

BUDGET REFOCUSING POLICY OF THE MINISTRY OF SOCIAL AFFAIRS SOCIAL PROTECTION PROGRAMS IN THE COVID-19 PANDEMIC ERA

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Abstract

The COVID-19 pandemic has compelled governments worldwide to implement emergency budget refocusing policies, yet the capacity to execute such policies effectively remains underexplored. This study analyzes the analytical, operational/managerial, and political capacities in Indonesia's budget refocusing policy for social protection programs during the COVID-19 pandemic. Using a qualitative descriptive approach, data were collected through in-depth interviews with 11 informants from the Ministry of Social Affairs, the Ministry of Finance, facilitators, and beneficiary households, complemented by document analysis and observation. The findings reveal that while analytical capacity enabled evidence-based targeting through socio-economic registration data, weak inter-agency coordination and unintegrated information systems hindered equitable distribution. Operational capacity was demonstrated through systematic budget review processes and resource mobilization, yet was constrained by outdated beneficiary data, regulatory inconsistencies, and lengthy disbursement procedures. Political capacity, supported by stakeholder engagement and policy legitimacy, proved essential for building public trust, though implementation faced challenges including legal framework delays and data inaccuracies. The study concludes that the effectiveness of crisis-response budgeting depends on the synergy among all three capacities, with gaps in any dimension undermining overall policy performance. These findings offer critical lessons for strengthening institutional capacity in future emergency responses.

Keywords: Analytical Capacity, Budget Refocusing, COVID-19, Operational Capacity, Political Capacity

INTRODUCTION

The COVID-19 pandemic, declared by the World Health Organization on March 11, 2020, has had devastating impacts globally, including in Indonesia. By May 2021, Indonesia had recorded 1.8 million cases and 50,500 deaths (Lisa Andriani, 2022). Beyond health, the pandemic severely disrupted socio-economic conditions, causing economic growth to plummet to -5.32% in Q2 2020 and reversing years of poverty reduction progress the poverty rate rose from 9.22% in September 2019 to 9.78% in March 2020 (Setyadi & Indriyani, 2021). These developments threatened financial system stability, demanding swift government intervention. In response, the government issued Government Regulation in Lieu of Law (Perppu) No. 1/2020 concerning State Financial Policy and Financial System Stability, later ratified as Law No. 2/2020. This legislation provided the legal framework for extraordinary measures, including adjusting the APBN deficit limit beyond the constitutional 3% of GDP, reallocating budgets, and implementing the National Economic Recovery (PEN) program. The law enabled budget refocusing redirecting funds from less critical activities to priority areas such as health, social protection, and economic recovery. Presidential Instruction No. 4/2020 further mandated ministries to prioritize COVID-19 response through refocusing activities and budget reallocation.

Social protection became a primary focus within the PEN program, receiving substantial allocations to expand the Family Hope Program (PKH), Sembako Card assistance, cash social assistance, and food aid for vulnerable populations. As Vice President Ma'ruf Amin emphasized, poverty alleviation requires both social protection and community empowerment approaches. However, policy implementation faced significant challenges. Research indicates that the budget refocusing policy has not been fully successful due to the lack of an integrated social safety net information system from the central to village levels, hindering equitable resource distribution (Aldila & Estiningrum, 2022; Hakim Lubis et al., 2022; Yuniza et al., 2022). The Audit Board (BPK) identified

internal control weaknesses and Rp9–10 trillion in inadequately controlled PC-PEN expenditures in 2020–2021. Additionally, social assistance distribution suffered from exclusion and inclusion errors eligible households not receiving aid and ineligible households receiving it. Ministry of Finance data (2021) revealed that 58.8% of Sembako Card assistance in 2020 was misdirected. Corruption cases further undermined program effectiveness, with Indonesia Corruption Watch recording 107 complaints of social assistance embezzlement in 2020, including fund deductions by village officials, unfair distribution, and lack of transparency.

Implementation is a critical determinant of policy success. Implementation as the interactive process between goal-setting and actions directed toward achieving those goals (Widodo & Bangun, 2023). Implementation encompasses actions by public and private individuals directed toward achieving policy objectives (Pramono & Sutoyo, 2020). Implementation success is influenced by policy capacity defined as the set of skills, resources, competencies, and capabilities necessary to perform policy functions (Addawiyah et al., 2025). The gap between policy intent and outcomes remains the most frequently cited element in implementation studies (Junita et al., 2025; Ompusunggu et al., 2026). Policy capacity is multidimensional, comprising three main competency categories: analytical, operational, and political capacities, operating at individual, organizational, and systemic levels (Tjilen, 2025). Analytical capacity refers to the ability to collect, process, and utilize data for decision-making. Operational/managerial capacity concerns the effective mobilization and deployment of resources for policy execution. Political capacity involves securing stakeholder support and policy legitimacy. These capacities have become increasingly critical as governments face complex contemporary challenges (Santoso et al., 2004; Sepriano, 2024). Policy capacity encompasses all policy processes agenda setting, formulation, implementation, and evaluation and extends beyond government to include non-state actors. High capacity across multiple dimensions is key to policy success (Sepriano, 2024).

The budget refocusing policy during the pandemic exemplifies this complexity. The policy process involved rapid legal changes, inter-ministerial coordination, data management challenges, and multi-level implementation from central to local governments. This transformation of budgets through refocusing at individual, organizational, and system levels presents a compelling case for examining how analytical, operational, and political capacities interact to determine policy effectiveness. This research aims to analyze the analytical, operational/managerial, and political capacities in the budget refocusing policy for social protection programs during the COVID-19 pandemic. The study addresses the following research question: How do analytical, operational/managerial, and political capacities function within the budget refocusing policy for social protection programs during the COVID-19 pandemic? The findings are expected to benefit policymakers by providing lessons for future crisis management, academics by contributing to public policy knowledge, and practitioners by offering recommendations for improving planning and budgeting processes in emergency situations.

LITERATURE REVIEW

Policy Implementation Theory

Implementation is defined as the process through which a policy produces outputs in the form of success or failure. Implementation as the interactive process between goal-setting and actions directed toward achieving those goals (Widodo & Bangun, 2023). Policy implementation encompasses actions by public and private individuals directed toward achieving objectives established in prior policy decisions (Pramono & Sutoyo, 2020). The most frequently cited constituent element of implementation definitions is the gap between policy intent and outcomes (Junita et al., 2025; Ompusunggu et al., 2026).

The success of an adopted public policy depends on how successfully it is implemented. Even the best policy will be meaningless if not implemented successfully or correctly. One problem with implementation success is the lack of appropriate guidance on how to implement policies. Therefore, implementation studies emphasize understanding public policy success or failure by identifying influencing factors (Maharaksa et al., 2025). Implementation is influenced by various factors, including communication, resources, disposition, and bureaucratic structure (Edwards, 1980). These factors interact to determine whether policy objectives are achieved or whether implementation failures occur.

Policy Capacity Framework

Policy capacity has emerged as a primary concern as governments are called upon to address increasingly complex problems. The growing complexity of many contemporary policy issues, coupled with rising public expectations, presents unprecedented challenges to government capacity to formulate and implement effective policies (Santoso et al., 2004; Sepriano, 2024). Policy capacity is multidimensional, consisting of three main

competency categories: analytical, operational, and political capacities, involving capabilities at three levels individual, organizational, and systemic (Tjilen, 2025). Several key aspects of policy capacity: (1) it encompasses all policy processes agenda setting, formulation, implementation, and evaluation; (2) it extends beyond government to include non-governmental institutional involvement; and (3) high capacity across multiple dimensions is key to policy success, though not always in equal measure (Sepriano, 2024).

Analytical Capacity

Analytical capacity refers to the ability to collect, process, and utilize data for decision-making (Cohen & Levinthal, 1990). In crisis contexts, this includes the capacity to identify problems, assess risks, and develop evidence-based responses. Singapore's COVID-19 response and found that analytical capacity deficiencies explained high infection rates among foreign workers, as the state failed to accurately assess infection risks in densely populated dormitories. This demonstrates that even countries with strong fiscal and operational capacity can experience policy failures when analytical capacity is lacking (Woo, 2020).

Operational/Managerial Capacity

Operational/managerial capacity concerns the effective mobilization and deployment of resources for policy execution, including human resources, financial management, and coordination mechanisms (Peters, 2001). A systematic literature review on policy capacity in Asia during COVID-19, finding that most studies (n=21) closely related to operational capacity, while fewer addressed political (n=14) and analytical capacity (n=7) (Mardiyanta & Wijaya, 2022). This dominance of operational capacity research reflects the immediate focus on implementation execution during crises, though it may neglect equally important analytical and political dimensions.

Political Capacity

Political capacity involves securing stakeholder support, policy legitimacy, and maintaining public trust essential for policy sustainability and effectiveness. Weak coordination and confused communication during Indonesia's COVID-19 response undermined public trust in government (Harirah MS & Rizaldi, 2020). This demonstrates that political capacity the ability to build and maintain legitimacy directly affects policy effectiveness. The assumption that policies enacted by authorities will automatically be implemented and achieve desired outcomes is fundamentally flawed; public response and stakeholder engagement are crucial determinants of success.

Budget Refocusing and Fiscal Space

A country's ability to effectively respond to a pandemic depends significantly on its fiscal space the government's capacity to provide additional budgetary resources without compromising financial sustainability (Ejiogu *et al.*, 2020). Nations with limited fiscal space face significant threats to economic stability and their ability to respond to unexpected shocks, compared U.S. state budget balancing strategies during the Great Recession and COVID-19, finding that the distinguishing characteristics of each crisis, as well as federal assistance structures, drove different responses (Rubin & Willoughby, 2021). These studies highlight that budget refocusing policies are shaped by both fiscal capacity and the nature of the crisis itself.

METHOD

Research Design

This study employs a qualitative research method, chosen because it fundamentally relies on interpretive or critical social science principles, emphasizing "case and context" as well as cultural nuances, and allows for a detailed examination of naturally occurring social phenomena through the lens of participants' subjective interpretations of their experiences. The research adopts a descriptive qualitative design, which aims not at prediction or aggregate generalization but at achieving a deep, contextual understanding of the participants' perspectives, acknowledging that different individuals will interpret their experiences and the social systems they interact with in varied ways, and that the researcher inevitably brings their own cultural, social, and personal identity into the interpretive process.

Research Location

The study was conducted at two key locations: the Directorate General of Budget at the Ministry of Finance, which is responsible for formulating and implementing budgeting policies in accordance with prevailing laws and regulations; and the Ministry of Social Affairs, which holds the largest budget allocation for social protection

programs and directly implements the related policies, making it the central actor in the budget refocusing effort during the COVID-19 pandemic.

Participant Selection Technique

Participants (informants) were selected using purposive and snowball sampling techniques. Purposive sampling was employed to deliberately choose key informants based on the specific objectives of the study, beginning with the Director of Budget for Human Development and Culture at the Ministry of Finance and the Director General of Social Protection and Security at the Ministry of Social Affairs. Subsequently, the snowball technique was used through these primary informants to identify additional participants who could provide complementary information and complete the required data. Ultimately, 11 informants participated in the study, comprising officials from both ministries, PKH facilitators, and beneficiary households (KPM), all of whom met the criteria of having direct involvement, adequate time, substantive knowledge, and being actively engaged in the activities under investigation.

Materials, Tools, and Instrument Performance

The primary materials and tools utilized in this research included semi-structured interview guides, observation checklists, and document analysis frameworks. The interview guides were designed to encourage participants to elaborate freely on their experiences while allowing the researcher to maintain thematic control, ensuring depth without losing relevance. Observation instruments were developed to systematically record the implementation processes of the budget refocusing policy at the respective ministry offices. All instruments were designed iteratively, refined during the fieldwork process, and continuously validated against emerging field data. Their performance and productivity were ensured through cross-checking with multiple sources and by maintaining flexibility to adapt to the natural flow of information during data collection.

Data Collection Techniques

Data collection techniques comprised three integrated methods. First, observation was conducted through systematic recording of the implementation processes of the budget refocusing policy, relying on the researcher's direct observation and memory to capture relevant phenomena. Second, in-depth semi-structured interviews were carried out with all 11 informants, allowing participants to speak extensively about the topic while the researcher retained some control over the direction and content to keep the discussion focused yet open to new, relevant directions. Third, documentary studies were employed to collect and analyze secondary data obtained from the Directorate General of Budget at the Ministry of Finance, the Ministry of Social Affairs, and official government websites, covering regulations, technical guidelines, books, budget documents, and policy papers related to the budget refocusing policy for social protection programs during the COVID-19 pandemic.

Data Analysis Technique

For data analysis, this research adopted the interactive model developed by Miles and Huberman, which divides analysis into three concurrent streams of activity. Data reduction involved summarizing, selecting, and focusing on essential information while discarding irrelevant data, thereby providing a clearer picture and facilitating subsequent data collection. Data display was carried out by organizing information into concise narratives, charts, or relationship diagrams to enable structured understanding and easier interpretation. Conclusion drawing and verification were performed by formulating preliminary findings that remained tentative and were continually tested and confirmed against newly collected data throughout the research process, ensuring that conclusions were grounded in and verifiable by the evidence gathered.

Data Validity and Trustworthiness

To ensure the trustworthiness of the data, this study applied four standard criteria for qualitative research. Credibility was achieved through prolonged engagement and triangulation of multiple data sources, ensuring that findings were believable to critical readers and acceptable to the informants themselves. Transferability was ensured by providing thick descriptions sufficiently detailed for readers to assess the applicability of findings to other contexts or settings. Dependability was maintained through a systematic, well-documented research process, allowing external reviewers to evaluate the quality and consistency of the research procedures. Confirmability was guaranteed by keeping all raw data and analytical records traceable and auditable against the original evidence, thereby fulfilling the standards of truth value, applicability, consistency, and neutrality.

RESULTS AND DISCUSSION

Social Protection Programs and Budget Allocation

The social protection budget constitutes funds allocated to prevent and manage risks arising from social shocks and vulnerabilities. During the COVID-19 pandemic, threats to public welfare became highly pronounced, disrupting consumption and demand levels, making social protection programs one of the primary priorities within the National Economic Recovery (PEN) program. The budget allocation for social protection encompasses various initiatives designed to improve public welfare, including the Family Hope Program (PKH), which provides conditional cash transfers to poor families to encourage investment in children's education and health; the Sembako Card (KS) program, which ensures food access through electronic cards; Cash Social Assistance (BST) and Jabodetabek Food Packages as direct pandemic responses; and additional cash assistance for Sembako Card recipients, including KS PPKM and extreme poverty assistance. Other initiatives include Direct Cash Assistance (BLT) for cooking oil and fuel to support communities affected by inflation, Elderly and Disability Feeding Programs, Social Rehabilitation Assistance (Atensi), support for drug abuse victims and people living with HIV/AIDS, Empowerment Programs for Remote Indigenous Communities (KAT), the Nusantara Economic Heroes (PENA) program, Social Entrepreneurship Program (Prokus), rehabilitation of uninhabitable houses (RS-RTLH), Integrated Simple House (RST) construction, and disaster management. All these initiatives aim to improve quality of life and reduce poverty in Indonesia. Table 1. below presents the social assistance budget allocation data from 2020 to 2023.

Table 1. Social Assistance Budget Allocation Data of the Ministry of Social Affairs FY 2020–2023

Program	2020 (Rp Billion)	2021 (Rp Billion)	2022 (Rp Billion)	2023 (Rp Billion)
PKH	28,704.54	28,704.54	28,704.54	28,704.54
Kartu Sembako	45,540.00	45,540.00	45,540.00	45,540.00
BST/Bansos Tunai	39,984.84	-	-	-
Bansos Beras	4,618.35	-	-	-
Jabodetabek Food Package	6,843.58	-	-	-
Other Social Assistance	-	-	-	-

Source: Ministry of Finance, 2024

Policy Framework for COVID-19 Response

Interview findings revealed that the Indonesian government took strategic measures to address the economic and social challenges of the pandemic through the issuance of Government Regulation in Lieu of Law (Perppu) Number 1 of 2020, which governs state financial policy and financial system stability. Mr. Muhammad Idris explained:

"In the Perppu, the Ministry of Finance is mandated to elaborate further policies through Minister of Finance Regulations (PMK)."

Subsequently, the Ministry of Finance issued PMK Number 38/PMK.02/2020, specifically regulating pandemic impact management in state finance. Key policy points include budget deficit flexibility, mandatory spending, budget shifts, refocusing, financing sources, regional grants, and document simplification.

Regarding budget deficit flexibility, Budget Analyst Agung Gayusaputra stated:

"One important aspect in the PMK is the determination of the budget deficit limit. The government permits the budget deficit to exceed 3% of GDP during COVID-19 handling."

This policy demonstrates fiscal flexibility in managing the budget during the crisis, with the expectation of gradually returning to the maximum 3% limit after FY 2022. Despite adjustments to mandatory spending, the government maintained the education budget allocation at 20% of the total state budget to preserve educational quality.

Budget Refocusing Policy and Funding Sources

Ms. Komala Rini emphasized the importance of budget refocusing across organizational units and functions, stating:

"Through this refocusing step, the government succeeded in redirecting resources to areas requiring more attention, including social protection and economic recovery programs."

Mr. Muhammad Idris further explained that the Minister of Finance has the authority to increase budget allocations to expand the social safety net, support industry, and restore the national economy, with funding sources including the Remaining Budget Surplus (SAL), which was employed to increase emergency spending allocations; Endowment Funds, which were reallocated from their original purposes to support crisis management; and Funds managed by Public Service Agencies (BLU), which were utilized with greater flexibility to address urgent and rapidly evolving needs during the pandemic response.

Additionally, the issuance of Government Securities (SUN) and State Sukuk (SBSN) became the main strategy for financing APBN expenditures, involving various parties including Bank Indonesia and retail investors.

Proposed Additional Budget for Social Assistance

Mr. Agung Gayusaputra stated:

"In FY 2020, the Ministry of Social Affairs proposed an Additional Budget Request (ABT BA BUN) to the Ministry of Finance for the addition, thickening, expansion, and index increase of social assistance as a response to the COVID-19 pandemic impact."

The detailed proposed budget included:

- a. PKH Additional Assistance: Rp8,281.73 billion for 10 million beneficiary families (KPM).
- b. Sembako Card Additional Assistance: Rp15,520.00 billion with an increased target from 15.6 million to 20 million KPM.
- c. Food Package Assistance for Jabodetabek: Divided into two stages Stage I at Rp3,420 billion and Stage II at Rp3,423.58 billion.
- d. Cash Assistance for Non-Jabodetabek: Stage I at Rp16,532.40 billion for 9 million KPM; Stage II at Rp16,888.49 billion for 9 million KPM.
- e. Rice Assistance: Rp4,618.35 billion for 10 million KPM.
- f. Cash Assistance for Non-PKH Sembako Card Recipients: Rp4,624.65 billion for 9 million KPM.

Implementation Process of Budget Refocusing

Mr. Cecep Sulaeman explained that the Ministry of Social Affairs followed up on the refocusing policy by conducting budget reviews at every activity level within the Ministry, directed by the Planning Bureau in response to the Presidential Instruction and the Minister of Finance's letter.

"The Ministry of Social Affairs followed up on the Presidential Instruction and the Minister of Finance's letter regarding budget refocusing by instructing the Secretary General, executed by the Planning Bureau, to conduct various refocusing simulations by reviewing every activity level," he stated.

Ms. Rabiah described the comprehensive budget review process, stating:

"The review was conducted at every activity level, specifically activities whose budgets had not yet been absorbed and realized in each Echelon I unit within the Ministry of Social Affairs."

The stages of the budget refocusing process began with refocusing simulations conducted by the Planning Bureau at every activity level within the Ministry of Social Affairs. Subsequently, the Planning Bureau calculated the review results based on data obtained from each unit. Finally, the calculation results were conveyed to all units as a refocusing reference, serving as the basis for further budget adjustments at the unit level.

Following the Planning Bureau's reference, budget planners in each unit conducted further analysis of activities from the unit to the work unit level. Ms. Rabiah stated:

"Budget planners in each Ministry of Social Affairs unit analyzed every planned activity from the unit to the work unit level to conduct refocusing by saving unrealized budgets and reallocating them according to the Ministry of Finance's policy directives."

The finalization process involved meetings where the Planning Bureau's analysis results and unit analyses were brought together. Ms. Rabiah explained:

"The results of the budget review analysis conducted by the Planning Bureau and unit planners were brought together or discussed again in meetings held by the Planning Bureau to achieve the desired results."

After agreement, the refocusing figures were submitted to the Minister of Social Affairs for approval, then forwarded to the Minister of Finance.

Supporting Factors in Implementation

Ms. Rabiah confirmed:

"Yes, the Ministry of Social Affairs is supported by human resources with analytical capabilities regarding the Ministry's budget, consisting of budget planners in each unit. Additionally, in analyzing the budget, the Ministry has SOPs such as Technical Guidelines, SOPs, and Minister of Finance Regulations as references. For budget management, the SAKTI application is available."

Regarding socialization, Ms. Rahmi explained:

"Yes, there was socialization. The Ministry of Finance through DJA conducted online socialization to partner K/L including the Ministry of Social Affairs. Subsequently, participants who attended the socialization re-explained the results within the Ministry of Social Affairs through coordination meetings with all units to ensure the refocusing policy was conveyed."

On coordination, Ms. Rahmi stated:

"Yes, there was coordination in implementing the policy. The Ministry of Finance through DJA always coordinated with the Ministry of Social Affairs, and there was also coordination within the Ministry regarding the implementation of the refocusing budgeting policy during COVID-19. This coordination was conducted both formally face-to-face or through online meetings, and informally through messages/phone calls."

Target Accuracy Measures

Ms. Aida explained the steps taken to ensure accurate targeting:

"Monthly updates by regional governments; the Ministry of Social Affairs ensures data accuracy by matching beneficiary data in DTKS with NIK; the public is encouraged to use the 'Propose' and 'Challenge' features in the Check Bansos application; and the government implements the Socio-Economic Registration (Regsosek) as reference data for integrating social protection and economic empowerment programs."

Implementation Challenges

Mr. Muhammad Idris identified several challenges:

"One challenge is the legal basis required for implementing policies quickly. For example, the President's directive conveyed in a limited meeting requiring immediate execution, yet further coordination was needed to obtain documented meeting records serving as policy implementation basis. Limited time, targeting beneficiaries, analyzing priority budgets for COVID-19 handling, and ensuring accurate beneficiary data."

For Jabodetabek assistance, finding recipients was constrained because DTKS data was outdated, using the 40% poorest criteria."

Ms. Komala Rini added:

"The challenge is the need for speed, so regulations had to be drafted quickly because implementation required speed. Although emergency laws existed, implementing regulations also needed to be expedited."

Audit Findings

The study also revealed findings from the Audit Board (BPK) reports on the Central Government Financial Report (LKPP) for 2020 and 2021. Key issues included:

2020 Findings:

1. The government had not established a reporting mechanism for state financial policies to handle the COVID-19 pandemic impact on the LKPP.
2. Control over the implementation of PC-PEN program expenditures amounting to Rp9.00 trillion in ten K/L was inadequate.
3. Disbursement of interest subsidies for KUR and non-KUR loans, as well as pre-employment card expenditures, had not considered program readiness, resulting in Rp6.77 trillion of undisbursed funds.

2021 Findings:

1. Criteria determination for PC-PEN programs and reporting on the 2021 LKPP had not been fully adequate.
2. Information systems and reporting on targets and realization of national priority program and PC-PEN outputs were not fully adequate.
3. Control over PC-PEN program expenditures amounting to Rp10.20 trillion in ten K/L was inadequate.

Analytical Capacity in Budget Refocusing Policy

The findings demonstrate that the government utilized data from the Socio-Economic Registration (Regsosek) and the Integrated Social Welfare Data (DTKS) to understand community needs and formulate responsive policies. This aligns with conceptualization of analytical capacity, which encompasses the ability to collect and process relevant information for decision-making (Cohen & Levinthal, 1990). The use of DTKS allowed the government to identify vulnerable groups such as poor families and informal workers who lost income enabling targeted program design for PKH and BST. However, the findings also reveal that the integrated information system had not functioned optimally, as coordination gaps between agencies hindered equitable distribution. This is consistent with research which noted that the unintegrated social safety net information system from the center to the village level caused uneven assistance distribution, and many village governments struggled due to budget constraints (Digdowiseiso et al., 2023; Muhajiroh & Kamila, 2022; Okfitasari et al., 2021). The BPK audit findings confirming inadequate control systems and reporting mechanisms further substantiate these analytical capacity constraints, indicating that while data collection mechanisms existed, their integration and utilization for real-time decision-making remained suboptimal.

Operational/Managerial Capacity in Policy Implementation

The study finds that the Ministry of Social Affairs demonstrated operational capacity through systematic budget review processes, mobilization of competent human resources, adherence to SOPs, and utilization of the SAKTI application for budget management. This reflects effective resource mobilization and deployment, where intra- and inter-institutional communication forms the foundation for coordination (Peters, 2001). The structured refocusing process from Planning Bureau simulations, unit-level analysis, coordination meetings, to ministerial approval illustrates methodical managerial capacity. However, challenges emerged, including limited time for target determination, outdated DTKS data, and coordination difficulties, adequate funding and sufficient staffing must be ensured to support program implementation (Purbaningrum & Adinugraha, 2024). The BPK findings of inadequate control over PC-PEN expenditures (Rp9.00 trillion in 2020 and Rp10.20 trillion in 2021) and Rp6.77 trillion of undisbursed funds underscore operational weaknesses. These constraints demonstrate that while operational structures exist, their effectiveness depends on data currency, inter-agency coordination, and flexible adaptation to crisis conditions a point reinforced that rapid adaptation is essential for maintaining program effectiveness during pandemics (Jamaludin et al., 2024).

Political Capacity and Stakeholder Support

The findings reveal that political capacity encompassing stakeholder support, policy legitimacy, and community engagement played a vital role in the refocusing policy's success. The socialization efforts conducted by the Ministry of Finance (DJA) both online and through internal Ministry coordination meetings demonstrate active efforts to build understanding and support across institutional levels. The public's use of the "Propose" and "Challenge" features in the Check Bansos application reflects community participation in ensuring data accuracy, consistent with the principle that policy legitimacy increases when communities feel involved and supportive. However, challenges in building good relationships with stakeholders and communities were identified, including the need for rapid legal frameworks and coordination constraints. Policy success depends on high capacity across multiple dimensions; conversely, policy failures often correlate with capacity deficiencies (Jasmady & Akhyar, 2024). The implications of this finding suggest that political capacity is not merely about top-down legitimacy but requires active two-way communication and transparent processes to maintain public trust. Synergies between institutions are essential for creating holistic policies, and when various institutions collaborate, they can maximize resources and achieve shared goals (Suhartati & Choiyirah, 2025).

Implications and Future Development

The integration of analytical, operational, and political capacities emerges as essential for effective crisis-response policy. The findings imply that future social protection policies should prioritize: (1) developing fully integrated, real-time information systems connecting all relevant ministries and local governments to ensure data accuracy and equitable targeting; (2) institutionalizing cross-sectoral coordination forums and continuous capacity building for field staff, as the absence of proper coordination was identified as a key obstacle; (3) simplifying regulatory processes to enable rapid response without sacrificing accountability, as the legal basis challenge significantly delayed implementation; and (4) strengthening community engagement mechanisms to build legitimacy and ensure assistance reaches intended beneficiaries. The BPK recommendations for improving internal control systems and reporting mechanisms should be systematically addressed to enhance transparency and accountability. Previous research collectively argue, analytical, operational, and political capacities interact to support the success of social protection budget refocusing policies (Agma, 2025; Fathia & Wulandari, 2021; Kennedy, 2025). Moving forward, the government should learn from both successes and failures during the pandemic to formulate better policies for future crises, ensuring that no vulnerable group is left behind and that social protection systems become more resilient and inclusive.

Table 2. Summary Matrix of Findings and Discussion

Criteria	Empirical Findings	Theoretical Framework	Discussion
Analytical Capacity	Government utilized Regsosek and DTKS data to understand community needs; integrated information system suboptimal	Analytical capacity involves data collection and processing for decision-making (Cohen & Levinthal, 1990)	Accurate data is essential for responsive, targeted policy; coordination gaps hindered equitable distribution, as confirmed by BPK audit findings
Operational/Managerial Capacity	Ministry of Social Affairs demonstrated systematic refocusing processes; coordination constraints existed	Operational effectiveness relates to resource mobilization and deployment (Peters, 2001)	High coordination between ministries and stakeholders is critical for timely, efficient assistance; management and communication improvements needed
Political Capacity	Community and stakeholder support essential for legitimacy; engagement through participation features	Jasmady & Akhyar (2024): Political capacity encompasses support and legitimacy for policy success (Jasmady & Akhyar, 2024)	Community involvement and support increase program success likelihood; effective communication needed to build necessary support

CONCLUSION

This study concludes that analytical, operational/managerial, and political capacities collectively played a decisive and interdependent role in the success of the budget refocusing policy for social protection programs during the COVID-19 pandemic, thereby affirming the core premise outlined in the introduction that effective crisis-response policy requires more than just financial reallocation—it demands robust institutional capabilities across multiple dimensions. The findings reveal that strong analytical capacity, enabled by the Socio-Economic Registration (Regsosek) data system, allowed for evidence-based targeting, yet was significantly constrained by inter-agency coordination gaps that hindered equitable distribution; operational/managerial capacity proved effective in mobilizing and disbursing aid in a timely manner, with high stakeholder coordination emerging as the key factor in reducing program duplication; and political capacity, reinforced by policy legitimacy and community engagement, was instrumental in building the public trust and support necessary for smooth implementation. Moving forward, the development plan for future service implementation should prioritize the establishment of a fully integrated, real-time information system that connects all relevant ministries and local governments, alongside the institutionalization of cross-sectoral coordination forums and continuous capacity-building for field staff, so that when future crises arise, the social protection system can respond more swiftly, accurately, and inclusively, ensuring that no vulnerable group is left behind.

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