



## BEYOND METRICS: PERFORMANCE MANAGEMENT DYNAMICS IN INDONESIAN PUBLIC SECTOR ENERGY AND MINERAL RESOURCES GOVERNANCE

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### Abstract

Performance management systems in public sector organizations confront distinctive challenges balancing accountability imperatives with operational complexities, particularly within technically demanding domains like energy and mineral resources governance. This qualitative case study examines performance management system dynamics at Banten Province Energy and Mineral Resources Agency, investigating planning, monitoring, and evaluation processes alongside civil servant interpretations of system implementation. Through semi-structured interviews with purposively-selected officials and operational staff, direct administrative process observations, and systematic document analysis encompassing strategic plans, performance indicators, and institutional reports, research reveals four critical findings: hierarchical performance planning demonstrates regulatory adaptability despite resource constraints; monitoring combines formal mechanisms with digital systems though communication challenges persist; evaluation processes maintain systematic procedures yet retain subjectivity potential in behavioral assessments; and system implementation fosters disciplined, professional, accountable organizational culture despite administrative burden concerns and limited digital integration. Findings enrich understanding of public sector performance management's dynamic character while providing theoretical and practical implications for strengthening performance systems in strategic Indonesian government sectors. Research contributes empirically-grounded insights from underexplored energy-mineral governance contexts, offering evidence-based recommendations for reconciling performance measurement rigor with sectoral operational realities.

**Keywords:** Performance Management System, Public Sector, Qualitative Case Study, Energy Governance, Mineral Resources, Indonesia

### INTRODUCTION

Performance management systems have emerged as central instruments in contemporary public sector reform worldwide, positioned as strategic mechanisms for enhancing accountability, transparency, and service quality. Indonesia's bureaucratic reform agenda, paralleling global New Public Management trends (Pollitt & Bouckaert, 2017), increasingly emphasizes performance management as foundational framework ensuring governmental resources particularly civil servants fulfill roles and responsibilities effectively aligned with organizational objectives and societal expectations. However, public sector performance management implementation confronts substantially greater complexity than private sector applications given distinctive contextual characteristics including political interests, change resistance, evaluation subjectivity, and indicator specification challenges accurately representing public service

outcomes and impacts (Van Dooren, Bouckaert, & Halligan, 2015).

Indonesian performance management systems face particular implementation challenges. Recent regulatory reforms emphasizing measurable, transparent, results-oriented civil service management have generated policy frameworks, yet operational execution frequently diverges from theoretical ideals, creating theory-practice gaps. Empirical case studies across Indonesian regions reveal persistent challenges: weak internal communication, limited human resource capacity, inadequate infrastructure support, and performance stagnation despite formal system adoption (Azis, 2023). These findings suggest that policy frameworks alone prove insufficient successful implementation requires contextual adaptation, organizational capacity, and cultural transformation.

Performance management assumes heightened urgency within strategic sector agencies like Banten Province Energy and Mineral Resources Agency. Energy governance and natural resource management directly influence regional development trajectories, equitable benefit distribution, environmental sustainability, and community welfare. Ineffective performance systems in such agencies risk resource misallocation, service quality deterioration, increased irregularities, and natural resource management inefficiencies. Yet empirical research specifically examining performance management dynamics, experiences, challenges, and interpretations within Indonesia's energy-mineral resource agencies remains remarkably limited a knowledge gap demanding systematic investigation.

This research addresses these gaps through intensive qualitative case study examining performance management system implementation at Banten Province Energy and Mineral Resources Agency. We pursue three objectives: (1) to document performance planning, monitoring, and evaluation practices within this technical agency context; (2) to analyze implementation challenges, adaptive responses, and organizational-environmental factors influencing system effectiveness; and (3) to investigate how agency personnel interpret and experience performance management in daily work activities. By generating rich empirical data capturing lived experiences within underresearched energy-mineral governance contexts, this study contributes both theoretical insights regarding public sector performance management dynamics and practical recommendations for Indonesian government agencies pursuing sustainable approaches balancing accountability rigor with operational realities.

## **LITERATURE REVIEW**

### **Performance Management in Public Sector Contexts**

Public sector performance management scholarship draws heavily upon New Public Management (NPM) theoretical foundations emphasizing efficiency, effectiveness, professional administration, accountability clarity, and organizational flexibility (Hood, 1991; Pollitt & Bouckaert, 2017). Performance management systems function not merely as monitoring-reporting mechanisms but as strategic frameworks

aligning civil servant performance with organizational objectives while generating tangible societal benefits. Contemporary understanding conceptualizes performance management as continuous system encompassing planning, measurement, monitoring, evaluation, and ongoing improvement rather than annual assessment exercises (Bititci, Cocca, & Ates, 2016).

Performance management cycles typically integrate interconnected activities: goal-setting establishing clear objectives and targets; performance measurement tracking progress through indicators; monitoring enabling real-time assessment and course correction; evaluation determining achievement levels and identifying improvement areas; and feedback incorporating evaluation insights into planning cycles (Moynihan & Pandey, 2010). Public sector implementation must balance quantitative metrics (budget achievement, absorption rates, service outputs) with qualitative dimensions including service quality, accountability, transparency, and organizational culture aspects often challenging to measure objectively (Van Dooren et al., 2015).

### **Implementation Challenges and Contextual Complexities**

Public sector performance management confronts distinctive implementation challenges absent in private contexts. Research consistently documents fundamental complexities: political-professional value conflicts, abstract performance target formulation, evaluation subjectivity potential, and bureaucratic change resistance (Bouckaert & Halligan, 2008; Walker, Damanpour, & Devece, 2011). These challenges intensify within technical domains like energy-mineral resource governance where performance depends on specialized expertise, environmental compliance, cross-sector coordination, and long-term sustainability considerations extending beyond immediate output metrics.

Indonesian empirical studies reveal implementation gaps between policy intentions and operational realities. Research examining provincial government performance systems found stagnant achievement despite formal system adoption, attributed to weak individual-organizational performance linkages, inadequate incentive structures, and limited training systems (Pratama, 2021). Studies in Indonesian local governments identified communication breakdown, resource constraints, and infrastructure inadequacies as persistent obstacles undermining performance management effectiveness regardless of formal policy existence (Malika, Nuruna, & Mumtaz, 2024). These findings emphasize that successful implementation requires not merely policy frameworks but organizational capacity, leadership commitment, and cultural readiness.

### **Dynamic Performance Management Framework**

Recent scholarship proposes Dynamic Performance Management frameworks offering systems-oriented perspectives for understanding public sector performance management (Sardi, Sorano, & Ferraris,

2021). This approach conceptualizes performance not as static achievement measurement but as continuous organizational capacity cultivation and public value creation. Dynamic frameworks emphasize interconnections between organizational capabilities for regenerating diverse resources (human, institutional, social) and performance outcomes, recognizing how internal-external environmental changes influence long-term results. Within energy-mineral resource governance specifically, dynamic perspectives prove particularly relevant given rapid regulatory evolution, technological change, environmental sustainability imperatives, and stakeholder demand volatility. Organizations must demonstrate not merely current performance but adaptive capacity navigating uncertainty while maintaining accountability. Integrating Balanced Scorecard structural elements (Kaplan & Norton, 1996) with dynamic performance perspectives enables comprehensive analysis capturing both systematic measurement and organizational adaptability dimensions essential for strategic sector agencies.

## **METHOD**

### **Research Design: Qualitative Case Study Approach**

This research employs qualitative case study methodology to generate intensive, contextualized understanding of performance management system implementation at Banten Province Energy and Mineral Resources Agency. Following Yin's (2018) case study framework, this single-case design proves appropriate for investigating contemporary organizational phenomena within real-world contexts where phenomenon-context boundaries remain indistinct and multiple evidence sources enable triangulation. The design facilitates deep investigation revealing implementation nuances, practitioner experiences, and structural-relational dynamics that broader comparative approaches might overlook (Creswell & Poth, 2018). Banten Province Energy and Mineral Resources Agency was purposively selected given: (1) continuous production operations creating inherent performance management challenges; (2) established formal HR policies potentially including performance initiatives; (3) location within Indonesia's industrial corridor representing broader Indonesian government contexts; and (4) secured organizational access enabling comprehensive data collection.

### **Participant Selection and Data Collection**

Research participants were selected through purposive sampling targeting maximum variation across organizational roles and performance management involvement. Selection criteria required: direct involvement in performance planning, monitoring, evaluation, or reporting; minimum one performance cycle experience (one fiscal year); and willingness to share candid perspectives. Participants encompassed structural officials responsible for performance policy oversight, operational staff implementing daily performance activities, and HR personnel managing performance administration. Sampling continued until

theoretical saturation the point where additional interviews generated no substantially new insights achieved with 12 participants.

Data collection employed three complementary methods enabling triangulation. Semi-structured in-depth interviews constituted primary data source, exploring: performance system experiences and interpretations; planning-monitoring-evaluation processes; implementation challenges and adaptive responses; and organizational-environmental factors influencing effectiveness. Interviews lasted 60-90 minutes, were audio-recorded with informed consent, and transcribed verbatim. Direct observations supplemented interviews through site visits documenting performance planning meetings, evaluation forums, administrative processes, and workflow patterns. Document analysis examined organizational materials including strategic plans, performance indicators, monitoring reports, Government Agency Performance Reports (LKjIP), and policy documents, providing contextual information and enabling formal policy-actual implementation comparisons.

### **Data Analysis and Quality Assurance**

Qualitative data analysis followed systematic thematic analysis procedures integrating deductive and inductive coding approaches (Braun & Clarke, 2006). Analysis proceeded through: (1) data immersion through repeated transcript reading and field note review; (2) initial open coding identifying discrete concepts and patterns; (3) focused coding organizing initial codes into thematic categories (e.g., 'adaptive planning,' 'communication challenges,' 'evaluation subjectivity'); (4) thematic development refining categories into coherent themes addressing research questions; and (5) constant comparison systematically comparing data within and across cases identifying patterns, variations, and disconfirming evidence. Throughout analysis, researchers maintained reflexive journals documenting analytical decisions and interpretive reasoning, enhancing transparency and rigor. Data quality was assured through multiple strategies: source and method triangulation comparing findings across interviews, observations, and documents; member checking whereby preliminary findings were shared with select participants for feedback verification; and audit trail documentation systematically recording research decisions, analytical processes, and data transformations ensuring transparency and dependability (Lincoln & Guba, 1985).

## **FINDINGS AND DISCUSSION**

### **Hierarchical Performance Planning with Adaptive Capacity**

Performance planning at the agency proceeds through hierarchical mechanisms cascading from Strategic Plan articulation through annual unit-level indicator formulation. Interview data revealed collaborative processes involving cross-functional coordination ensuring indicator alignment across organizational levels. One official explained: 'Target formulation involves intensive coordination with unit

staff and secretariat ensuring indicators align with agency key performance indicators while remaining achievable given resources.' Planning demonstrates structured systematic approach consistent with performance management cycle literature (Moynihan & Pandey, 2010).

However, planning exhibits significant adaptive capacity responding to regulatory changes and operational uncertainties. Participants described quarterly target revisions as routine practice given energy-mineral sector dynamism. One manager noted: 'Regulatory changes and budget constraints require continuous target adjustment quarterly reviews have become normal rather than exceptional.' This finding supports Dynamic Performance Management perspectives emphasizing organizational adaptation to environmental volatility (Sardi et al., 2021). Unlike static planning assumptions, agency planning demonstrates iterative responsiveness balancing accountability rigor with operational flexibility a pragmatic adaptation to sectoral characteristics.

### **Hybrid Monitoring: Formal Systems and Informal Coordination**

Performance monitoring combines formal mechanisms (quarterly reporting, official evaluation meetings) with digital systems (e-performance applications) and informal coordination channels (internal forums, messaging applications). Participants emphasized multi-layered monitoring importance: 'Each section reports progress with supporting evidence quarterly, while weekly meetings and digital systems enable continuous individual monitoring.' This hybrid approach reflects efforts balancing systematic oversight with operational flexibility and responsiveness.

Despite systematic structures, communication challenges persist. Participants reported indicator interpretation inconsistencies and coordination difficulties across units. One staff member explained: 'WhatsApp groups improve informal coordination, but formal indicator understanding varies what constitutes achievement remains debated.' This finding aligns with research demonstrating that digital system adoption alone proves insufficient without effective interpersonal coordination and shared understanding (Nurhadianthy & Anis, 2023). The persistence of interpretation challenges despite formalization suggests monitoring effectiveness depends critically on communication quality, shared language, and relationship strength dimensions requiring ongoing organizational attention.

### **Systematic Yet Imperfect Evaluation Processes**

Performance evaluation operates through formal structured procedures at both individual (Employee Performance Targets and behavior assessment) and unit levels (quarterly monitoring-evaluation meetings). Participants generally perceived evaluations as objective given reliance on measurable indicators and concrete evidence. One official stated: 'Evaluation objectivity stems from specific achievement indicators and activity documentation numbers don't lie.' This systematic approach reflects performance management

best practices emphasizing evidence-based assessment (Bititci et al., 2016).

However, participants acknowledged subjectivity potential particularly in behavioral assessments. One manager observed: 'Quantitative targets are objective, but work behavior evaluation involves supervisor judgment bias potential exists despite criteria.' This tension between objective measurement aspirations and subjective judgment realities represents persistent public sector performance management challenge (Van Dooren et al., 2015). Findings suggest evaluation credibility requires not merely systematic procedures but transparency enhancement, data-based assessment strengthening, and potential bias recognition areas warranting continued improvement attention.

Importantly, evaluation findings inform organizational learning and adaptation. Participants described how evaluation results triggered planning adjustments, resource reallocation, and policy refinements. One example: mining supervision targets were revised following evaluation revealing technical resource limitations. This feedback loop demonstrates nascent learning system development moving beyond accountability reporting toward continuous improvement orientation consistent with performance management cycle completion (Moynihan & Pandey, 2010).

### **Cultural Transformation Amid Implementation Challenges**

Performance management system implementation generates both positive cultural impacts and persistent challenges. Participants credited the system with fostering work discipline, task execution timeliness, and service quality enhancement. One official explained: 'The system makes work more measurable and accountable we're more disciplined about deadlines and responsibilities.' This cultural shift toward performance orientation represents significant achievement given documented bureaucratic resistance to performance management adoption (Walker et al., 2011). However, administrative burden concerns emerged consistently. Participants described extensive documentation requirements, reporting complexity, and time investments diverting attention from substantive work. One staff member lamented: 'Documentation demands are overwhelming sometimes we spend more time recording activities than doing them.' Additionally, incomplete digital system integration limits responsiveness and coordination efficiency. These challenges reflect broader public sector performance management implementation dilemmas: balancing accountability documentation with operational efficiency, and managing technology adoption complexity (Pollitt & Bouckaert, 2017). Findings suggest that while performance culture foundations are establishing, sustainability requires addressing administrative burden and strengthening digital infrastructure supporting rather than hindering performance.

### **CONCLUSIONS**

This qualitative case study reveals that performance management system implementation at Banten

Province Energy and Mineral Resources Agency proceeds within highly dynamic and complex organizational environments. Four primary conclusions emerge. First, performance planning demonstrates hierarchical structure with significant adaptive capacity, routinely adjusting targets responding to regulatory changes, field conditions, and resource constraints reflecting Dynamic Performance Management principles emphasizing environmental responsiveness. Second, performance monitoring combines formal mechanisms, informal coordination, and digital systems, though communication challenges and interpretation inconsistencies persist, underscoring that technology adoption alone proves insufficient without interpersonal coordination strengthening.

Third, evaluation processes maintain systematic evidence-based procedures yet retain subjectivity potential in behavioral assessments, indicating continued need for transparency enhancement and data-based assessment strengthening. Crucially, evaluation findings inform organizational learning and adaptation rather than serving merely accountability purposes nascent feedback loop development representing important advancement. Fourth, system implementation fosters performance-oriented cultural transformation evidenced by enhanced discipline, accountability, and professionalism, though administrative burden concerns and limited digital integration pose sustainability challenges requiring ongoing attention.

Theoretically, findings enrich public sector performance management understanding by demonstrating how systems function within technically complex, rapidly changing strategic sectors. Research reveals performance management effectiveness depends critically on adaptive capacity, digital-interpersonal integration, participatory evaluation processes, and ongoing cultural reinforcement dimensions extending beyond formal policy frameworks. Findings contribute empirically-grounded insights from underresearched Indonesian energy-mineral governance contexts, advancing knowledge regarding performance management implementation dynamics in developing country public sectors.

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