

## **Performance Information in Local Government Strategy: An Institutional Isomorphism Approach**

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### **ABSTRACT**

*This study aims to analyze how local government institutions utilize performance information for strategic decision-making, specifically in implementation and evaluation phases, through the lens of institutional isomorphism. The research employs a qualitative method with a case study approach in the Special Region of Yogyakarta, Indonesia. Primary data were collected through in-depth interviews with eight officials selected using purposive sampling. Thematic analysis was conducted following Braun & Clarke's model. Findings reveal that performance information is often used symbolically due to external pressures rather than for substantive strategic improvement. Coercive isomorphism, driven by regulatory compliance, is the most dominant factor, followed by mimetic and normative pressures. This study theoretically reinforces the relevance of institutional isomorphism and practically highlights the importance of strengthening internal capacity for strategic and sustainable performance management. Novelty of this study contextualizes institutional isomorphism within Indonesia's decentralized local governance and presents qualitative evidence on the distinction between symbolic and substantive use of performance information.*

**Keywords:** strategic decision-making, institutional isomorphism, public accountability, performance information, local government

### **ABSTRAK**

Informasi Kinerja dalam Strategi Pemerintah Daerah: Pendekatan Isomorfisme Institusional. Penelitian ini bertujuan untuk menganalisis bagaimana instansi pemerintah daerah memanfaatkan informasi kinerja dalam pengambilan keputusan strategis, khususnya pada tahap implementasi dan evaluasi strategi, dengan menggunakan perspektif teori isomorfisma institusional. Penelitian ini menggunakan metode kualitatif dengan pendekatan studi kasus di Provinsi Daerah Istimewa Yogyakarta. Data primer diperoleh melalui wawancara mendalam dengan delapan pejabat yang dipilih secara purposive. Analisis dilakukan menggunakan pendekatan tematik berdasarkan model Braun & Clarke. Hasil penelitian menunjukkan bahwa penggunaan informasi kinerja cenderung bersifat simbolik akibat tekanan eksternal, bukan sebagai alat substansial untuk peningkatan kinerja strategis. Isomorfisma koersif menjadi faktor dominan, disusul oleh tekanan mimetik dan normatif. Penelitian ini secara teoritis menguatkan relevansi isomorfisma institusional, dan secara praktis menyoroti pentingnya penguatan kapasitas internal untuk manajemen kinerja yang strategis dan berkelanjutan. Kebaruan dalam penelitian ini mengontekstualisasikan isomorfisma institusional dalam pemerintahan daerah terdesentralisasi di Indonesia dan menyajikan bukti kualitatif tentang perbedaan penggunaan informasi kinerja simbolik dan substansial.

**Kata Kunci:** pengambilan keputusan strategis, isomorfisma institusional, akuntabilitas publik, informasi kinerja, pemerintah daerah

## INTRODUCTION

In the era of modern governance, performance information is a very important element in supporting the effectiveness and accountability of public sector organizations, including local government agencies. Performance information is not only used as a monitoring and evaluation tool, but also as a basis for strategic decision-making that includes policy formulation, program priority setting, and public resource allocation. Therefore, the existence of a good performance measurement system is expected to encourage the creation of public organizations that are adaptive, efficient, and responsive to the needs of the community.

Along with these developments, many government agencies have begun to adopt performance measurement systems from the business sector as part of bureaucratic reform. In Indonesia, regulations regarding. These regulations require every government agency to prepare a performance report as a form of accountability to the public, which is technically further regulated through the Regulation of the Minister of PANRB Number 53 of 2014 (Ministry of Empowerment of State Apparatus and Bureaucratic Reform, 2014). The report is not only administrative, but should be the basis for strategic managerial decision-making. On the other hand, the Indonesian Government, through the regulation of the Regulation of the Minister of Home Affairs Number 86 of 2017, has encouraged an increase in the quality of the performance-based planning, budgeting, and reporting system (Ministry of Home Affairs, 2017).

However, in practice, there are still various obstacles to the implementation of this performance information system. Many government agencies prepare performance reports only as an administrative obligation or mere formality, without making it a tool that is actually used in the strategic decision-making process. Although there is a fairly comprehensive performance reporting data and system, not all government agencies utilize this information optimally for decision-making. This phenomenon shows a gap between the availability of information and its use in a strategic context (Kuhlmann & Bouckaert Geert, 2016). To understand this phenomenon, the institutional isomorphism theory from the institutional approach neoinstitucionalismo will be used as a relevant analytical framework. According to DiMaggio & Powell (2000), institutional isomorphism describes the tendency of organizations to standardize their practices and organizational structures due to external pressures that are coercive (regulations and policies), mimetic (imitation of successful organizations), and normative (professional pressures and work culture). In the context of local government, pressure from central regulations, benchmarking between regions, and demands for professionalism can encourage the use of performance information systems that are symbolic, not substantive.

In this study, the theory used to explain the use of performance information for making decisions on strategy implementation and strategy evaluation is the theory of institutional isomorphism. This is in line with several previous studies that use institutional theory in explaining the decision-making process. Wulanningrum, Akbar, & Sari (2020) used institutional isomorphism theory in the context of adopting performance measurement and accountability systems, while Nurmilla, et al (2024) used institutional isomorphism theory to explain the use of system innovation in public services. Institutional isomorphism theory has also been used in the context of the use of financial information (Anlesinya et al., 2023). This shows that the concept of institutional isomorphism contributes to various decision-making processes. Thus, institutional isomorphism theory can also be a basis for explaining the use of performance information for making decisions on strategy implementation and strategy evaluation.

The practice of reporting and using performance information in the public sector is often ceremonial or symbolic. For example, Wulanningrum et al., (2020) and Ahyaruddin & Akbar (2016) revealed that changes that occur in the management of local government performance

are more motivated by efforts to gain legitimacy than by the desire to improve management effectiveness. This phenomenon reflects the existence of isomorphism, especially mimetic and normative, where organizations imitate practices that are considered successful without really understanding their functional context. Furthermore, the use of performance information in strategic decision making is divided into two main dimensions, namely, at the strategy implementation stage and strategy evaluation. Use at the implementation stage includes priority setting, program planning, and budget allocation, while strategy evaluation relates to performance assessment and reporting of results. Previous studies, such as those conducted by Pollanen, (2016) have explored this dimension but have not fully explained the influence of institutional factors on the use of performance information in the context of the public sector in developing countries such as Indonesia.

The low utilization of performance information is also reinforced by the findings of the Ministry of PANRB which shows that one of the causes of the low value of the Government Agency Performance Accountability System (SAKIP) is the weak utilization of performance data for strategic decision-making. In many cases, performance reports are only used as complementary documents for external assessments, not as the main reference in performance-based management. As a result, sustainable improvement in public services is difficult to achieve. This study seeks to examine in depth how local governments utilize performance information in strategic decision-making and the extent to which institutional pressure plays a role in shaping these practices. The main focus is directed at local governments in the Special Region of Yogyakarta (DIY) Province, which is nationally known as the province with the best SAKIP predicate. This achievement is the basis for examining whether the high accountability score in DIY reflects the implementation of substantial performance management or is the result of a response to institutional pressure.

By adopting institutional theory as the main analytical framework, this study aims to reveal the existence of isomorphism patterns in the use of performance information. The main question to be answered is: Do local governments use performance information as a truly strategic decision-making tool, or do they simply follow institutional pressures that encourage conformity without substance? The results of this study are expected to provide theoretical contributions in the development of public sector performance studies, as well as provide practical recommendations for other local governments that want to substantially improve the quality of SAKIP implementation. Thus, this study is important in the context of bureaucratic reform in Indonesia, especially in understanding how external pressures and internal factors influence the behavior of public sector organizations. If the use of performance information is truly interpreted as a strategic managerial tool, then performance-based bureaucratic reform can run more effectively. However, if this practice is only symbolic, then accountability and effectiveness of public services will be difficult to achieve.

## LITERATURE REVIEW

### *1. Institutional Theory*

Institutional theory has been widely used to explain phenomena and provide a complex and rich view in the public sector organizational environment (Anlesinya et al., 2023). According to institutional theory, organizations are shaped by forces originating from outside the organization through the process of obedience (compliance), imitation, and process cognition (DiMaggio & Powell, 2000). Institutional theory can be used to explain the actions that occur in decision-making in public sector organizations. Organizations that have legitimacy will have isomorphism the same to adapt to the place where the organization depends (DiMaggio & Powell, 2000). There are two types of isomorphism, as explained by DiMaggio

& Powell (2000), namely competitive and institutional isomorphism. In this study, the researcher used the concept of institutional isomorphism, considering that the government conditions in Indonesia do not have free competition, but rather each regional government competes to gain legitimacy through political power (Pageno, 2020). Public sector organizations have almost the same institutional pressures (Anlesinya et al., 2023). The pressures that arise in institutions give rise to three mechanisms of change, which are referred to as institutional isomorphism that is coercive, mimetic, and normative isomorphism (DiMaggio & Powell, 2000).

The purpose of using a performance measurement system carried out in many government agencies in Indonesia is more dominated by the need for management to comply with central government regulations and parliamentary interests, rather than the need to realize public accountability (Ahyaruddin & Akbar, 2016). The findings of this study point to the existence of mimetic *isomorphism* in the use of performance measurement systems. *Normative isomorphism* is a pressure that comes from professionalism. Professionalization builds a cognitive basis and legitimacy for organizational autonomy (DiMaggio & Powell, 2000). Pressure Normative Influence the process of organizational change in line with changes in knowledge and environmental changes. Professional groups gradually share collective norms and expectations regarding what behavior is desired by the constitution/regulation (Pal & Ojha, 2017). The process of spreading and strengthening these norms and expectations can be through information exchange activities in formal education, association participation, communication through conferences, and professional consultants (DiMaggio & Powell, 2000). Pressure Normative Proven to influence the process of organizational change, even though its influence does not impose pressure coercive (Ahyaruddin & Akbar, 2016). In the context of using a performance measurement system, the existence of training, workshops, and consultations for local government officials from professional groups is a form of normative isomorphism.

## **2. Use of Performance Information**

Performance information has a strategic role in encouraging the creation of good governance because it supports data-based and results-oriented decision making. This information is obtained from a performance measurement system that is systematically designed to improve the productivity, effectiveness, and accountability of public sector organizations (Santoso, 2021). In the context of government, accounting plays a role in providing relevant information as a basis for consideration in program management and operational control (Bastian (2016) in Pageno, (2020)).

In this regard, recent literature encourages a more strategic and integrative approach, where performance information is not only treated as a bureaucratic formality but becomes a tool for organizational transformation. More specifically, Pollanen (2016) divides the use of performance information into two main functions: strategy implementation and strategy evaluation. The first function includes setting priorities, allocating resources, and formulating organizational goals, while the second function is related to measuring success and reporting performance to top-level policy makers and supervisory institutions. This is in line with Bastian's (2016) view in Pageno (2020) stating that management strategy requires a strong implementation and evaluation process to ensure the success of public organizations. Recent research by Manes-Rossi, Nicolò, & Argento (2020) also emphasizes that a good strategic performance measurement system will help public managers in preparing long-term planning and adapting strategies to the dynamics of the external environment. Based on this framework, the classification of the use of performance information into these two strategic dimensions is a relevant approach in responding to the challenges of bureaucratic reform and improving the quality of public services sustainably.

### 3. Management Commitment

Management commitment is an important foundation in driving organizational effectiveness, especially in the public sector. This commitment reflects the emotional attachment, loyalty, and dedication of management to achieving the organization's mission, values, and goals. Managers who have high commitment not only encourage employee engagement but also create a productive and results-oriented work environment. In the context of performance measurement, the success of implementation is highly dependent on the collective support and commitment of all levels of management, from leaders to technical implementers (Dooren et al., 2015).

Theoretically, management commitment has strong relevance to the normative isomorphism approach, which describes the collective struggle of organizational members to legitimize professional practices in the context of governance and job autonomy. DiMaggio & Powell (2000) stated that institutional norms can encourage organizations to adopt practices that are considered legitimate by the external environment and the professional community. In this case, normative commitment triggers managers to voluntarily integrate performance measurement systems as part of the continuous improvement process. In addition to being a normative basis, management commitment is also reflected through strategic resource allocation, internal political support, and policies that support innovation. Strong managerial commitment also encourages the effective use of performance information in decision making and strategic planning. Therefore, in modern bureaucratic reform, management commitment is not just a normative concept, but a primary prerequisite in building an adaptive and results-oriented public sector organization (Pageno, 2020).

## RESEARCH METHOD

Qualitative research can explore and provide understanding related to behavior of individuals or groups originating from a social event (Creswell, 2023). The study's data source is primary data. Primary research data comes from in-depth *interviews by* determining informants using purposive sampling techniques.

### 1. Unit Analysis

The research was conducted at the Yogyakarta Special Region Government (DIY), which consists of: Yogyakarta City Government, Sleman Regency Government, Bantul, Gunung Kidul, and Kulon Progo. The object of this research is the Regional Government Organization. The method used to select the sample is purposive *sampling*. Sample selection criteria with the provision of officials at least echelon 3 or 4 who have served for at least 1 year in each service, agency, or office with the hope that informants have been involved in the process of preparing strategic planning and performance reports so that the selected informants are believed to have understood the conditions in the service, office or agency where they are placed. Based on this, the interview informant data amounted to 8 people, briefly can be seen in the table can be seen in table 1 below.

**Table 1.** Informant Data

No	Informant	Department	Description
1.	I1	Land and Spatial Planning Service of Bantul Regency	Head of Planning and Finance Sub-Division
2.	I2	Yogyakarta City Public Order Agency	Head of Planning and Finance Sub-Division
3.	I3	Yogyakarta City Development Planning Agency	First Planner and Finance
4.	I4	Kulon Progo Education and Training Personnel Agency	Head of Planning and Finance Sub-Division
5.	I5	Kulon Progo Education and Training Personnel Agency	Planning and Finance Staff



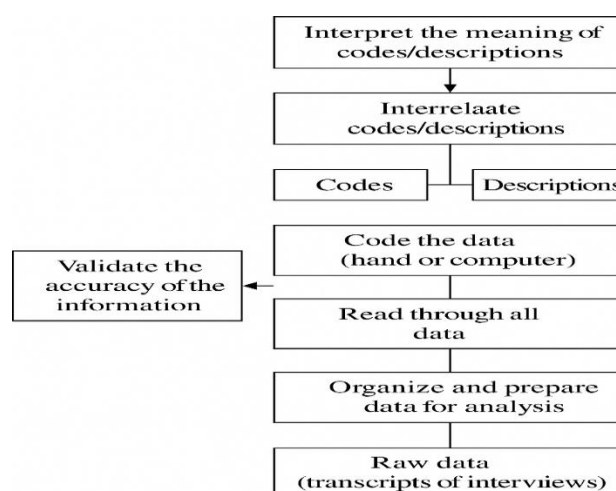
No	Informant	Department	Description
6.	I6	Yogyakarta City Social Service	Head of Planning and Evaluation Sub-Division
7.	I7	Yogyakarta City Tourism Office	Head of Planning and Finance Sub-Division
8.	I8	Sleman Regency Library Service	Secretary of Service

Source: Processed by researchers in 2024.

## 2. Data Analysis Techniques

This study uses thematic analysis by looking at and determining the themes obtained from the research data that has been collected. Thematic analysis is a method used to analyze, identify, and report patterned themes in qualitative data. Several steps need to be taken in analyzing qualitative data, such as processing and preparing data for analysis by making interview transcripts adapted from information sources (Braun & Clarke, 2021; Heriyanto, 2018).

Several steps in data analysis in qualitative research, according to (Creswell, 2023) are first, process and prepare data for analysis. This step involves transcribing interviews, *scanning materials*, typing field data, or sorting or organizing the data into different types depending on the source of information. Both *are* reading the entire data. At this stage, special notes or general ideas about the data obtained are written. Third, start *coding* all the data. Fourth, implementing the process coding to describe the setting (domain), people (participants), categories, and themes to be analyzed. The five shows how descriptions or themes are presented again in qualitative narratives/reports. Sixth, making interpretations or giving meaning to data. The six steps can be illustrated in the following figure 1.



**Figure 1.** Data analysis in qualitative research  
 Source: Creswell (2023)

To ensure the reliability and validity of the qualitative data that has been collected, several procedures can be carried out, including: to ensure the validity of the data by re-checking the transcript results to ensure that there are no errors made during the transcription process. Then, to ensure the reliability of the data, it is necessary to conduct a Q&A with fellow researchers (*peer the briefing*) to increase the accuracy of research results (Heriyanto, 2018).

## RESULTS

### 1. Thematic Analysis Results

To manage the interview data in this study, the researcher used thematic analysis. Thematic analysis is a method used to analyze, identify, and report patterned themes in qualitative data. The pattern or theme raised in this study is the phenomenon of institutional or institutional isomorphism (Braun & Clarke, 2021). Institutional isomorphism is divided into three types, namely coercive, mimetic, and normative isomorphism. The following is an explanation from several informants regarding the existence of institutional isomorphism and the factors that influence the use of performance information in the DIY provincial government, along with arguments explaining why several research hypotheses are supported and not supported.

### 2. Strategic Performance Measurement

Strategic performance measurement consists of efficiency and effectiveness measures, these two measures show different results on the use of performance information, both for implementation purposes and for strategy evaluation purposes. This can be explained and reinforced by the informant's statement from the following interview results.

*"Efficiency and effectiveness, yes. If efficiency in terms of budget might be difficult, yes, because we prepare the budget according to the work program and the amount sometimes follows last year. When the budget for program A is not absorbed well, for example only 50%, then we will evaluate it. So the budget is managed as well as possible. Input becomes output"* (I1, Bantul Regency Land Office).

*"There is already a Regent's Decree, that between 60 to 70% of the budget absorption is cut by 1%, all SKPDs are cut by 1% before distribution, those above 87% are not cut"* (I8, Sleman District Library Service).

*"Efficiency may come from when we want to prepare a budget, so we don't just increase or decrease it, but rather follow the previous year's budget allocation, and with our work programs, we don't just add or reduce the work programs. So for efficiency, it's rare because we look at last year's budget"* (I3, BAPPEDA of Yogyakarta City).

The statement above indicates that efficiency measures cannot be applied in terms of making strategy implementation decisions. In addition to making strategy implementation decisions, efficiency measures can also be used to make strategy evaluation decisions. From the results of the previous hypothesis test, it was found that there was an influence between efficiency measures and the use of information for strategy evaluation purposes. This is reinforced by the results of the following interviews with informants.

*"This activity is still lacking this and that, please resolve. Well, for example, in finance, the sub-section head also always looks at the performance achievements of which work programs have been completed and which are still having problems"* (I7, Yogyakarta City Tourism Office).

*"The budget made for each work program is evaluated to see whether it has been running or not. Are there any obstacles or is it under the initial objectives?" (I2, Yogyakarta City Civil Service Police Unit).*

The statement above indicates that, in the process of evaluating strategies or work programs, efficiency measures are still often used. After presenting a discussion of the results of strategic performance measurement testing for efficiency measures, the next step will be to discuss strategic performance measurements for effectiveness measures.

Effectiveness measures are important to apply because they are long-term oriented. Although in practice, there are still obstacles related to these measurements. This finding is not in line with Pollanen, (2016) who stated that it is difficult to measure effectiveness in the public sector, which is multidimensional, subjective, and long-term oriented, so that public managers only consider objective and relevant information in the short term for making strategic evaluation decisions.

### **3. Management Commitment**

Management commitment is one of several factors that play an important role in realizing performance accountability (Pollanen, 2016). The following are several statements from informants related to management commitment.

*"Well, I agree, sir. When the leader is committed to achieving the performance targets that have been set previously, then we will also focus on achieving them and in the end it will affect the overall performance results." (I1, Yogyakarta City Public Order Agency).*

*"Very necessary. So the commitment of the leadership in the bureaucracy plays a key role, it becomes a fundamental basis for every staff or person placed who works in an OPD. When the leader is committed, the subordinates will follow, it becomes our example. So the basis of the leadership commitment plays an important role, very important and will also directly improve performance" (I1, Land Office of Bantul Regency).*

*"The commitment of a leader will affect his subordinates, even in our own country, a head of an agency, head of a regional apparatus organization also has their respective performances, starting from the regional head, starting from the head of the OPD to the lowest level, they have their respective performances. When they are all committed to carrying out their performance, the performance of the organization will directly be good, sir" (I3, Yogyakarta City Regional Development Planning Agency).*

*"It is necessary, sir, it is very necessary. If there is no commitment from the leadership, then he also cannot motivate the personnel under him. That is detailed from the achievements of the government that runs it directly. If there is no commitment, this could go its way later, sir" (I6, Yogyakarta City Social Service).*

The statement above indicates that, in reality, management commitment is needed in the bureaucratic process. Commitment from management is an important basis for carrying out the main tasks and functions of each element (from the leadership to the ranks of its staff). So that with this commitment, it will affect the performance of the organization. This is in line with the results of the previous quantitative data analysis, which showed that there is an influence between management commitment and government performance.

Management commitment is also needed in terms of using performance information for making strategy implementation and evaluation decisions. From the results of the previous



hypothesis testing, it was found that management commitment influences both the use of performance information for making strategy implementation decisions and making strategy evaluation decisions. This is reinforced by the results of interviews with informants through the following statements.

*"It is necessary, sir, it is very necessary. If there is no commitment from the leadership, then he also cannot motivate the personnel under him. That is actually detailed from the achievements of the government that runs it directly. So all performance planning (programs) that we make must have a commitment from all to be able to achieve the set targets. If there is no commitment, it could just go its own way later, sir" (I6, Yogyakarta City Social Service).*

*"This document also contains a work contract, sir, so later we will know our main performance indicators, we will know the targets, and for example, our LAKIP predicate is AA so that is included in our main performance indicators, and the picture of the implementation is how much. For example, the level of library visitors, we have a target and we monitor it so that there is an increase" (I8, Sleman Regency Library Service).*

The statement above indicates that management commitment plays an important role in the process of making strategy implementation decisions or supporting the results of previous hypothesis testing. Strategy implementation is related to determining priority programs, determining and formulating organizational goals and various things that support organizational development (Pollanen, 2016). In addition to making strategy implementation decisions, the use of performance information is also used for strategy evaluation purposes. There is a relationship between the use of performance information for making strategy evaluations (Pageno, 2020). Strategy evaluation is related to measuring performance and reporting to higher levels of management, government agencies, and regulators. The following are the results of interviews with informants, related to the use of performance information for making strategy evaluations, through the following statements.

*"His commitment to oversee(strategy evaluation)also. Well, later we will give appreciation to SKPD that performs well, even though there are many activities, with the time used, it applies to all of DIY, bro" (I8, Sleman Regency Library Service).*

*"Yes, well, the performance agreement is a form of commitment. The performance agreement from the structural echelon IV, all structural parts will have staff, well, they will have performance outputs that are achieved, those responsible for the implementation of the output, well, from echelon IV, the section head or sub-section head. Well, that was the responsibility in the form of a performance report" (I7, Yogyakarta City Tourism Office).*

*"Well, if our leader is related to administration, he cares about improving performance. Likewise, with the use of performance information, because it is used as evaluation material. So that commitment is very necessary" (I4, Civil Service, Education and Training Agency, Kulon Progo Regency).*

The above statement indicates that management commitment plays an important role in the process of making strategic evaluation decisions and supports the results of previous hypothesis testing. Leaders who have high management commitment, in using performance information to

support innovation, can motivate increased responsibility of their subordinates to achieve better performance results.

#### **4. Use of Performance Information**

An organization in implementing performance measurement practices cannot be separated from the optimization of the use of performance information, both for the purpose of making implementation decisions and evaluating strategies. The following are the results of interviews related to the use of performance information.

*"Performance information measurement is one of the control materials, so we already have a target then measure, control to what extent. We can compare this with the target we have. The target is set so if there is no measurement we don't know how far and that can be an evaluation material for estimates to move forward or as controlling too, yes" (I1, Bantul Land Service).*

*"The existing planning is a normative guide to carry out daily tasks because each region must have a work plan device" (I3, Kulon Progo Personnel, Education and Training Agency).*

In addition to being used for making strategy implementation decisions, performance information is also used for making strategy evaluation decisions. Performance improvements cannot be achieved instantly, even though the performance information has been used for the preparation or planning of priority programs (strategy implementation). Therefore, there must be a strategy evaluation, periodically related to the planning of the priority program, to achieve the targeted performance. This is as revealed from the results of the following interviews with participants.

*"When we do not meet the target, we will pursue the target so that it remains as planned. So we make it as an evaluation material, thus it will directly affect our performance results" (I1, Bantul Land Service).*

*"Yes (it can improve performance), sir. Because from that there is a report back, right? Well, we submit the report to the decision maker or policy maker, then there will be a change" (I8, Sleman District Library Service).*

The statement above indicates that the use of performance information for strategic evaluation decision making has a relationship with organizational performance. These results are in line with research conducted by (Pageno, 2020) which explains that public managers can use performance information available in performance reports as evaluation material to adjust future actions, visions, and regional planning.

#### **5. Institutional Isomorphism**

In an effort to gather information on the existence of isomorphism pressure in the use of performance information for the purpose of strategy implementation and strategy evaluation, the researcher asked several relevant questions to capture the phenomenon of institutional isomorphism. This will be explained in more depth as follows.

##### **5.1 Isomorphic Coercive**

External pressure created through regulations and laws is a very strong factor in decision-making in organizations (Ahyyaruddin & Akbar, 2016). Coercive isomorphism is reflected through regulatory pressure and formal and non-formal rules (DiMaggio & Powell,

2000). Public sector organizations including the government in carrying out their duties such as using performance information for the preparation of program planning, and utilizing performance information as material for reporting performance to external parties because these activities are obligations that have a legal basis, so they must be carried out by each agency. This shows the existence of coercive isomorphism in the use of strategic performance information. This is as revealed from the results of interviews with the following informants.

*"Explicitly, yes, there are regulations regarding performance reporting" (I1, Yogyakarta City Civil Service Police Unit).*

*"In my opinion, what is clear is that there is a regulatory basis, because our system is also regional autonomy. Clear regulations are important, because that is a mandate" (I1, Yogyakarta City Civil Service Police Unit).*

*"Normatively, we must comply (with the regulations), sir" (I6, Yogyakarta City Social Services).*

*"But sometimes we get coercion or forced. Well, sometimes the coercion comes from the council members. The executive is from the Regional Secretary and the Mayor, who sometimes do not understand the difficulties faced by OPD" (I7, Yogyakarta City Tourism Office).*

*"Hmmm, in my opinion, the regulation encourages an organization's compliance in compiling performance and performance information" (I3, BAPPEDA of Yogyakarta City).*

The above statement indicates that institutional isomorphism in the form of pressure coercive occurs in the practice of using performance information for the purpose of making decisions on strategy implementation and strategy evaluation in DIY district and city government agencies. This is in line with the findings that explain that the regulations and laws made reflect pressure coercive, it is a common thing in a public sector or government organization (Wulanningrum et al., 2020). Coercive isomorphism is more likely to occur when there is financial dependence (Ahyyaruddin & Akbar, 2016). Thus, government agencies have no choice but to implement regulations to continue to receive funding through central government budget allocations.

## **5.2 Isomorphic Mimetic**

Isomorphism arises as a result of feedback organization against uncertainty or ignorance by following the actions taken by similar organizations (DiMaggio & Powell, 2000). Related to the use of performance information for both strategy implementation and evaluation, government agencies only follow the format that has been determined under applicable regulations. However, some agencies refer to other similar agencies to simply emulate (preparing priority programs) what the agency does. Thus, this shows the existence of mimetic isomorphism in the use of performance information by local government agencies. This is reinforced by the results of interviews with the following participants.

*"It just so happens that we see it, but we don't refer to it or we synchronize it, because we adjust it to the vision and mission of our respective regional heads. Well, each regional government is given the authority to compile its regional autonomy" (I1, Yogyakarta City Civil Service Police Unit).*

*"Well, that's just for reference, bro" (I6, Yogyakarta City Social Service).*

*"Yes, we make that as one of the considerations (referring to other agencies) when we choose an indicator. We also have to find good performance indicators that can be measured and evaluated" (I3, BAPPEDA Kota Yogyakarta).*

Based on the participants' answers, it can be said that institutional isomorphism is in the form of pressure. *Mimetic* occurs in the practice of using performance information for decision-making on the implementation and evaluation of strategies in DIY district and city government agencies. The lack of knowledge possessed by an organization causes the organization to imitate the actions of other organizations (Pageno, 2020).

### 5.3 Normative Isomorphism

Normative pressure is pressure that comes from professionalization, which is professional production that produces better knowledge (DiMaggio & Powell, 2000). Normative pressure in public sector organizations is data from various professional groups, such as consultants, academics, through seminars, training, workshops, and others related to self-development (Ahyaruddin & Akbar, 2016). In the context of using performance information for decision making, implementation, and evaluation of strategies in government agencies, it is indicated that there is normative pressure or awareness from employees about the importance of such performance information. This can be explained by the results of interviews with the following participants.

*"Well, well, in the planning, evaluation, and reporting sub-section, training on preparing LAKIP is included from the Ministry of Administrative and Bureaucratic Reform, usually. Well, "That's a facility from the organization" (I1, Yogyakarta City Civil Service Police Unit).*

*"Something like assistance from our organization, we usually bring in resource persons from Menpan" (I6, Yogyakarta City Social Service).*

*"That means that over the last few years we have had training, even though it is not efficient" (I1, Land and Spatial Planning Service, Bantul Regency).*

*"Yesterday we had ACCESS training. LAKIP training is not that ambitious, the important thing is to be patient, because it is normative" (I4, Civil Service, Education and Training Agency of Kulon Progo Regency).*

*"I think yes, although I am not directly involved, but there are friends who are involved, and I think every time there is training like that, employees are involved. Because it is to support the competency" (I3, BAPPEDA of Yogyakarta City).*

*"Yes, because with SAKIP we can assess our performance, both future performance and previous performance" (I8, Sleman Regency Library Service).*

Based on the informant's answer, it can be said that isomorphism in the form of normative pressure occurs in the practice of using performance information for making decisions on strategy implementation and evaluation. This is in line with the findings made by (Pageno, 2020) that the more educated an organization is in the form of academic qualifications and participation in professional associations, makes the organization competent in its field. With the training that is included to develop competence, it will create work professionalism in utilizing performance information that leads to improvements in the future.

## DISCUSSION

The results of qualitative data testing analysis indicate that a public sector organization, in this case the City and Regency Government in the Province of DIY in using performance

information to make implementation and evaluation of strategies is suspected due to the phenomenon of institutional isomorphism. Of the three institutional phenomena (coercive, mimetic, and normative) the dominant influence is coercive isomorphism. This is due to the existence of legitimacy, regulation, structure, and the role of individuals involved in the agency. From the interview results, it is clear that regulation is indeed a dominant factor in influencing the use of performance information, but it cannot be denied that OPDs also realize that performance information in performance accountability reports provides benefits for improving organizational performance in the future (isomorphism normative).

## 1. Strategic Performance Measurement

The results of the analysis show that of the two types of strategic performance measurement (efficiency measures and effectiveness measures), it turns out that only efficiency measures have no relationship to the use of performance information for the purpose of making strategy implementation. These results are also reinforced by interviews conducted with the following participants.

*"If efficiency in terms of budget might be difficult, because we prepare the budget according to the work program and the amount sometimes follows last year. When the budget for program A is not absorbed well, for example, only 50%, then we will evaluate it. So the budget is managed as well as possible. Input becomes output" (I1, Bantul Regency Land Office).*

The statement above indicates that the efficiency measure becomes meaningless or cannot be applied in terms of making strategy implementation decisions (work program planning). The reality in the field explains that all work programs, all activities to be carried out, have been made in the Renstra as well as the funding has been budgeted in advance. So to carry out budget efficiency related to performance program planning is considered quite difficult. Not to mention the existence of assessors related to the performance of each work program that is prepared, when the budget absorption in the work program is low, it will affect the results of the performance assessment. Furthermore, performance data will be used more often for the operational process when performance data collection is carried out using efficiency measures. Furthermore, for efficiency measures related to the use of information to make strategy evaluations, it has a significant influence. This is reinforced by the results of interviews with the following participants (Pageno, 2020).

*"This activity is still lacking in this and that, please explain, well, in finance, for example, the sub-section head also always looks at the performance achievements of which work programs have been completed and which are still constrained" (I7, Yogyakarta City Tourism Office)*

The statement above indicates that, in the process of evaluating strategies or work programs, efficiency measures are still often used. The use of strategic performance measurements in the form of efficiency measures can facilitate decision-making for strategy evaluation purposes. After presenting a discussion of the results of strategic performance measurement testing for efficiency measures, the next step will be discussing strategic performance measurements for effectiveness measures. Effectiveness measures are important to apply because they are long-term oriented. Although in practice, there are still obstacles related to these measurements. This finding is not in line with Pageno (2020) and Pollanen (2016), who stated that it is difficult to measure effectiveness in the public sector, which is



multidimensional, subjective, and long-term oriented, so that public managers only consider objective and relevant information in the short term for making strategic evaluation decisions.

## **2. Management Commitment**

Commitment from management is an important basis for carrying out the main tasks and functions of each element (from the leadership to the ranks of its staff). So that with this commitment, it will affect the performance of the organization. The overall commitment of employees can be obtained if the leadership can motivate employees and employees work towards achieving the vision and mission of the organization. Furthermore, according to Maksoud *et al* (2015) in (Pageno, 2020) stated that management commitment can determine the extent to which performance information is used for decision making in an organization. Leaders who have high management commitment, in using performance information to support innovation, can motivate increased responsibility of their subordinates to achieve better performance results.

## **3. Use of Performance Information**

When performance information is useful and relevant to the needs of the organization, the information will be used as a basis for considering a decision to improve performance (Pollanen, 2016). Although performance improvement cannot be achieved instantly, even though the performance information has been used for the preparation or planning of priority programs (strategy implementation). Therefore, there must be a periodic strategy evaluation related to the planning of the priority program to achieve the targeted performance.

Public managers can use the performance information available in the performance report as evaluation material to adjust future actions, visions, and regional planning. Comprehensive strategic decision-making has a positive effect on organizational performance (Pageno, 2020). However, this finding differs from (Pollanen, 2016) who explained that it takes a long time to know the impact of using performance measurement information for strategic evaluation decision making on organizational performance. So it cannot directly improve the performance of an organization.

## **CONCLUSION**

The results of the study indicate that a public sector organization, in this case, the City and Regency Governments in the Province of DIY, in using performance information to implement and evaluate strategies is suspected due to the phenomenon of institutional isomorphism. Of the three institutional phenomena (coercive, mimetic, and normative), the dominant influence is coercive isomorphism. This is due to the existence of legitimacy, regulation, structure, and the role of individuals involved in the agency. From the interview results, it is clear that regulation is indeed a dominant factor in influencing the use of performance information, but it cannot be denied that OPDs also realize that performance information in performance accountability reports provides benefits for improving organizational performance in the future (isomorphism normative).

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