

THE ROLE OF THE INSPECTORATE IN IMPLEMENTING REGIONAL GOVERNMENT RISK MANAGEMENT: A CASE STUDY OF THE MEDAN CITY INSPECTORATE

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ABSTRACT

Indonesia's regional governments have operated under mandatory internal-control risk assessment since Government Regulation No. 60/2008, yet research on the Internal Government Supervisory Apparatus (APIP) tends to isolate a single function, such as audit or fraud detection, rather than trace how one Inspectorate carries risk management across an entire policy cycle. This study examined how the Medan City Inspectorate performs that role across three stages: risk-management planning, risk-based financial oversight, and performance-reporting assistance. The study used a qualitative case-study design. Ten informants, purposively selected from the Inspectorate and a regional planning agency, took part in semi-structured interviews, supplemented by internal risk-management and performance documents. Data were analyzed using the Miles and Huberman model and checked through source and technique triangulation, supplemented by member checking. Results show the Inspectorate acting as coach, facilitator, and evaluator rather than as the party that identifies risk directly: it runs technical guidance before agencies draft their budgets, reviews the risk registers and control plans agencies produce, and feeds high-risk findings into the Annual Supervision Work Program. In financial oversight, the Inspectorate targets audits at high-risk activities and tracks agencies' follow-up on its recommendations. In performance reporting, it verifies reported results against field conditions and aligns risk documents with the regional development plan. Uneven staff understanding of risk concepts, tight budgets, and a compliance-oriented work culture still limit how far these practices reach. The findings indicate that risk management functions as one integrated cycle linking planning, spending, and reporting, rather than as separate audit episodes.

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INTRODUCTION

Risk management has become a standard component of public-sector governance. International frameworks such as ISO 31000 treat an organization's capacity to identify, assess, and treat risk as a precondition for effective, accountable public service delivery (Abdelrhani & Adnan, 2022). Indonesia formalized this expectation over a decade ago through Government Regulation No. 60/2008 on the Government Internal Control System (SPIP), which requires every government agency to embed risk assessment in its internal control processes (Susanti et al., 2020). Presidential Regulation No. 39/2023 on National Development Risk Management extended the mandate, calling for integrated risk management across government entities as part of bureaucratic reform.

Policy intensification has not translated evenly into local practice. Regional governments continue to struggle with limited staff capacity, constrained budgets, and partial digital integration of risk data (Irianto & Amirya, 2024). The Inspectorate, as the region's Internal Government Supervisory Apparatus (APIP), sits at the center of this gap. Beyond conventional compliance audits, it is expected to identify and prevent irregularities, provide early warning on significant risk, and support regional work units in strengthening internal control (Setyoko et al., 2022). More than half of the corruption cases handled by Indonesia's Corruption Eradication Commission in recent years have involved regional government officials (Komisi Pemberantasan Korupsi, 2025), which underscores what is at stake when regional risk oversight falls short.

Medan City illustrates the gap concretely. Its Inspectorate operates under Mayoral Regulation No. 71/2022 on Risk Management Guidelines, which ties risk management to SPIP and to risk-based oversight. Yet the city's performance accountability score (*Sistem Akuntabilitas Kinerja Instansi Pemerintah*, SAKIP) has moved only marginally, from 60.03 in 2022 to 62.44 in 2024, short of the "BB" predicate the regional medium-term development plan originally targeted; the city subsequently revised its 2025–2029 SAKIP targets downward. A modest, uneven score does not by itself show whether oversight is too weak, the Inspectorate's mandate too narrow, or the bureaucracy too resistant to reform. Locating where in the risk-management cycle the Inspectorate's contribution actually takes hold motivated this study.

Research on APIP and risk management clusters around a few themes. Ministry-level studies link successful risk-management implementation to leadership commitment and auditor capability, but sit in a bureaucratic context quite different from regional government (Cahyadi, 2015). At the regional level, (Muhaimin, 2022) and (Nugraha & Susanto, 2017) describe APIP's strategic role in risk-based audit and fraud-risk management, largely from an audit-function perspective. Quantitative studies confirm a positive statistical association between risk-based audit and financial accountability (Sofa et al., 2025) but cannot show how that association arises in practice. Other qualitative work examines risk management or risk-based audit within a single Inspectorate or a single program, such as social assistance (Zulva & Kristanto, 2025), which yields contextual insight but stops short of an integrated account of the Inspectorate's role across the full risk-management cycle.

This study builds its analysis on two complementary theoretical strands rather than treating risk management as a self-evident administrative task. The first is (Djohanputro, 2006) staged conception of risk management as a structured sequence, identification, measurement, mapping, control, and monitoring, which frames risk management as a cycle whose stages are meant to inform one another rather than a set of independent activities. The second is the institutional logic embedded in SPIP itself: Government Regulation No. 60/2008 assigns risk ownership to individual regional agencies, which structurally positions the Inspectorate, as APIP, in an assurance and advisory role rather than as the actor that identifies or owns risk directly. Read together, these two strands generate the interpretive lens applied throughout the Results and Discussion: each stage of the Inspectorate's involvement, planning, financial oversight, and performance reporting, is examined both for where it sits in Djohanputro's staged cycle and for how it stays consistent with, or strains against, SPIP's assignment of risk ownership to agencies. This framework is what allows the discussion to treat coaching, facilitation, and verification not as a residual description of "what the Inspectorate does," but as the specific institutional form an assurance-based, agency-owned model of risk management takes in practice.

Few of these studies trace (and none of those reviewed here trace) the Inspectorate's role continuously across planning, financial management, and performance reporting within a single regional government. This gap matters because SPIP treats risk management as a cycle, not a discrete audit task: risk identified at the planning stage should shape budget oversight, and oversight findings should in turn inform how performance is reported and verified. A study confined to one stage of that cycle cannot show whether, or how, the stages connect.

This study addresses that gap through three research questions: (1) how the Inspectorate participates in regional government risk-management planning; (2) how it participates in risk-based regional financial management; and (3) how it assists regional agencies in preparing and reporting performance results integrated with risk management. The findings extend the literature on APIP's function beyond the audit-centered framing that dominates prior regional-level studies, and give regional governments a fuller picture of what an Inspectorate contributes, and where its contribution still falls short, across an integrated risk-management cycle. Tracing the cycle continuously, rather than one stage at a time, makes visible something the single-function studies above could not show on their own: that coaching and verification carried out early in the cycle shape what later becomes auditable and reportable, so that risk management operates as one connected institutional practice rather than as a series of disconnected audit tasks.

METHOD

This study used a qualitative approach with a single case-study design, suited to questions of how and why that require understanding a phenomenon within its real institutional context (Yin, 2017). (Creswell, 2014) describes qualitative inquiry as a process for understanding a social problem through a holistic picture built from informants' own accounts, set within a natural context; (Denzin & Lincoln, 2005) similarly define it as research conducted in a natural setting to interpret a phenomenon as it unfolds. The design fit this study's aim: understanding, in depth, the process, mechanisms, and lived practice through which the Medan City Inspectorate implements regional government risk management, rather than measuring association between predefined variables.

The study took place at the Medan City Inspectorate, located on Jl. Kapten Maulana Lubis No. 2, Medan, the internal oversight body for North Sumatra's provincial capital. Fieldwork ran from October 2025 to March 2026.

Primary data came from in-depth, semi-structured interviews, guided by a protocol organized around three themes: the form the Inspectorate's role takes at each stage of risk management, its coordination mechanism with regional work units, and the challenges and strategies it applies during implementation. Secondary data came from official documents, including SAKIP evaluation reports, Inspectorate performance reports (LKjIP), regional risk-management review documents, and relevant regulations, used to verify and enrich the interview findings.

Ten informants were selected purposively (Arikunto, 1983; Patton, 2002) for their direct involvement in, or knowledge of, regional government risk oversight and performance reporting: the Inspector (key informant); the Secretary of the Inspectorate (main informant); four Assistant Inspectors covering Regional Areas I through IV and a Special Assistant Inspectorate; an internal auditor; a senior government performance supervisor (*Pengawas Penyelenggaraan Urusan Pemerintahan Daerah*, PPUUD); and the head of the Regional Development Planning Agency (Bappeda), representing the perspective of a supervised regional work unit. This combination let the study compare the Inspectorate's account of its own role with how a supervised agency experienced that role.

Data analysis followed the (Miles et al., 2013) model: data reduction (selecting and focusing on information relevant to each research question), data display (organizing interview and document findings into descriptive tables and narrative summaries), and conclusion drawing and verification (interpreting patterns across informants and documents to answer the research questions). Trustworthiness rested on source triangulation, comparing accounts across informants and against documentary evidence; technique triangulation, cross-checking interview findings against document review; and member checking, returning transcribed accounts and preliminary interpretations to informants to confirm accuracy and resolve inconsistencies before finalizing the analysis.

All informants gave informed consent before each interview, after being briefed on the study's purpose, the voluntary nature of participation, and their right to withdraw at any stage without consequence. Several informants held identifiable public positions within the Medan City Inspectorate or Bappeda and explicitly agreed to be quoted and identified by name and title in the reported findings; informants who preferred not to be named were quoted anonymously, and interview recordings and transcripts were stored securely and accessed only by the research team.

RESULT AND DISCUSSION

Role in Regional Government Risk-Management Planning

Informants described the Inspectorate's planning role as grounded first in policy, then carried out through coaching, facilitation, and evaluation rather than through directly identifying risk on agencies' behalf. The Inspector, Erfin Fachrurrazi, explained the regulatory basis:

"In Medan City, we already have Mayoral Regulation No. 71 of 2022 on Risk Management Guidelines. The core of this regulation is really about how we carry out risk management through the SPIP approach, the Government Internal Control System. We work to integrate risk-based oversight accountability. The goal is to make sure every regional agency can manage financial and non-financial risk systematically."

(Erfin Fachrurrazi, Inspector)

He described the Inspectorate's function in that process as threefold: "we act as facilitator, as coach, as supervisor, to make sure every process follows the risk-management and SPIP guidelines." The Secretary of the Inspectorate, Habibi Adhawiyah, added that the secretariat supports this work administratively and ensures risk documents track the region's planning hierarchy: "the risk plan is basically drawn from the RPJMD [medium-term development plan]. From the RPJMD we look at the Renstra. From the Renstra it flows down to the Renja." The Assistant Inspector for Regional Area I, Rini Afriyanti Hasibuan, described the operational sequence: technical guidance precedes agencies' budget drafting, after which the Inspectorate assists agencies in preparing risk documents, evaluates what they produce, and uses that evaluation to build the Annual Supervision Work Program (PKPT): "if the risk level of an activity is high, we go down there."

Identification itself remained the responsibility of individual agencies, consistent with SPIP's assignment of agencies as risk owners. The Assistant Inspector for Regional Area III, Rizal Iskandar, noted that risk level tends to track budget size, with higher-budget agencies more often showing high-risk activity once evaluated, and that his office runs technical guidance sessions with resource persons from the Financial and Development Supervisory Agency (BPKP) before evaluation begins. The Special Assistant Inspectorate, Ronald Parulian Hutabarat, distinguished two categories of risk the Inspectorate tracks: risk in the oversight assignment itself, such as incomplete baseline data or limited testing scope, and risk in the object of oversight, including fictitious accountability reports, budget mark-ups, work not matching contract specifications, or unauthorized levies. An internal auditor, Patrick Samosir, acknowledged that no dedicated risk-focused audit yet exists: "technically, at the Inspectorate, there is no special audit for risk. We have started with technical guidance, mentoring, consultation, but that probably needs to be done more actively." A senior government supervisor, Neneng Sitohang, described evaluation as document review, *register risiko*, *peta risiko*, and control-action plans, followed by interviews with responsible officials to confirm the documented risk matches actual conditions. From the supervised side, the head of Bappeda, Ferri Ichsan, confirmed that agencies identify risk through cross-unit discussion and by analyzing current and prior-year performance trends.

Table 1. Summarizes the Inspectorate's Role Across the Planning Stage

Function	Empirical Practice	Institutional Mechanism	Implication
Policy grounding	Bases all risk-management activity on Mayoral Regulation No. 71/2022, integrated with SPIP	Mayoral Regulation No. 71/2022 on Risk Management Guidelines, linked to Government Regulation No. 60/2008 (SPIP)	Provides a single regulatory reference point that keeps risk practice consistent across agencies, though it ties the Inspectorate's mandate to how completely that regulation is implemented locally
Technical guidance and coaching	Delivers technical guidance (BIMTEK) on risk identification and documentation before agencies draft their annual budget	Positioned upstream of the budget cycle, ahead of RKA preparation	Places the Inspectorate's influence at the point risk is first framed, not only checked afterward, an assurance role rather than risk ownership

Function	Empirical Practice	Institutional Mechanism	Implication
Facilitation and mentoring	Assists agencies in preparing risk registers, risk maps, and control-action plans; brings in BPKP resource persons for complex cases	Ad hoc collaboration with BPKP as an external technical resource	Extends the Inspectorate's technical capacity beyond its own staff, but makes mentoring quality partly dependent on external availability
Alignment with development planning	Ensures risk documents track the RPJMD, Renstra, and Renja	Planning hierarchy (RPJMD → Renstra → Renja) mandated by regional planning regulation	Anchors risk management to strategic planning rather than a stand-alone compliance document, consistent with (Djohanputro, 2006) staged view of risk management
Evaluation and quality assurance	Reviews submitted risk registers and control plans; confirms findings through follow-up interviews with responsible officials	Document review paired with verification interviews	Substitutes verification for direct risk identification, consistent with SPIP's assignment of risk ownership to individual agencies
Risk-based prioritization	Converts evaluation results into the Annual Supervision Work Program (PKPT), directing oversight toward higher-risk agencies and activities	PKPT as the formal planning instrument for oversight	Makes prior-stage evaluation, not a separate risk audit, the basis for where oversight resources go next
Internal coordination	Coordinates in stages, coaching, facilitation, then oversight, among the Inspector, Secretariat, Assistant Inspectors, auditors, and PPUPD	Internal division of labor across Inspectorate units	Keeps the planning-stage role coherent across several internal actors, though it also makes the role dependent on that internal coordination holding together

Source: Processed from Interview Data, 2026.

These findings are consistent with (Djohanputro, 2006) account of risk management as a structured, staged process, identification, measurement, mapping, control, and monitoring, and extend it in one respect: the Inspectorate's contribution begins upstream of any of those stages, in the coaching that precedes them. That upstream role also distinguishes the finding from (Muhaimin, 2022) and (Nugraha & Susanto, 2017), both of which frame APIP's strategic contribution mainly around risk-based audit and fraud-risk management after risk has already been identified. Here, planning-stage coaching and evaluation, not audit, is where the Inspectorate's involvement starts. The pattern follows directly from SPIP's institutional design, which assigns individual agencies as risk owners and leaves the Inspectorate an assurance and advisory role; the Inspectorate cannot identify risk on an agency's behalf without displacing that ownership, so coaching and verification become its practical entry points instead. The consistent alignment of risk documents to RPJMD, Renstra, and Renja across informant accounts also suggests that risk-management maturity in regional government should not be judged by document completeness alone; it should be judged by how clearly a risk register traces back to the strategic plan it is meant to support, a criterion consistent with (Sule & Saeful, 2019) view that coordination exists to align the activity of separate units toward one organizational goal.

Role in Risk-Based Regional Financial Management

Once risk levels are established, the Inspectorate uses them to direct financial oversight. The Inspector explained the underlying logic: “what we have done is try to reduce potential obstacles, to raise each agency's achievement of its goals. We usually use an indicator-based approach, document review, risk-based audit, built into the PKPT.” Rini Afriyanti Hasibuan confirmed that PKPT is not built in a general or arbitrary way; it follows directly from which activities the risk

evaluation flags as high-risk, and that evaluation reports carry specific mitigation recommendations agencies must act on. The Assistant Inspector for Regional Area II, Budi Sahri, described the content of those recommendations: “we usually advise the agency to tighten its standard operating procedures at points prone to corruption or to performance failure. Second, we recommend training for agency staff so they can handle risk technically. And last, we push for digitalization.” Ronald Parulian Hutabarat identified the specific irregularities financial oversight targets: fictitious accountability reports, budget mark-ups, work not matching contract terms, and unauthorized levies. Patrick Samosir again noted the absence of a dedicated risk audit but described an active communication channel with agencies before any evaluation report is issued, intended to keep the process objective and to give agencies a chance to respond before findings become final.

Table 2 summarizes this role, and Table 3 summarizes the constraints informants raised.

Table 2. The Inspectorate's Role in Risk-Based Regional Financial Management

Function	Empirical Practice	Institutional Mechanism	Implication
Risk-based targeting	Concentrates oversight on activities and agencies the risk evaluation flags as high-risk, built into the PKPT	Built into the PKPT, the formal annual supervision instrument	Makes audit targeting a direct output of the planning-stage evaluation rather than a separate exercise, linking the two stages of the cycle
Mitigation recommendations	Issues written recommendations in evaluation reports for agencies to act on	Formal evaluation-report channel	Keeps the Inspectorate's contribution advisory rather than corrective, consistent with SPIP's assignment of remedial action to the agency itself
Follow-up monitoring	Tracks whether agencies implement the recommendations they receive	Recommendation-tracking built into the oversight cycle	Distinguishes issuing a recommendation from confirming it was acted on, which (Nugroho et al., 2025) treat as central to Inspectorate authority
Procedural strengthening	Recommends tighter standard operating procedures at points prone to corruption or performance failure	SOP revision recommended through evaluation reports	Targets the control environment itself, not only individual transactions, echoing (Djohanputro, 2006) mitigation logic
Capacity building	Provides technical guidance, consultation, and training, often with BPKP resource persons	Collaboration with BPKP as an external training resource	Addresses the staff-capacity constraint the Inspectorate cannot fully resolve alone, as Table 3 documents
Digitalization push	Encourages information-technology adoption to reduce irregularities and strengthen control	Recommendation embedded in oversight findings rather than a separate IT mandate	Signals an intended direction for control strengthening, though informants did not describe a dedicated digitalization budget or timeline
Targeted risk categories	Fictitious accountability reports, budget mark-ups, work not matching contract terms, unauthorized levies	Categories drawn from the Special Assistant Inspectorate's	Defines financial oversight around known irregularity types rather than around

Function	Empirical Practice	Institutional Mechanism	Implication
		classification of oversight-object risk	emerging or systemic risk categories

Source: Processed from Interview Data, 2026.

Table 3. Constraints in Implementing Risk Management in Financial and Performance Oversight

Constraint	Description
Uneven staff capacity	Understanding of risk-management concepts and procedures varies across regional agencies
Work-culture resistance	Some staff still treat risk documentation as an administrative add-on rather than a planning tool
Budget limitations	Constrain how often the Inspectorate can run coaching, mentoring, and oversight activities
Inconsistent risk-identification quality	Agencies' capacity to identify risk varies, producing uneven document quality
Planning-document alignment complexity	Aligning risk documents with RPJMD, Renstra, and Renja requires intensive, ongoing coordination
Continued need for technical support	Technical guidance, training, consultation, and mentoring remain necessary on an ongoing basis, not as one-off events

Source: Processed from Interview Data, 2026.

The targeting pattern in Table 2 is consistent with (Djohanputro, 2006) definition of mitigation as action that reduces the likelihood or impact of risk on organizational goals, and it echoes (Situmorang & Juhir, 1994) argument that effective oversight depends on verification and clarification, visible here in the communication channel Patrick Samosir described running ahead of every evaluation report. It also extends (Sofa et al., 2025) quantitative finding that risk-based audit associates positively with financial accountability: where that study can show the association exists, the interview data here point to a plausible mechanism behind that association rather than evidence of a causal effect: evaluation results feed directly into audit targeting through the PKPT, and the Inspectorate follows up on its recommendations rather than simply filing them. Whether this sequence actually raises financial accountability, rather than merely coinciding with it, is not something the present interview-based design can establish. (Nugroho et al., 2025) similarly frame Inspectorate authority as extending beyond finding irregularities to correcting them, a description that matches the recommendation-and-monitoring cycle informants described here. The constraints in Table 3 mirror, at the level of a single city, patterns (Irianto & Amirya, 2024) documented nationally: staffing, budget, and cultural barriers to regional risk-management maturity. That the same constraint categories recur across financial oversight and, as the next section shows, performance reporting, suggests they sit upstream of any single function; they are capacity and culture constraints on the regional government system as a whole, not weaknesses specific to how the Inspectorate performs one particular task. (Suseno, 2021) observation that risk-management success in the public sector depends heavily on staff capacity to understand and sustain risk principles over time fits this pattern closely: the Inspectorate's coaching and mentoring activities exist precisely because that capacity is not yet uniform.

Role in Performance-Reporting Assistance

The third stage of the risk-management cycle concerns how risk connects to what regional agencies report about their own performance. Informants described a similar coaching-and-verification pattern here, extended to cover the consistency between risk documents and performance targets. The Inspectorate runs technical guidance and consultation before agencies prepare their performance documents, assists in drafting risk documents tied to specific performance indicators, and then evaluates what agencies produce, checking not only internal consistency but also whether reported results match field conditions. From the supervised side, Ferri Ichsan described the range of contact points this involves:

“We receive guidance from the Inspectorate through various forms of meetings, such as socialization, technical guidance, and examples of how to prepare risk management documents. We have built communication with the Inspectorate on risk planning, including coordination meetings and technical consultation. We also receive assistance through mentoring from the Inspectorate in preparing risk-management documents.”

(Ferri Ichsan, Head of Bappeda)

Once evaluation is complete, the Inspectorate communicates findings before any report is finalized, issues recommendations, and monitors whether agencies act on them; results are reported upward through periodic briefings and *expose* (presentation) forums to the Inspector and evaluation team.

Table 4 summarizes this stage of the cycle:

Table 4. The Inspectorate's Role in Performance-Reporting Assistance and Follow-Up

Function	Empirical Practice	Institutional Mechanism	Implication
Coaching in document preparation	Guides agencies so performance documents follow SIP and risk-management guidelines	SPIP-aligned document standards	Standardizes format and compliance, but coaching alone does not verify whether reported content matches field conditions
Technical guidance before budgeting	Runs technical guidance ahead of RKA and performance-document preparation	Positioned before the budget-planning cycle	Repeats the upstream-coaching pattern already seen in planning (Table 1), reinforcing that the Inspectorate enters early rather than only auditing after the fact
Consultation	Maintains an open technical-consultation channel on integrating risk into performance documents	Informal, ongoing communication rather than a scheduled review point	Depends on agencies actively seeking consultation, which may not happen uniformly across units
Assistance in document drafting	Provides hands-on support preparing risk documents tied to performance targets	Direct mentoring alongside agency staff	Blurs the line between facilitation and co-authorship, raising a question about how independently agencies can be said to own the resulting documents
Evaluation and verification	Reviews risk documents for consistency with performance targets; verifies reported results against field conditions	Document review paired with field verification	The one function in this stage that directly tests whether reporting reflects practice, and therefore the mechanism most relevant to the SAKIP gap raised in the Introduction
Recommendation and communication	Issues improvement recommendations and communicates intensively before reports are finalized	Pre-finalization communication channel	Gives agencies a chance to correct reporting before it becomes official, though it also means the Inspectorate's influence on final content is informal rather than binding
Follow-up monitoring	Tracks whether agencies act on recommendations	Recommendation-tracking mechanism shared with the financial-oversight stage	Reuses the same monitoring logic as Table 2, suggesting a general Inspectorate practice rather than one specific to performance reporting

Reporting to leadership	Reports progress through periodic briefings and expose forums	Internal reporting line to the Inspector and evaluation team	Keeps oversight visible to leadership, though the findings do not describe this information flowing back out to the supervised agency or the public in a similarly structured way
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Source: Processed from Interview Data, 2026.

Verification against field conditions is the finding worth dwelling on here, because it speaks directly to the puzzle the Introduction raised about Medan's SAKIP trend. A performance score can rise on paper without the underlying practice improving, if reporting stays formalistic, a risk the city's own planning documents implicitly acknowledge in setting more conservative SAKIP targets from 2025 onward. The verification role described by informants, checking reported results against what is actually happening in the field, offers one plausible explanation for how that gap could be caught before it hardens into an official score; the interviews, however, describe the practice of verifying, not its effect, and this study did not track SAKIP scores against verification activity over time, so whether that practice has in fact raised reported performance quality remains an open empirical question rather than a demonstrated result. Read alongside (Zulfa et al., 2025), who link SAKIP optimization to the alignment between planning, budgeting, and reported performance, and (Yuliawati et al., 2023), who describe the Inspectorate's supervisory function as central to regional financial accountability and to good governance more broadly, the pattern here suggests that Medan's modest SAKIP trajectory is less a story of missing oversight mechanisms, coaching, evaluation, and verification all appear to function, than of the same capacity and culture constraints identified in Table 3 limiting how far those mechanisms reach into agency-level practice. That reframes the choice the Introduction posed, between weak oversight, an overreaching Inspectorate, and a resistant bureaucracy, as not fully separable: the Inspectorate's tools exist and operate, but a bureaucracy still building uniform capacity for risk thinking constrains what those tools can accomplish within any given cycle.

Why does this pattern, coaching, facilitation, and verification without direct risk ownership, recur so consistently across all three stages? The theoretical framework set out earlier points to an institutional rather than a behavioral answer. SPIP assigns risk ownership to individual regional agencies by design, so an Inspectorate that took over risk identification, or corrected agency-level risk documents itself rather than reviewing them, would exceed its assurance mandate and compromise the independence it needs to evaluate what agencies produce. The clearest illustration is the finding, in Tables 1 and 4, that the Inspectorate coaches agencies on risk documentation before budgeting and again before performance reporting, but at no point in the interviews does that coaching extend to the Inspectorate assuming ownership of the risk itself: agencies remain the party accountable for identifying and managing their own risks, while the Inspectorate advises, verifies, and follows up. That distinction, coaching without ownership transfer, is what allows the evaluation and verification functions documented in Tables 1, 2, and 4 to retain credibility: an Inspectorate that had already co-authored an agency's risk register would have a weaker basis for evaluating it. What this means for APIP governance is that the practical lever for improving outcomes such as SAKIP sits less in expanding the Inspectorate's oversight intensity, which the constraints in Table 3 suggest is already stretched, and more in strengthening the risk-management capacity of the agencies the Inspectorate coaches, since coaching can only raise practice as far as the coached agency's own capacity allows it to travel. The institutional mechanism that ties the three stages together, and that explains why the same coach-facilitate-evaluate pattern reappears in planning, financial oversight, and performance reporting alike, is therefore SPIP's ownership assignment itself: it is the constant across stages, while the Inspectorate's specific activities change to fit each stage's demands.

CONCLUSION

This study traced the Medan City Inspectorate's role in regional government risk management across three interlocking stages: planning, financial oversight, and performance reporting. As Tables 1, 2, and 4 detail, across all three

stages, the Inspectorate's contribution takes the form of coaching, facilitation, verification, and follow-up monitoring, rather than direct risk ownership, which SPIP assigns to individual regional agencies.

This distributed pattern extends prior APIP research, most of which examines a single function, such as audit or fraud detection, in isolation. By tracing the Inspectorate's role continuously from planning through reporting, the findings show risk management operating as one connected cycle rather than as separable audit episodes, a pattern a single-function or purely quantitative study is not positioned to capture. For practice, the findings suggest that improving Medan's SAKIP performance depends less on introducing new oversight mechanisms, since coaching, evaluation, and follow-up already function, than on resolving the capacity and cultural constraints that limit their reach: uneven staff understanding of risk concepts, tight budgets for coaching activities, and a work culture that still treats risk documentation as an administrative add-on rather than a planning tool. Regional governments pursuing similar reforms should prioritize sustained, budgeted capacity building alongside, not instead of, the policy instruments already in place.

Three limitations bound these findings. The study examined one Inspectorate in one city, so the specific mechanisms described may not transfer directly to regional governments with different institutional capacity or political context. Interview data reflect informants' accounts of their own practice, which document review corroborates only partly. The cross-sectional design captures the Inspectorate's role at one point in time rather than how that role has changed as regulation and capacity have evolved. Future research could assess risk-management maturity across a larger sample of Indonesian Inspectorates, test whether the planning-financial-reporting integration identified here predicts SAKIP score improvement over time, or compare how regional governments with contrasting SAKIP trajectories differ in the reach of their Inspectorate's coaching and verification functions.

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