



## Strengthening Institutional Capacity of the North Kalimantan Provincial Department of Manpower and Transmigration in Performing Employment Sector Functions

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### Abstract

Organizational capacity development is a crucial element in improving the effectiveness of public services, especially for strategic institutions such as the Manpower and Transmigration Office (Disnakertrans). This research aims to deeply analyze the capacity development of the North Kalimantan Province Manpower and Transmigration Office in carrying out its duties and functions in the employment sector. Using a descriptive qualitative approach, this study adopted Potter and Brough's (2004) Systemic Capacity Building model which includes nine elements of capacity. Data were collected through in-depth interviews with key informants, observation, and documentation, then analyzed using an interactive model. The results showed that the Kaltara Disnakertrans has good capacity at the structural, system and role levels, characterized by the existence of collaborative forums and a clear division of tasks. However, significant challenges are still found in the foundational elements, namely performance capacity (limited human resources, budget, and equipment) and facility capacity (the absence of a provincial Vocational Training Center), which has implications for workload capacity. This study concludes that capacity development in the Disnakertrans of Kaltara has not been operationally optimized due to an unsound resource foundation, thus requiring a holistic approach that strengthens internal and external capacity simultaneously.

## Introduction

In the midst of globalization and increasingly fierce regional economic competition, the quality of human resources (HR) is the main pillar of a nation's competitiveness (Agit et al., 2024; Rohmania et al., 2024). The state is required to be able to create a workforce that is skilled, productive, and adaptive to market changes. In this context, government institutions responsible for the labor sector play a very strategic role. These institutions not only function as regulators, but also as facilitators and accelerators in human resource development. The ability of these institutions to carry out their functions effectively is highly dependent on what is referred to as *capacity building*. This concept, as explained by Milen (2006) and UNDP (1999), refers to the process of strengthening the capabilities of individuals, organizations and systems on an ongoing basis to achieve predetermined goals.

Within the framework of decentralization in Indonesia, the responsibility for manpower management is delegated to local governments through the Manpower and Transmigration

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Office (Disnakertrans). However, this delegation of authority is often not accompanied by proportional capacity building, so many regional offices face challenges in carrying out their mandate (Gakwerere et al., 2024; Kurmaniah & Candra, 2024; Murni et al., 2024). This condition is more complex in North Kalimantan Province (Kaltara), a New Autonomous Region (DOB) that has unique and strategic characteristics. As a border province directly facing Malaysia and the location of several National Strategic Projects (PSN), Kaltara is faced with very high development expectations. The success of these projects relies heavily on the availability of a competent local workforce, a task for which the Kaltara Disnakertrans is primarily responsible.

However, behind these big demands, the Kaltara Disnakertrans faces a serious capacity dilemma. Initial observations and data from the 2024 Position Analysis (Anjab) show a drastic human resource gap, with the office having only 37 employees out of an ideal requirement of 83. This staffing deficit of more than 50% creates tremendous operational pressure and has direct implications for *overwork* among staff. Furthermore, this problem is exacerbated by limited budget allocations, inadequate work facilities and, most crucially, the absence of a provincial-level Vocational Training Center (BLK) as a center for developing the skills of the workforce. This gap between high external demands and limited internal capacity creates a critical situation that can hinder the achievement of regional development targets and even risk the marginalization of the local workforce (Omweri, 2024; Bristol et al., 2024; Chari, 2024).

Seeing the complexity and urgency of these problems, an in-depth and comprehensive analysis of the organizational capacity of the Kaltara Disnakertrans is very relevant (Yulianti & Fitriansyah, 2024; Yadav, 2024). This research aims to systematically dissect and evaluate the capacity condition of the Kaltara Disnakertrans in carrying out its duties and functions in the field of manpower. To achieve this goal, this study adopts the Systemic Capacity Pyramid framework developed by Potter and Brough (2004). This model was chosen due to its holistic and hierarchical approach, which allows researchers to not only identify each capacity element separately, but also to understand how weaknesses at the foundational level (such as resources) can propagate and affect the effectiveness of elements at higher levels, such as systems and structures (Wu & Wang, 2024; Jiang et al., 2024; Hamza et al., 2024). Thus, this research is expected to provide an accurate diagnosis of the strengths and weaknesses of the capacity of the Kaltara Disnakertrans and formulate strategic and implementable policy recommendations (Laha & Dutta, 2024; Idrus et al., 2025; Rathnasiri et al., 2024)

## Method

This research applied a qualitative approach with a descriptive-exploratory research type to obtain an in-depth and contextual understanding (Febrianto et al., 2024; Attaufiqi et al., 2024; Fatawi & Abidin, 2024). This approach was chosen because of its ability to describe in detail the phenomenon of capacity development and explore the factors that influence it in a natural setting at the North Kalimantan Provincial Manpower and Transmigration Office (Arikunto, 2010). Data collection was conducted through triangulation of techniques, namely *in-depth interviews*, observation, and documentation studies. Research informants were selected using *purposive sampling* technique, consisting of key position holders who have direct knowledge and experience related to the research topic, such as the Head of Department, Heads of Division, Heads of Section, and Junior Expert Planners. Secondary data was obtained from the analysis of strategic documents, including the Strategic Plan (Renstra), reports on the achievement of Key Performance Indicators (IKU) and Activity Performance Indicators (IKK), laws and regulations, and labor statistics. The data analysis process followed the interactive model of Miles, Huberman, and Saldana (2014), which includes three simultaneous streams of

activity: data condensation, data presentation, and conclusion drawing/verification. The condensed data were presented narratively and analyzed using the nine elements in the Systemic Capacity Pyramid framework as a thematic framework.

## Result and Discussion

An in-depth analysis of the capacity development of the North Kalimantan Provincial Manpower and Transmigration Office yields multiple findings. This discussion is presented systematically by dissecting the condition of organizational capacity through the Systemic Pyramid model, which is then continued with an analysis of the *outcome* and accountability dimensions as a measure of its effectiveness.

### Capacity: Analysis Based on the Systemic Pyramid Model

The findings of this study indicate a significant capacity imbalance between the top level and the base level of the pyramid. At the base of the pyramid, performance capacity, which includes the availability of tools, budgets and equipment, was found to be the most fundamental weakness. Department leaders and staff consistently acknowledged that limited resources, both human resources and budget, were the main constraints hindering program execution. This confirms that although strategic plans have been developed, their implementation in the field is often constrained by fiscal and administrative realities.

Moving to the level of personal capacity, the research found relative strength. Employees, especially functional officials, are considered to have adequate technical competence thanks to the training they have attended. However, this strength is not yet solid as the need for continuous training to adapt to new regulations and technology is still high, but often hampered by budget constraints. At the staff and infrastructure level, a more complex picture was found. Serious weaknesses are evident in workload capacity and facility capacity. The lack of staff has resulted in the phenomenon of *overload* and duplicate positions becoming commonplace. Another critical weakness is the absence of a provincial-level Vocational Training Center (BLK). On the other hand, the capacity of supporting services shows strengths, where the office has managed to build harmonious collaboration with various OPDs, the private sector, and labor unions.

At the top of the pyramid, the capacity of the Kaltara Disnakertrans shows maturity. Structural capacity is strong with the establishment of various functional cross-sector forums such as the Tripartite LKS and Apprenticeship Forum. System capacity has also made significant progress through service digitization, although not yet fully integrated. Finally, role capacity within the agency is very clear, with a structured division of authority and responsibility.

Table 1. Tabel Analisis Kapasitas Disnakertrans Kaltara Berdasarkan Systemic Capacity Pyramid Model

Capacity Level	Capacity Element (Systemic Pyramid)	Empirical Condition	Strengths	Weaknesses
Base Level (Bottom)	Performance Capacity	Limited availability of tools, budgets, and human resources; identified as the main constraint in program implementation.	–	Strategic plans exist but are hindered by fiscal and resource constraints.

	Personal Capacity	Functional staff demonstrate relatively strong technical competencies due to training received.	Technical training has improved staff competence.	Need for ongoing capacity-building to adapt to policy and technological changes is unmet due to budget limits.
	Workload Capacity	Staff shortage leads to work overload and position duplication across several divisions.	–	Overburdened staff; overlapping responsibilities due to multiple roles held by individuals.
	Facility Capacity	The province lacks a Vocational Training Center (BLK); inadequate training infrastructure to meet labor market needs.	–	Significant skill mismatch between workforce and industry needs; lack of infrastructure support.
	Supporting Services Capacity	Strong collaboration established with other regional agencies (OPDs), private sector, and labor unions.	Effective inter-sectoral collaboration and partnerships.	–
Middle Level	Structural Capacity	Functional cross-sector forums such as the Tripartite Cooperation Institution (LKS) and Apprenticeship Forum have been established.	Clear and functional organizational structures are in place.	–
	System Capacity	Digital service delivery has been initiated, though full integration across systems has yet to be achieved.	Progress in service digitalization initiatives.	Systems are still fragmented and not fully integrated across departments.
Top Level	Role Capacity	Clear division of roles, authority, and responsibilities within the organization.	Role clarity enhances coordination and task execution.	–

The organizational capacity of the North Kalimantan Provincial Manpower and Transmigration office professes an extreme structural imbalance between the foundational and systemic level of capacity as examined systematically through the Systemic Capacity Pyramid construct. The performance, personal, workload, and facility capacities in the most basic level present sharp

restraints in the organization that negate any realisation of its strategic agenda. Among the four elements, performance capacity which in terms of availability of the necessary tools, budgetary budgetary allocations and provision of human resources comes out as the weakest. The intent of planning has been executed in a very robust fashion, but it has been limited in terms of operational execution due to both financial constraints and perennial resource shortage hence creating a gap between strategy planning and the operational reality. Individual ability is more enhanced and especially among the functional personnel who portray technical proficiency after undergoing specific training schools.

This is, however, weakened by the lack of uniform, properly funded capacity building activities that would help the personnel stay dynamic to the changing regulatory models and technology requirements. The situation is made even worse when measuring workload and the abilities of the facilities. This team is without doubt characterized with a chronic alarm condition of not enough competent people resulting in an unsustainable division of labour with duplication of posts and task overload to be the norm rather than the exception. What exacerbates this lack of fit between the skills of local workforce and the demands of the industries in the region is a total lack of a provincial-level Vocational Training Center (BLK for the provider shortage) an institutional irony in an agency charged with the development of labor.

Longitudinal analysis of the Labour Department (LD) capacity has also shown a gap between the lower and upper layer with the latter being more consolidated and functional. Capacity to support services represents an exceptional source of strength: the agency acts positively with regional Offices of Public Development (OPDs), the private sector and the labour unions. The structural capacity has also been developed as indicated by the creation and continuous operating of cross-sectoral institutions like the Tripartite Cooperation Institution (LKS) and the Apprenticeship Forum which facilitate the idea of inclusive labour governance. The efforts undertaken in terms of system capacity are signaled by the promising trends in terms of digital transformation initiatives within the agency, but the ambitions of full interoperability are still on the horizon. Role capacity demonstrates the wide scope of mandates clarity, an effective assignment of authority, and clarification of the power chain resulting, hence, in consistent management and decision-making overall.

Juxtaposition of these findings displays a dualistic institutional state that of maturity both in structural and systemic realm is based on a thin operationally weak formation with poor resources to support long-term performance. Such vertically misaligned provision stretches staff and induces temporary solutions and a threat to the coherence and sustainability of policy. A comprehensive recalibration to strengthen capacity development in favour of such a capacity development strategy should indeed be based in the equitable allocation of resources, substantial investment in infrastructure and personnel, and linkages of underlying operational capacity with structural and systemic aspirations. Structural strength born of such recalibration would otherwise stand menaced by the inevitable undermining of endemic shortfall at the shallower levels that, in due time, deforms the agency capacity to present fair and effective labour policy decisions.

**Outcome: Performance Achievement and Public Impact**

Table 2. Outcome Achievement for Activity Performance Indicators (IKK) of the North Kalimantan Manpower and Transmigration Office in 2024 and Its Critical Analysis

Indicator	Achievement (%)	Category	Implication/Analysis
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Industrial Relations Dispute Rate	160.09%	Very Good	Indicates strong performance in mediation and supervision of industrial relations, supported by sufficient supervisory capacity and clear institutional roles.
Percentage of Zero Accident Companies	92.70%	Very Good	Reflects success in occupational safety and health (OSH) supervision, demonstrating effective program delivery in workplace safety.
Percentage of Workers Participating in BPJS Employment	~68–69%	Medium	Reveals moderate performance; program is running but lacks optimal impact due to limited budget and lack of supervisory resources for broader outreach.
Percentage of Workers with Wages $\geq$ UMP	~68–69%	Medium	Indicates partial progress in wage protection efforts; constrained by similar challenges in enforcement and awareness due to limited performance capacity.
Availability of Provincial Training Centers (BLK)	Not available	Poor/Negative	Severe limitation in facility capacity; lack of vocational training centers leads to skill mismatches between labor supply and industry needs in the region.

*Outcome* is a crucial dimension to measure the real impact of policy and program implementation. In Disnakertrans Kaltara, *outcomes* show mixed results. Data on the achievement of Activity Performance Indicators (IKK) in 2024 shows some very positive results. For example, the indicator "Industrial Relations Dispute Rate" reached 160.09% of the target, while "Percentage of Zero Accident Companies" reached 92.70%, both in the "Very Good" category. This signifies the agency's success in its OSH mediation and supervision functions, which are supported by its supervisory capacity and clear roles.

However, *outcomes* in other areas show challenges. The indicators "Percentage of Workers Participating in BPJS Employment" and "Percentage of Workers with Wages  $\geq$  UMP" only reached an achievement of around 68-69%, which falls into the "Medium" category. This indicates that although the program has been running, its impact in improving workers' protection and welfare has not been optimal. This gap can be attributed to performance capacity limitations, where the lack of supervisory staff and budget for massive socialization hampers the program's reach. The most significant negative *outcome* is the impact of weak facility capacity, namely the absence of provincial BLKs. This creates an acute *skill mismatch*, where local industries' needs for skilled labor cannot be met by the local labor force, an irony for local economic development.

#### **Accountability: Accountability Mechanisms and Transparency**

Accountability refers to the mechanism of accountability for the implementation of tasks and management of resources. Disnakertrans Kaltara has built a fairly solid accountability mechanism both internally and externally. Internally, the application of Employee Performance

Targets (SKP) and the E-Kinerja application are the main tools to monitor and evaluate individual performance objectively and in stages. Every activity must be reported in writing to the leadership, which shows a clear flow of accountability.

Externally, accountability is realized through various cross-sector forums. The existence of the Tripartite LKS, Compliance Forum, and other forums places the agency in an accountable position towards stakeholders such as trade unions and employers' organizations. In addition, budget transparency through SIPD and the provision of service information through digital platforms are forms of accountability to the wider public. However, this accountability system has weaknesses in the enforcement aspect. The *reward* and *punishment* mechanism has not been effective. Awards for outstanding employees tend to be non-material in nature, and the application of formal sanctions based on PP No. 94 of 2021 concerning Civil Servant Discipline is still very rarely implemented in practice. These weaknesses in enforcement have the potential to reduce the thrust of accountability for continuous performance improvement.

Overall, this in-depth analysis shows that the Disnakertrans Kaltara operates in a state of capacity imbalance: it has mature structures and systems, but is underpinned by a fragile foundation of resources and facilities. Strengths in institutional "software" allow the organization to survive and maintain formal accountability, but weaknesses in "hardware" are a major impediment to achieving equitable *outcomes* in all areas. These limitations force employees to work beyond their capacity and create ad-hoc solutions through collaboration, but ultimately limit the long-term impact of employment policies. Therefore, future capacity development strategies must be holistic, not only improving systems, but fundamentally investing in strengthening resources and facilities.

## Conclusion

This study concludes that the capacity development of the North Kalimantan Provincial Manpower and Transmigration Office still shows an imbalance between the structural and foundational dimensions. Although capacity at the system, structure and role levels has developed significantly - marked by the existence of an active cross-sector forum, clear division of roles and progress in digitizing services - the organization's foundations are still fragile. The most crucial weaknesses lie in limited human resources, budgets and supporting facilities, particularly the absence of provincial vocational training centers, which has a direct impact on work overload and the mismatch of workforce competencies with industry needs.

This finding confirms the importance of a holistic and simultaneous capacity development approach, which not only emphasizes strengthening institutional systems and structures, but also pays attention to the fundamental aspects that underpin overall organizational performance. Without capacity building at the foundational level, the effectiveness of employment policies and programs will remain limited, and the risk of marginalization of local workers will be higher.

For this reason, it is recommended that the North Kalimantan Provincial Government and the central government make strategic interventions through: (1) proportionally adding employee formations, (2) increasing performance-based budget allocations, and (3) accelerating the construction of the provincial BLK as a center for developing local workforce competencies. These recommendations are not only relevant for North Kalimantan, but can also be used as a reference for other new autonomous regions in designing strategies to strengthen institutional capacity in the labor sector.

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