The Challenges of Civil Servant's Payroll Service in Local Government

1st Noviyanti
Public Administration Department
Universitas Negeri Surabaya
Surabaya, Indonesia
noviyanti@unesa.ac.id

2nd Weni Rosdiana
Public Administration Department
Universitas Negeri Surabaya
Surabaya, Indonesia
wenirosdiana@unesa.ac.id

3rd Dian Arlupi Utami
Public Administration Department
Universitas Negeri Surabaya
Surabaya, Indonesia
dianarlupi@unesa.ac.id

4th Norma Ayu Anggraini
Public Administration Department
Universitas Negeri Surabaya
Surabaya, Indonesia
line 5: email address

Abstract—**This paper discusses the challenges of payroll service online in local government through SIMGAJI on digital governance era. Payroll system and procedures for civil servants aim to create a clean and authoritative apparatus, so as to achieve organizational goals. Various challenges of SIMGAJI are analyzed based on the inhibiting factors in the implementation of management information systems, which are: administrator competencies, facilities, and infrastructure, data transformation, as well as virus control. The findings, obtained from qualitative research with descriptive approach in Inspectorate of Sidoarjo Regency, showed that the challenges on administrator competencies and virus control have been overcome by government organization. However, the facilities and infrastructure, and data transformation are still challenges. There are no facilities related to the procurement of generators and data transformation delays due to slow internet network. These challenges must be overcome immediately so that civil servant payroll services can be integrated and run well.**

Keywords—payroll service, SIMGAJI, management information system

I. INTRODUCTION

Compensation is a reward given by the organization, both intangible and tangible, for performing their job[1]. One of the financial compensation (tangible compensation) is salary which given periodically or monthly[2], while intangible compensation such as career paths, work environment, training, etc.

The higher employee performance, the higher compensation level will get[3]. The organization may pay higher compensation to more consistent employees in an effort to reward and retain these valued employees. It is in line with the objective of compensation is to ensure that organization will be able to attract, retain, and reward top talent for each position[2].

In the government bureaucracy, civil servants payroll service aim to meet the economic needs of employee (as a livelihood to support his family)[4] or as a guarantee of economic security for employee[5], encourage the employee to be more and more active in completing their duties. A salary is also a form of fair treatment of the organization to its employees[6]. There is a balance between input given by employees to the organization and the output in the form of compensation given by the organization to employees. In short, salary distribution is a sensitive matter and has a very broad political impact on governance. So that is why the salary issue requires a good, orderly, and regular handling of each related section, both in personnel division as a source of data and in financial division which is a unit in handling payroll service of civil servant. Therefore, payroll service of civil servant is a matter that must be considered in order to create a clean and authoritative state apparatus and achieve organizational goals.

Initially, the payroll process was carried out manually so that it took a lot of time when the recording and processing employee salaries. It causes the payroll process to be late and salary management inefficient. Nowadays, the rapid development of technology and the implementation of electronic government in almost every activity of government organizations, encourage local government[7] especially Sidoarjo government through Regional Financial and Asset Management Agency of Sidoarjo Regency (BPKAD) to create an online payroll application called SIMGAJI (Salary Management Information System).

SIMGAJI is a system used to manage payroll data of civil servant by computerization. Inspectorate of Sidoarjo Regency has been implementing SIMGAJI application since 2017. It really helps the treasure of salaries in carrying out their duties to manage the salary of a civil servant to be more efficient[8]. SIMGAJI application is not only used for salary management, but also the management of health insurance (BPJS), work safety (JKK), and death insurance (JKM). By using this application, the salary payment slip submitted by regional apparatus organization can be done easily and quickly. In addition, SIMGAJI has also been integrated with the Regional Finance Application.

On the other hand, the implementation of SIMGAJI still faces various challenges, such as slow internet network, application system error at the initial launch. These have an impact on the obstruction of management information system activities in the application.

Therefore, based on the explanation above, regarding the importance of using SIMGAJI for civil servant compensation in the digital governance era and the obstacles that occur, this paper will discuss the challenges of SIMGAJI as an online civil servant payroll system in Inspectorate of Sidoarjo Regency.

II. RESEARCH METHOD

This study used descriptive research with a qualitative approach. It focuses on the challenges of payroll service online for a civil servant by using SIMGAJI according to Fadliani's theory[9], which includes: administrator competency, facilities and infrastructure, data transformation, and virus control.

Data is taken from Inspectorate of Sidoarjo Regency, consisting of primary data and secondary data. Primary data obtained by using the purposive sample. It is a sampling technique for data sources with certain considerations, for example the person who is considered to know the most about what we expect[10], or maybe he as a ruler so that it will be easier for author to explore the objects or social situations under study.

Data collected by open-ended interview to apparatus (salary treasurer); documentation, as well as observation of SIMGAJI application.
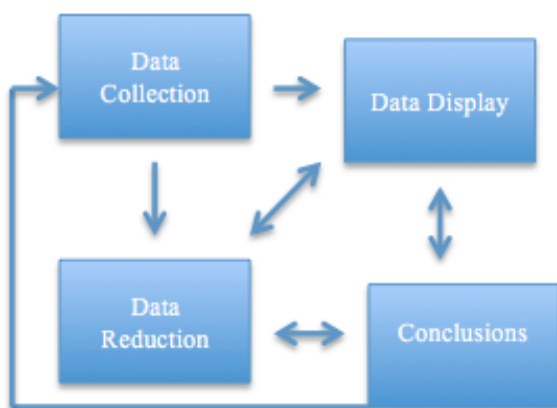

Fig. 1. Data Analysis Method by Miles and Huberman

Based on figure 1, data were analyzed through 4 activities according to Miles and Huberman[11], namely: collecting data, data reduction, data display, and data verification or conclusion drawing.

A. Data Collection

Data collection was carried out by observing the implementation of civil servant payroll service through SIMGAJI in Inspectorate of Sidoarjo Regency, documentation (photos or videos) about SIMGAJI, as well as interviewing several employees, such as salary treasurer, expenditure treasurer, and staff in administrative and general subdivision.

B. Data Reduction

Data reduction is the activity of summarizing data obtained regarding the implementation of payroll service

through SIMGAJI. It facilitates data management and understanding of the data.

C. Data Display

Data display is the process of the author being able to describe the data obtained about the implementation of civil servant payroll service. Data display comes from observation, interview, and documentation in accordance with actual condition in the field[12].

D. Verification/Conclusion Drawing

Conclusion drawing is to draw the conclusion from data collection, data reduction and data display in the result and analyze it through discussion so as to know the challenges of civil servant payroll service in Inspectorate of Sidoarjo Regency.

III. RESULT AND DISCUSSION

SIMGAJI is one of the electronic government products in Sidoarjo government. The interaction that is established through this application focus on government and employee (civil servant) or government to employee (G2E) in order to support transactions such as payroll and pension plan, and accessing benefit eligibility information[13]. The objectives of G2E are agencies to able to improve effectiveness and efficiency, eliminating delays in processing and improving employee satisfaction and retention as civil servant[14].

Regional Financial and Asset Management Agency of Sidoarjo Regency (BPKAD) requires each government organization in Sidoarjo Regency to manage salaries of a civil servant through this application, including Inspectorate of Sidorajo Regency. SIMGAJI aims to assist and facilitate employee in managing salaries because the process is faster, more precise, and accurate. Besides that, if there are changes in civil servant data that have an impact on the salary amount, it will be immediately processed and acted upon in accordance with these changes.

SIMGAJI application requires a login process that can only be accessed by a salary manager or salary treasurer who already has a username and password. It aims to maintain the security and confidentiality of data in the application.

Since being implemented in 2017, Inspectorate of Sidoarjo Regency has not been spared various challenges when using SIMGAJI application. The following are various challenges for civil servant payroll through SIMGAJI based on Fadliani's theory[9], including administrators' competencies, facilities, and infrastructure, data transformation, as well as virus control on computer or PC.

A. Administrators' competencies

Human resource is one of the challenges in implementing management information systems in various organizational activities. Administrators are part of human resources who act as executors or implementers of an application. So that is why the administrators must have appropriate competencies to be able to carry out their duties properly. However, the challenge is the staff of the information system does not have sufficient knowledge or experience such as telecommunications issues, database integration, and

interactive settings. Therefore, the first challenge in implementing civil servant payroll through SIMGAJI is a reliable and professional administrator because all process activities start from data input to managing output (information) using a computer system[15].

Inspectorate of Sidoarjo Regency only has one salary manager (salary treasurer). Salary treasure is required to have computer operating skill. In addition, BPKAD also provides technical guidance on the SIMGAJI application so that she can operate the application properly.

The salary treasurer has the authority to operate SIMGAJI starting from input to produce output. She must complete the administration of each civil servant in Inspectorate by inputting data into SIMGAJI application form. If there is a change in employee data, the employee must immediately report to the salary treasurer by submitting the new data to make changes in the application before the 15th of the current month. The salary treasurer also required to report the changes along with the evidence to BPKAD. Based on observations, the salary treasurer has been able to process data into payroll information. Therefore, the challenge of administrator' competency has been overcome well.

B. *Facilities and Infrastructures*

Facilities and infrastructure are the second challenges that must be considered properly by every organization so that the implementation of management information systems in organizational activities runs smoothly. If the facilities and infrastructure are good, those support the performance of the management information system[9]. On the contrary, if those are poor so they will hamper the activities of the management information system.

The facilities and infrastructure used to support civil servant payroll activities through SIMGAJI at Inspectorate are a computer used to operate SIMGAJI, and a printer used to print the outputs of SIMGAJI. The specifications of the facilities used by Inspectorate are considered good so they can support payroll service.

Formerly, SIMGAJI system often caused errors that hampered payroll service. However, over time and technological developments, the system of SIMGAJI has gotten better. The need for technology is a major challenge in supporting the work of the system, so it needs attention and continuous development[16].

Payroll service using SIMGAJI is still not accompanied by the availability of generators as power plants. In fact, all activities that use computer or PC to run this application cannot be done if there is a power outage. Although power cuts do not often occur, this challenge must be immediately followed up to prevent obstruction of payroll service in Inspectorate of Sidoarjo Regency.

C. *Data Transformation*

Data transformation is data processing which is carried out electronically using an internet network in order to produce information, so it is highly dependent on the internet network[9]. If the network is interrupted, the data processing will be interrupted too.

The internet network on SIMGAJI is used to send all salary data of civil servant that has been inputted by the salary treasurer to BPKAD. The data transformation is carried out starting on the 10th and maximum 15th of the previous month for next month's salary submission. Data received by BPKAD are checked before salary calculation. BPKAD calculates salaries and the results are sent back to the salary treasurer of Inspectorate in the form of salary list or salary recap[17]. In order to prevent miscalculations, the salary treasurer checks the list before it is printed and is used for issuance Payment Order (SPP) and Payment Warrant (SPM). Data transformation also occurs when creating SPP and SPM using SIKSDA application. SPP and SPM that have been printed will be signed by the Inspector and salary treasurer, while the salary list must be signed by ever civil servant who receives the salary. Then, all documents are reported directly and manually to BPKAD as physical evidence.

The use of internet network is provided by the Department of Communication and Information of Sidoarjo Regency. Based on the results of this study, it was found that the internet network at Inspectorate office was slow and disrupted the data transformation process. That is because many employees use the internet so that the salary treasurer cannot access SIMGAJI application properly. If the internet network is disrupted or slowed down, Inspectorate usually reports to the Department of Communication and Information for immediate repair. This is in line with the statement of Ladjamudin[16] that a system replacement must be stated in the framework since the system has decreased. Moreover, Department of Communication and Information needs to establish differences in quota or internet speed based on users in various local government agencies. The salary treasurer should get more quota because the field of work requires a stable and smooth internet network to support civil servant payroll service.

D. *Virus Control*

The computer is the main tool to access SIMGAJI so the quality of the computer or PC must be maintained, including the need to be free from viruses that can threaten the computers. Computer viruses are codes written by some people to cause serious damage to computers, include government computers[18].

According to Fadliani[9], the development of viruses will disrupt the units on the computer so that it can threaten the system at any time. Therefore, the organization must be able to overcome the challenges of viruses that attack especially when accessing internet-based application.

The development of increasingly sophisticated computers, accompanied by a variety of computers viruses, such as Trojan horses, worms, etc. These will cause all activities of the management information system to be disrupted if a computer device is attacked by a virus so that the data contained in the computer will be threatened to be lost[19].

IV. CONCLUSION

The challenges on administrator competencies and virus control have been overcome by the government organization.

An administrator competency in Inspectorate of Sidoarjo Regency is supported by technical guidance activities on SIMGAJI application organized by Regional Financial and Asset Management Agency (BPKAD). Inspectorate has also used an antivirus that is always updated, aimed at anticipating the threat of viruses to data on PC.

On the contrary, the facilities, infrastructure, and data transformation are still challenges for Inspectorate in the implementation of payroll service through SIMGAJI. There are no facilities related to the procurement of generators. In the event of a power outage, all activities that use computers or PC cannot be carried out. Moreover, data transformation delays due to the slow internet network. Data transformation from Inspectorate to BPKAD through SIMGAJI, and vice versa through SIKSDA is very dependent on the availability of a stable internet network.

Therefore, these challenges must be overcome immediately so that civil servant payroll services can be integrated and run well. BPKAD must develop the application by connecting SIMGAJI with SIKSDA to facilitate the issuance of payment order (SPP) and payment warrant (SPM) based on the payroll, and ease the process of data transformation. Inspectorate of Sidoarjo Regency also improves the quality of internet network and the generator set so that it can support the interaction of government to employee especially payroll service.

ACKNOWLEDGMENT

REFERENCES

[1] J. J. Martocchio, *Strategic Compensation: A Human Resource Management Approach*, 9th ed. Pearson, 2016.

[2] S. W. Walker and J. E. Foushee, "Managing Compensation: Factors that Influence Compensation Decisions," in *Security Careers – Skill, Compensation, and Career Paths*, Third., 2014, pp. 19–37.

[3] J. J. Martocchio, "Pay, Compensation, and Performance, Psychology of," *International Encyclopedia of the Social and Behavioral Science*. pp. 611–617, 2015.

[4] S. Usman, M. T. Akbar, and M. Ramzan, "Effect of Salary and Stress on Job Satisfaction of Teachers in District Sialkot, Pakistan," *IOSR J. Humanit. Soc. Sci.*, vol. 15, no. 2, pp. 68–74, 2013.

[5] J. Hu and J. B. Hirsh, "Accepting Lower Salaries for Meaningful Work," *Front. Psychol.*, vol. 8, pp. 1–10, 2017.

[6] C. B. Mamoria and S. V Gankar, *Personal Management*. New Delhi, India: Himalaya Publishing House, 2011.

[7] A. P. Manoharan and A. Ingrams, "Conceptualizing E-Government from Local Government Perspectives," *State Local Gov. Rev.*, vol. 50, no. 1, pp. 56–66, 2018.

[8] Iswahyudi, "Manajemen Pelayanan Badan Pengelola Keuangan dan Aset Daerah (BPKAD) dalam Pembayaran Gaji Aparatur Sipil Negara Di Kabupaten Biak Numfor," *Gema Kampus - J. Ilmu Adm. Ilmu Sos. dan Ilmu Polit.*, vol. 12, no. 2, pp. 15–21, 2017.

[9] Fadliani, "Sistem Informasi Manajemen (SIM) Berbasis Website pada Kanwil Kementerian Agama Provinsi Sulawesi Selatan," *Eklektika J. Pemikir. dan Penelit. Adm. Pendidik.*, vol. 3, no. 1, pp. 17–32, 2015.

[10] I. Etikan, S. A. Musa, and R. S. Alkassim, "Comparison of Convenience Sampling and Purposive Sampling," *Am. J. Theor. Appl. Stat.*, vol. 5, no. 1, pp. 1–4, 2016.

[11] M. B. Miles, A. M. Huberman, and J. Saldana, *Qualitative Data Analysis. A Methods Sourcebook*. Washington DC: SAGE Publications, Inc, 2013.

[12] S. Verdinelli and N. I. Scagnoli, "Data Display in Qualitative Research," *Int. J. Qual. Methods*, vol. 12, pp. 359–381, 2013.

[13] Z. Fang, "E-Government in Digital Era: Concept, Practice, and Development," *Int. J. Comput. Internet Manag.*, vol. 10, no. 2, pp. 1–22, 2002.

[14] V. B. Ganapathy and V. K. Kumar, "E-Government: Concepts and Applications," *Int. J. Comput. Sci.*, vol. 2, no. 8, pp. 16–19, 2014.

[15] S. Bradley, "An Exploratory Study of the Role of the Human Resource Information System Professional," *Athens J. Technol. Eng.*, vol. 6, no. 1, pp. 63–76, 2019.

[16] A.-B. Bin Ladjamudin, *Analisis dan Desain Sistem Informasi*. Yogyakarta: Graha Ilmu, 2013.

[17] Damayanti and T. S. Jayat, "The Design of a Web-Based Program for Reporting Incomes Tax Article 21 for Civil Servants," *J. Accounting, Bus. Manag.*, vol. 25, no. 2, pp. 50–60, 2018.

[18] W. Ahmad, "Computer Viruses as a Threat to Home Users," *Int. J. Electr. Comput. Sci. IJECS-IJENS*, vol. 10, no. 3, pp. 29–34, 2010.

[19] V. Tasril, M. Ginting, Mardiana, and A. P. U. Siahaan, "Threats of Computer System and its Prevention," *Int. J. Sci. Res. Sci. Technol.*, vol. 3, no. 6, pp. 448–451, 2017.