increasing outreach activities to the community to raise public awareness of paying regional taxes and levies are in accordance with those carried out by the BPKD of North Bolaang Mongondow Regency, this can be seen from the increase in the number of taxpayers and revenue through regional taxes and levies, several innovations and breakthroughs have been made by the local government, namely creating convenience for taxpayers through the smartcity application by creating a convenience, namely electronic transactions of regional taxes through payment channels such as ATMs, Mobile banking and QRIS.

Initially, the taxation system in Indonesia adopted the Government/Official assessment system, namely every year the government (in this case the Directorate General of Taxes) would issue a tax determination for Taxpayers. Thus, new Taxpayers are liable for tax after their taxes have been determined. This situation is very ineffective considering the increasing number of Taxpayers while the number of tax officers is limited. This has resulted in many complaints from Taxpayers who are waiting for the amount of tax determination owed in the previous tax year because it has not been determined. After early 1984 based on Law No. 6 of 1983 concerning General Provisions and Tax Procedures, the taxation system in Indonesia changed to self-assessment, namely taxpayers are given full trust to calculate, account for, and pay taxes owed in accordance with the provisions of tax laws and regulations. Mardiasmo (2019) explains, in an effort to manage the regional tax sector there are three systems that are commonly used for tax collection, namely: 1) Official Assessment System. Namely a tax collection system that gives authority to the government (fiscus) to determine the amount of tax owed by taxpayers; 2) Self Assessment System. Namely a tax collection system that gives authority to taxpayers to determine

their own taxes owed 3) Withholding System. Namely a tax collection system that gives authority to third parties to deduct and collect taxes owed by taxpayers. Indonesia currently applies the three tax collection systems above based on the category and type of tax, for example for Land and Building Tax using the Official Assessment System, Tax Income uses the Self Assessment System, and PPh 22, PPh 23, and PPh 24 use the Withholding System.

This study explains that the implementation or procedure for collecting regional taxes that are the authority of the provincial government and district/city government, Bolmut Regency currently carries out the tax sector collection method with the following approaches: 1) Taxes can be paid by Taxpayers after Taxpayers receive a Regional Tax Assessment Letter (SKPD) or other equivalent documents. This method is included in the official assessment system; 2) Taxpayers calculate, pay, and report personally or by themselves according to the tax owed through the Regional Tax Notification Letter (SPTPD). This method is included in the self-assessment system.

Fayol (in Harahap, 2001) stated that supervision is an effort to check whether everything happens in accordance with the established plan, the orders issued, and the principles adopted. It is also intended to identify weaknesses and errors in order to avoid them in the future. The results of the study show that the local government of North Bolaang Mongondow Regency so far still has tolerance for its taxpayers regarding delays or reluctance to pay taxes to the state/region, some of the things that are currently being done are tax amnesty, reducing the burden and time of tax payments, this is done to foster trust in the community and eliminate the impression of arrogance for the region towards tax management, in addition, the local government does not want to be considered impartial to the community, especially the poor, regarding regional tax issues.

3) Personnel Aspect

The success of increasing PAD in a region cannot be separated from the ability of human resources/personnel that it currently has, the better the quality of the personnel owned, the better the management of regional finances to improve the welfare of the community in the North Bolaang Mongondow Regency area. Improving human resources in managing local revenue (PAD) is done by improving the quality of human resources or local revenue management apparatus, which can be done by involving its apparatus in regional financial courses, as well as education and training programs related to local financial management that are in line with those carried out by the BPKD of North Bolaang Mongondow Regency by involving its employees in functional and managerial training and financial training at the central and regional levels. Improving Human Resources (HR) is a key factor in improving the performance and capabilities

of an organization, including in the context of increasing Local Revenue (PAD) in North Bolaang Mongondow Regency, several steps that can be taken to improve HR in the context of increasing PAD are as follows: 1) Training and Development. Providing training and development to employees related to understanding the taxation system, regional financial management, the latest tax regulations, and management and communication skills needed in collecting taxes and levies; 2) Appropriate Recruitment and Selection Carrying out a careful recruitment process to get employees who have the skills, knowledge, and experience that are in accordance with the needs of the organization in managing local revenue; 3) Use of Technology and Information Systems: Provide training related to the use of modern technology and information systems needed for more effective and efficient management of tax and levy data; 4) Employee Empowerment and Involvement. Provide space for employees to participate in decision-making, provide suggestions, and pay attention to their ideas to improve efficiency in tax and levy collection; 5) Awards and Incentives. Provide awards or incentives to employees who succeed in achieving certain targets in tax and levy collection, to increase their motivation and performance; 6) Continuity of Education and Career Development Provide opportunities for employees to continue to develop their skills through advanced education and training programs and provide a clear career path for those who excel; 7) Collaboration and Teamwork. Encourage a solid and collaborative teamwork culture to improve effectiveness in managing taxes and levies, including in terms of sharing information and experiences between team members; 8) Performance Evaluation and Feedback. Conduct regular performance evaluations and provide constructive feedback to employees so that they can continue to improve their performance.

Human resource development is a long-term investment that can provide great benefits for efficiency and effectiveness in tax and levy management. With skilled human resources, it is possible that, and motivated, organizations can be better at maximizing Local Original Income in a sustainable manner.

Conclusion

Referring to the research findings, it can be concluded that the Regional Government Strategy in Increasing Local Revenue in North Bolaang Mongondow Regency is quite good, this can be explained through the following strategy formulation: 1) The results of the SWOT analysis show that the strategy for increasing Local Revenue (PAD) of Bolaang Mongondow Regency is in quadrant I with an emphasis on the Progressive Strategy or better known as the ST Strategy; 2) The results of the QSPM analysis show that the TAS figure for external strategic factors of 4.53 is

smaller than the TAS figure for internal strategic factors of 4.56. This figure shows that the right strategy for increasing PAD in North Bolaang Mongondow Regency to be implemented is "Strategic Intensification; 3) The institutional/organizational aspect of managing local revenue (PAD) is one of the efforts made to intensify regional revenue and this is in accordance with that carried out by the BPKD of North Bolaang Mongondow Regency which has implemented an employee placement system based on expertise in carrying out their main tasks and functions in each field so that it has a positive effect on the implementation of government programs in realizing consistent PAD increases in order to support the quality of development in the North Bolaang Mongondow Regency area; 4) The Governance Aspect, in increasing PAD in North Bolaang Mongondow Regency is through electronic transactions whose implementation not only provides convenience for the community in making payments, but also has a significant positive impact on local revenue by increasing tax compliance, administrative efficiency, and diversification of income sources; 5) Personnel Aspect, Improving human resources in managing local revenue (PAD) is done by improving the quality of human resources or regional revenue management apparatus which can be done by involving its apparatus in regional financial courses, also education and training programs related to regional financial management are in line with those carried out by the BPKD of North Bolaang Mongondow Regency by involving its employees in functional and managerial training as well as financial training at the central and regional levels.

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