Local Government Crisis Communication Strategy: Case Study of Demands for Arrears in Employee Income Additional Payments

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**Abstract**

In handling the crisis, the Regional Government of Penajam Paser Utara Regency carried out crisis identification first, carried out rapid research into the phenomena that occurred by observing the situation so that crisis management was right on target. Crisis analysis is also carried out, namely the regional government analyzes the data that has been collected to take strategic steps. The crisis communication strategies applied in this crisis case are 1) Diminish strategies, namely by means of justification and excuse strategies, 2) Rebuild strategies, namely by means of compensation, apology, and 3) Reinforcing / Bolstering strategies, namely by means of victimage. There are several factors inhibiting the implementation of crisis communication, including a lack of transparency or openness towards communication carried out by the Regional Government. Researchers recommend forming a team to handle the crisis that occurred. As well as the Regional Government to be more active in communicating or having direct contact with ASN, especially those at staff level.

**Introduction**

Communication is an important and inseparable part in realizing the vision and mission of regional government. If the communication built by the regional government is good, then it is certain that the messages and hopes of the regional government will also be understood and well received by the community. So that the implementation of policies made by the regional government can run well. Poor communication will give rise to poor relations between regional government agencies, regional government and regional vertical agencies, regional government agencies and their employees, regional government agencies and the community, or between communities themselves in determining and implementing policies made by the local government (Mujahid & Nugraha, 2020). So that in time poor communication can create a problem and when the problem is not handled well it can develop into a crisis. A crisis can be seen as a situation or event that has more negative implications for a company or organization than vice versa. A crisis is basically an unexpected situation that occurs suddenly and presents a threat to the organization.

As a threat, the crisis must be handled quickly so that the organization can run normally again (Putri et al., 2019). To be considered a true crisis, an event must have high potential consequences for those affected and little time to make decisions so that one important response is to communicate to stakeholders regarding the current crisis (Putri et al., 2019; Kristianti, 2022). Every institution or organization, especially local governments, is vulnerable to facing crises. The presence of a crisis can threaten image, finances, stability and can trigger a flare-up of community resistance to local government. A crisis can actually potentially be an opportunity for local governments to transform in a better direction, but negative things can also arise if crisis management is not carried out optimally (Nova, 2014; Thielsch et al., 2021). There are three conditions that commonly occur in a crisis. According to Argenti & Barnes...
Crisis communication does not only focus on dealing with communication problems, but also involves real action to overcome the crisis being experienced (Sellnow & Seeger, 2021; Christensen & Leagreid, 2020). Appropriate response and communication, transparency, honesty and responsibility are important parts of managing crisis communications well and minimizing the negative impact on an organization's reputation and relationships with the public and stakeholders. Situational Crisis Communication Theory (SCCT) developed by Coombs (2007). The telecommunications industry is one of the industries that is vulnerable to crisis, especially since telecommunications products such as smartphones and the internet have become one of everyone's basic needs (Ilham, 2023). Using qualitative methods, the results of this research show that the application of SCCT in the telecommunications industry requires several special notes (Akhyar & Pratiwi., 2019; Selaković, 2021; Chan, 2020). This research focuses on how the crisis communication strategy is implemented by the regional government of North Penajam Paser Regency in handling cases of demands for payment of eight months' arrears in Additional Employee Income (TPP) for state civil servants (ASN) and what factors influence the success or inhibiting implementation. crisis communication that has been implemented.

Methods

The research uses a qualitative descriptive research methodology. This research focuses more on describing the observed phenomena and does less on carrying out calculations using statistical methods. Data source sampling was carried out purpive and snowball, the collection technique was triangulation which aimed to compare the results of observations, interviews and documentation, data analysis was inductive and qualitative, and the results of qualitative research emphasized meaning rather than generalization. This research was conducted at the Regional Financial and Asset Agency of North Penajam Paser Regency, East Kalimantan Province and carried out at several regional work units related to the research focus.

Result and Discussion

According to Pedersen et al. (2020) that "Crisis is as much business as casual". Crises usually occur in organizations and this is a scientific phase in organizational development. What is different is that an organization's response to a crisis is always different, such as what was experienced by the Regional Government of North Penajam Paser Regency. Based on the results of research that has been carried out, researchers stated that the Regional Government of North Penajam Paser Regency experienced a reputation crisis during a demonstration by state civil servants regarding arrears in additional employee income payments (TPP) on September 19 2022.

The Beginning of the Crisis Demands Additional Income Payments

The crisis of delays in paying additional employee income (TPP) experienced by the Regional Government of North Penajam Paser Regency was caused by this. The delay in payment is due to debts that have not been paid in 2021.
The crisis of late payment of additional employee income (TPP) experienced by the Regional Government of North Penajam Paser Regency began with a number of fundamental financial problems. In 2021, the local government faced significant financial difficulties, including unpaid debts. This debt caused disruption to the cash flow of local governments, so they were unable to meet other financial obligations, including TPP for employees. In addition, inefficient financial management and insufficient local revenue also exacerbated this condition. These factors, coupled with the impact of unstable macroeconomics, contributed to this payment crisis.

The impact of the delay in TPP payments is felt by employees, who experience a decrease in morale and motivation at work due to not receiving their rights on time. This not only reduces productivity, but also affects the quality of public services. For local governments, this crisis has lowered public trust because they are considered incapable of managing finances properly. To overcome this crisis, an effective crisis communication strategy and transparency in communication, both to employees and the public, as well as improvement measures in financial management to restore trust and stability in North Penajam Paser Regency are needed.

**Crisis Management**

So far, the stages of the crisis that the Regional Government of North Penajam Paser Regency are going through are:

**Pre-Crisis**

In the ongoing pre-crisis stage, the regional government is making several preparations to face the potential crisis that will occur. The preparations made are mapping the regional income potential.

"..... Our readiness is of course that we carry out mapping regarding our potential income so that we can mitigate against crises or potential deficits that occur in local governments......."

In the ongoing pre-crisis stage, the Regional Government of North Penajam Paser Regency is making several preparations to deal with potential crises that may occur. One of the preparations made is to map the potential of regional revenue. This is done to estimate sources of revenue that can be maximized, so that it can reduce the risk of financial crises or potential deficits that can occur in local governments. By conducting this mapping, local governments hope to be better prepared to face emergency conditions or lack of funds that may arise in the future.

**Crisis**

Facing the crisis that occurred, the Regional Government of North Penajam Paser Regency has not prepared a team to handle the crisis.

".... As far as I know, the crisis team itself was not there at that time. Regarding that team, I think the TAPD team is already part of that team. This means that during budgeting, planning, preparation, there is a TAPD team from the executive, there is a TAPD team from the legislature. By the time the budget has been prepared, it has already been determined. If there are irregularities and so on, that's what needs to be questioned. Why is there a delay in payment? Even if there are payments for the following year and the previous year, they are also postponed. I mean there was a planning error there, I think...

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The occurrence of this crisis created a crisis of public trust, especially ASNs in North Penajam Paser Regency, towards the regional government.

"... What happened was the economic crisis in North Penajam Paser Regency which then had an impact on the crisis of public confidence because of the inappropriate use of the budget at that time...."

When facing the crisis that occurred, the Regional Government of North Penajam Paser Regency did not have a special team that had been prepared to handle the emergency situation. This is illustrated by the statement that the crisis team had not yet been formed at that time. Although there is a Local Government Budget Team (TAPD) team involved in the planning and budgeting process, the existence of a crisis team specifically assigned to deal with emerging crises is not well prepared. The lack of a crisis team raises questions about the readiness of local governments to manage emergency situations and deal with urgent financial problems, such as late payments.

The presence of this crisis has created a crisis of public trust, especially among the State Civil Apparatus (ASN) in North Penajam Paser Regency, towards the local government. The economic crisis that occurred in the region had an impact on a decrease in public confidence due to the improper use of the budget at that time. Uncertainty related to payment delays and ineffective use of the budget causes people to doubt the ability of local governments to manage finances properly, which in turn exacerbates the crisis of public trust in the government.

Post Crisis

During the crisis, the reputation of the Regional Government of North Penajam Paser Regency decreased. So in the post-crisis period, Regional Government needs to improve and build a reputation among ASN.

"... The first is solidity, that the government system is built on a large system. It is impossible for the subsystems to stand alone between us, but synergistic collaboration is a necessity. Therefore, it is impossible to build strength partially but must be comprehensive, especially what is called teamwork in relation to our teamwork budget which determines the most. All of them are decisive, but there are those who are more decisive because they have to be in charge of overseeing Bapelitbang, BKAD from us assistants regarding this matter. Well, those are actually our instruments in controlling to anticipate how the current fiscal year will turn out, the worst possibility that could happen, that's what we can use in relation to how to process issues, process reality so that we adapt that reality to policy...."

In the pre-crisis stage, the Regional Government of North Penajam Paser Regency carried out mapping of regional income potential in preparation for a possible financial crisis. However, when a crisis occurs, the local government does not have a special team assigned to handle emergency situations, which causes a crisis of public trust, especially among ASN. Post-crisis, the reputation of local governments has declined, and steps are needed to strengthen inter-institutional cooperation and rebuild public and ASN trust in local governments. This includes tighter monitoring of the budget, increased synergy within the government system, as well as active participation of all parties in planning and implementing policies to avoid similar crises in the future.
Crisis Handling and Management Efforts

Referring to the steps that need to be taken in managing a crisis according to Suwandi (2023) which have been discussed above, the author describes the steps taken by the Regional Government of North Penajam Paser Regency:

Identify the Crisis

Crisis identification is an important step taken by the Regional Government of North Penajam Paser Regency in order to determine appropriate response steps. The North Penajam Paser Regency Government carried out mapping regarding the revenue potential of the North Penajam Paser Regency Regional Government.

"... Our readiness is of course that we carry out mapping related to our potential income, so that we can carry out mitigation for crises or potential deficits that occur in the Regional Government...."

Crisis identification is an important step taken by the Regional Government of North Penajam Paser Regency to determine appropriate response steps. The Regional Government of North Penajam Paser Regency has carried out mapping regarding potential income to find out possible shortages of funds or crises that could occur in the area. This mapping was carried out as part of the regional government's readiness to face various potential financial crises. By knowing the potential income that can be maximized, regional governments hope to reduce the risk of crises or deficits that could disrupt regional financial stability. This step shows the local government's awareness and proactive efforts in identifying and overcoming potential financial problems before they become a bigger crisis.

Crisis Analysis

After learning about the TPP payment delay crisis, the regional government immediately analyzed the impact that would occur. The Regional Government of North Paser Regency provides understanding to ASNs through mass media and also existing forums, especially SKPD internal forums.

"... I think the Regional Government has already communicated this through the OPDs, saying that we will fail to pay for several months, so if there is a transfer in the next quarter it will be resolved, but this person is just because he is used to accepting this. on a monthly basis, yes, I also feel wronged if the payment is delayed...."

After learning about the crisis of late TPP payments, the regional government immediately carried out an analysis of the impacts that would occur. The Regional Government of North Penajam Paser Regency provides understanding to the State Civil Apparatus (ASN) through mass media and existing internal forums, especially the internal forum of the Regional Work Unit (SKPD). Through communications, the regional government conveyed information to ASN that there would be delays in payments over the next few months, but would be resolved in the following quarter. This aims to provide ASN with an understanding of the situation that is occurring, as well as providing an overview of the steps that the local government will take to overcome this problem. In this way, the regional government is trying to open transparent lines of communication and provide clarity to ASN in dealing with the crisis of late TPP payments.
Crisis Resolution

The implementation of the plan or program carried out by the Regional Government of North Penajam Paser Regency is to pay the outstanding TPP. As stated in the interview results, it is as follows:

"..... After the crisis occurred, the policy made by the regional government was to pay all TPPs that were in arrears and learn the lesson of no longer adopting policies that resulted in TPPs-ASN being sacrificed, this will not happen again. Yes, we both experienced TPP, thank God, everything went smoothly after that incident. At the latest, it will be paid in month 2 or month 3, that's understandable..."

To resolve the crisis of late TPP payments, the Regional Government of North Penajam Paser Regency is implementing a plan or program aimed at paying the outstanding TPP. As mentioned in the interview results, the policy taken by the regional government is to pay all outstanding TPP and learn from this experience to no longer adopt policies that sacrifice TPP-ASN. This step was taken with the aim of ensuring that similar incidents do not happen again in the future and so that ASN no longer becomes victims of inappropriate policies. Through the implementation of this policy, the regional government hopes to overcome the crisis of late TPP payments and restore ASN's trust in the regional government. Thus, the regional government is committed to resolving this problem transparently and providing a satisfactory solution for all affected parties.

Crisis Management of the Regional Government of North Penajam Paser Regency in Facing the Crisis

Crisis management carried out by the Regional Government of North Penajam Paser Regency based on Coombs (2010) in the Handbook of Crisis Communication divides crisis management into 3 (three) stages, namely: In the pre-crisis phase, communication between the community, especially state civil servants (ASN) and the Regional Government of North Penajam Paser Regency, was very necessary. Crisis prevention is the main priority so that a crisis does not occur (Mardiyah & Salma, 2021). When the revenue budget has the potential to have a deficit, mapping is carried out regarding regional revenue potential. Mapping related to regional income potential needs to be planned well. Planning for regional income needs to be as thorough as possible, and the plans made must be in accordance with sources of income that really have the potential to be realized. This crisis phase is the phase where a crisis is occurring. The sustainability of the crisis depends on the internal parties of local government agencies in dealing with it (Agustiana, 2024). The crisis can stop immediately or even cause a lot of losses if left alone.

In the case of arrears in payments for eight months of additional employee income (TPP) for state civil servants (ASN) in the Regional Government of North Penajam Paser Regency, there are several crises experienced by the Regional Government of North Penajam Paser Regency. At the beginning of the TPP payment arrears crisis, there was no team to handle the problem specifically for this crisis. So, in dealing with this problem, the Communications and Information Service of North Penajam Paser Regency communicates with the community, especially ASN within the Regional Government of North Penajam Paser Regency.

In carrying out this task, the role of the ASN forum is very helpful in handling the crisis. The ASN Forum encourages the Regional Government of North Penajam Paser Regency to overcome problems related to TPP payments. In communicating, the ASN forum uses communication channels through BKAD and also SKPD leaders in the North Penajam Paser Regency Regional Government.
The crisis of ASN TPP payment arrears within the North Penajam Paser Regency Regional Government has caused a crisis of public trust, especially ASN, in the North Penajam Paser Regency Regional Government. To avoid or reduce this sense of trust, the Regional Government of North Penajam Paser Regency held coordination meetings with the central government and provincial government. The results of the coordination meeting conveyed the problems that occurred to the SKPD within the Regional Government of North Penajam Paser Regency for a policy to be adopted in dealing with the crisis that occurred.

The policies taken will be informed openly through the media and internal SKPD forums within the Regional Government of North Penajam Paser Regency. In dealing with the TPP payment arrears crisis, direct communication was carried out by the Regional Secretary and BKAD to provide an explanation to the ASN of the Regional Government of North Penajam Paser Regency. Apart from being carried out by the Regional Secretary (Sekda) and the head of BKAD, this direct communication also involves the heads of other SKPDs so that this can be conveyed in internal SKPD forums.

Post-crisis communication covers the period of time after the crisis has been resolved. The focus in the post-crisis of TPP ASN payment arrears is how to build and improve the reputation of the North Penajam Paser Regency Regional Government among the community, especially ASN of the North Penajam Paser Regency Regional Government. In building and maintaining a reputation, the role of the media is very influential. Regular dissemination of information in the media is very necessary and influential, especially for information that ASN really needs.

Efforts to Handle and Manage the Regional Government of North Penajam Paser Regency in Facing the Crisis

Based on the results of interviews that the author obtained, handling the crisis of the Regional Government of North Penajam Paser Regency through several stages. To be able to identify a crisis, the Regional Government of North Penajam Paser Regency needs to conduct a study or research. If the crisis occurs unexpectedly, the study or research is carried out informally and quickly, identification of the crisis that occurs is drawn on the same day the data is collected. Identification of a crisis must be done quickly if a crisis has started to attack an agency so that as soon as possible an agency can carry out planning and strategies to manage the crisis. Through crisis identification, the first thing the North Penajam Paser Regency Regional Government did when there was an arrears in TPP payments was to map the revenue potential of the North Penajam Paser Regency Regional Government so that mitigation could be carried out against the crisis that occurred.

Apart from mapping regional revenue potential, we are also taking steps to pay the TPP which is pending in 2022 by scheduling the TPP payment. These payments must be included in the North Penajam Paser Regency Regional Government's budget planning. Budget planning must look at regional income plans with expenditure plans budgeted in the APBD of North Penajam Paser Regency. Before communicating, the Regional Government of North Penajam Paser Regency must carry out an analysis of the data that has been obtained, then the next step is to analyze the crisis that occurred. This stage requires good problem reading skills. The Regional Government of North Penajam Paser Regency is carrying out various strategies to overcome arrears/arrears in ASN TPP payments within the Regional Government of North Penajam Paser Regency.

When the TPP payment arrears crisis occurred, the Regional Government of North Penajam Paser Regency was quick to respond in conveying information regarding the TPP payment arrears. In this stage, payments which are usually made monthly can be made quarterly and can
also be planned in a revised budget based on regional financial capacity. Apart from this payment scheme, the regional government is also making delayed TPP payments, especially the 2021 TPP which has not yet been paid. After analyzing the crisis, it is necessary to determine the strategy that will be taken. Based on the crisis that occurred, the strategy taken by the Regional Government of North Penajam Paser Regency was a policy made by the regional government by paying all outstanding TPP. The TPP payment which was delayed by the North Penajam Paser Regency Government also promised that future TPP payments would be on time. Based on the results of the researcher's interview, the Situational Crisis Communication Theory (SCCT) strategy taken by the Regional Government of North Penajam Paser Regency, the researcher found that the strategy used was Diminish strategies. Where the organization does two things, namely justification and excuse. This strategy takes responsibility and minimizes the damage caused by the crisis (Coombs, 2010). The Regional Government of North Penajam Paser Regency is responsible for the crisis that has occurred. The purpose of justification is so that the impact of the crisis does not get worse, and if improvements are successful, the agency's reputation can be saved. Based on the researchers' findings, there are several justification strategies carried out by the Regional Government of North Penajam Paser Regency, including 1) collaborating in this matter to communicate and coordinate with the central government and provincial government, 2) providing understanding to SKPD and ASN forums regarding the problem of ASN TPP payment arrears , 3) evaluate what are the obstacles to the problem of ASN TPP payment arrears, 4) create a policy regarding resolving ASN TPP payment arrears.

**Conclusion**

In handling the crisis, the Regional Government of North Penajam Paser Regency identified the crisis first. The government conducted rapid research into the phenomena that occurred by observing the circumstances so that crisis management was right on target. Next, a crisis analysis is carried out, namely the government analyzes the data that has been collected to take strategic steps. Next is strategic decision making by considering the data that has been obtained. The crisis communication strategy implemented by the Regional Government of North Penajam Paser Regency in the case of demands for arrears in payment of eight months of Additional Employee Income (TPP) for State Civil Apparatus (ASN) in 2022 is 1) Diminish strategies, namely by means of justification and excuse strategies, 2) Rebuild strategies namely by means of compensation, apology, and 3) Reinforcing / Bolstering strategies, namely by means of victimage. In handling demands for arrears in payment of eight months of Additional Employee Income (TPP) for State Civil Apparatus (ASN) in 2022, there are several factors that hinder the implementation of crisis communication carried out by the Regional Government of North Penajam Paser Regency, namely the lack of transparency or openness towards communication and lack of understanding of ASN which relate to financial conditions in the Regional Government of North Penajam Paser Regency.

**References**


