



Mitigating organizational risks in the Secretariat of the Finance Education and Training Agency: A House of Risk methodology

Shanti Kirana Angraeni*, Nuraida Wahyuni, Iim Imroatu Soleha, Putiri Bhuana Katili, Maria Ulfah

Department of Industrial Engineering, Universitas Sultan Ageng Tirtayasa, Jl. Jend. Sudirman KM 3, Cilegon 42435, Banten, Indonesia

ARTICLE INFO

Article history:

Received 14 March 2024

Received in revised form 15 June 2024

Accepted 16 June 2024

Published online 16 June 2024

Keywords:

House of Risk

Organization

Risk management

Risk mitigation

Editor:

Bobby Kurniawan

Publisher's note:

The publisher remains neutral concerning jurisdictional claims in published maps and institutional affiliations.

ABSTRACT

One regulation of the Head of the Financial Education and Training Agency (BPPK) states that the BPPK Secretariat is an Echelon II Unit within BPPK, tasked with coordinating duties, coaching, and providing administrative support to all BPPK elements. In its management process, the BPPK Secretariat encounters various opportunities and risks. This study aims to identify and manage organizational risks at the BPPK Secretariat. The House of Risk (HOR) method's Phase 1 is used for risk identification, analysis, and evaluation, while Phase 2 is used for risk mitigation. Additionally, the Failure Mode and Effects Analysis (FMEA) method is used to assess severity and occurrence, and Pareto diagrams are used to determine priority risk sources. The study identified 22 risk events, 46 sources of risk, 5 priority risk sources, and proposed 9 mitigation actions. One identified risk event is the inadequate level of employee understanding of the learning organization, with the source of risk being the lack of optimal activities that can provide understanding to employees regarding the learning organization. This source of risk is a priority risk source, leading to proposed mitigation actions such as conducting socialization, dissemination, webinars, talk shows, and assistance activities about learning organizations.

1. Introduction

Amid intense global competition, organizations in the public sector continue to experience transformation and growth following the dynamics of the internal and external environment. Organizational adaptation to changing times has the potential to open opportunities and risks for the organization. These opportunities can be a path to better progress for organizations, while risks have the potential to result in losses and failure for them [1].

The demands for development and increasing the value of the organization can give rise to risks [2]. Risk is the possibility of an event occurring that has an impact on achieving targets. In carrying out its activities, the company must also consider the risks that arise in its management, both from internal and external sources. The presence of these risks cannot be avoided, considering that the size of a company is often closely related to various risks that can interfere with achieving company goals. Therefore, companies need to implement control over these risks, one of which is through the implementation of risk management [3].

Risk Management based on Minister of Finance Regulation Number 222/PMK.01/2021 is a systematic

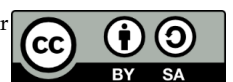
and structured process supported by a risk-awareness culture to manage risk at an acceptable level, providing adequate confidence in achieving targets. According to the Decree of the Minister of Finance (KMK) Number 577/KMK.01/2019, the aim of risk management is to increase the possibility of achieving the organization's vision, mission, and targets, improve performance, and protect and increase the added value of the organization. Risk management is a concern for private and public sector organizations because it is necessary to manage risks so that they do not interfere with achieving organizational goals. Priorities for allocating resources to handle risks are ranked based on high-scale risks [2].

Based on Regulation of the Head of the Financial Education and Training Agency Number Per-2/PP/2016, the Secretariat of the Financial Education and Training Agency (BPPK) is an Echelon II Unit within the BPPK tasked with coordinating the implementation of duties, coaching, and providing administrative support to all elements in the BPPK environment. Therefore, the BPPK Secretariat, in its processes, cannot be separated from risks that threaten the organization's goals. Thus, effective risk management is necessary to minimize threats resulting

*Corresponding author:

Email: s.kirana@untirta.ac.id

<http://dx.doi.org/10.62870/jiss.v10i1.24578>



in losses and to utilize the potential of every opportunity to increase the achievement of organizational goals. According to the Decree of the Minister of Finance of the Republic of Indonesia Number 105/KMK.01/2022 concerning Guidelines for Implementing Risk Management for State Financial Management, organizational risk includes policy risk, reputation risk, fraud risk, legal risk, compliance risk, and operational risk.

In carrying out its duties, the Secretariat of the Financial Education and Training Agency has encountered various problems in achieving its organizational targets. Some of these problems include arrests, illegal levies (extortion), and acts of corruption detected by law enforcement officials, which can reduce the public's reputation and trust in the institution. The abuse of power by the Head of the Regional Tax Office, who was suspected of committing corruption amounting to around 50 billion rupiah, has become a trending topic due to the inability of state institutions to fulfill their duties with trust [4]. Almas Sjafrina, a researcher from Indonesia Corruption Watch (ICW), believes that the dismissal of officials from the Ministry of Finance requires thorough improvements to prevent similar cases in the future [5]. The impact of this case has caused many people to distrust this institution. This has also affected the BPPK Secretariat environment, leading to negative perceptions of BPPK Secretariat services, inadequate employee understanding of integrated learning, and low levels of employee awareness of the Ministry of Finance's culture [6].

Human Resources (HR) are a crucial and indispensable factor in every organization, including agencies and companies. HR capabilities or competencies play a key role in supporting organizational achievements and goals. Thus, HR holds an important role as the primary element and determinant of organizational success [7]. In addition to the issues, while carrying out its duties of providing guidance in all BPPK environments, the BPPK Secretariat encountered incidents of risk. Specifically, assistance provided in preparing for accreditation was deemed inappropriate. The aim of this assistance was to enhance the readiness of institutions applying for accreditation by improving their understanding, knowledge, and experience in the field. However, the desired outcome of training in the realm of state finance was not achieved.

Based on these issues, the aim of this research is to design a risk management strategy for the organizational activities at the BPPK Secretariat by identifying the occurring risks and their causes. The method used to address this problem is the House of Risk (HOR) method. The House of Risk (HOR) is a method that integrates the concepts of the House of Quality (HOQ) and Failure Modes and Effects Analysis (FMEA) in risk management analysis. This method aims to design and organize a framework for evaluating risk management [8].

According to previous research, the House of Risk (HOR) method was initially developed for application

in supply chain management, and no application has been made for analysis in government services. Therefore, previous research has integrated risk management with the ISO 31000 framework and the House of Risk (HOR) method so that it can be used efficiently in the context of risk management [9]. Based on this background, the findings of this research can be considered by the BPPK Secretariat in determining priorities for risks that may occur and in handling these risks effectively and appropriately to enhance productivity in organizational activities at the BPPK Secretariat.

2. Material and method

This research falls under the category of descriptive analytical research, as data collection involved various techniques such as field observations, interviews, and brainstorming to identify risks at the BPPK Secretariat and propose mitigation actions. The collected data was then analyzed using the House of Risk method. The research design matrix, shown in Table 1, explains the research objectives along with the methods, inputs, and outputs for each objective.

3. Results and discussions

In this research, data processing is divided into four stages, namely risk identification, risk analysis, risk evaluation, and risk mitigation. The Phase 1 House of Risk method is used to identify risks, risk analysis and risk evaluation. Meanwhile, the House of Risk Phase 2 method is used for risk mitigation.

3.1. Risk identification

Mapping organizational activities at the Secretariat of the Financial Education and Training Agency using a business process approach involves core business processes, management, and support. The mapping of organizational activities at the BPPK Secretariat is based on the organization's business processes, as shown in Table A1 (see Appendices). Additionally, various organizational risk categories, such as reputation risk, policy risk, compliance risk, fraud risk, and operational risk, have been identified. In total, 22 risk events and 46 risk sources have been identified in the organizational activities at the BPPK Secretariat.

3.2. Risk analysis

In this research, to make it easier to identify risk events in business processes, the author provides risk event codes based on business processes as follows: Core Business Processes (E), Business Process Management (F), and Supporting Business Processes (G), whereas for risk events is Core Business Processes (A), Business Process Management (B), Supporting Business Processes (C). Table A2 (see Appendices) shows the risk events at BPK.

Table 1.
Research design matrix

No	Objective	Analysis Method	Inputs	Outputs
1	Identifying risk events and risk agent in organizational activities at the Secretariat of the Financial Education and Training Agency	-	- Business process mapping at the BPPK Secretariat - Risk category mapping	- Risk events in organizational activities at the BPPK Secretariat - Risk agents in organizational activities at the BPPK Secretariat - Severity assessment on risk event - Occurrence assessment on risk agent - Assessment of the correlation between risk events and risk agents
2	Know risk agent that are prioritized in organizational activities at the Secretariat of the Financial Education and Training Agency	- FMEA Method: - Severity scale value - Occurrence scale value - Phase 1 HOR Method - Pareto Chart	- Severity assessment on risk event - Occurrence assessment on risk agent - Assessment of the correlation between risk events and risk agent - Severity value on risk event - Occurrence value on risk agent - Assess the correlation between risk events and risk agent - Aggregate risk potential value - Priority rank of risk agent - Percent cumulative ARP	- Severity value on risk event - Occurrence value on risk agent - Assess the correlation between risk events and risk agent - Aggregate risk potential value - Priority rank of risk agent
3	Providing mitigation action proposals to address prioritized risk agent	- - - Phase 2 HOR Method - Phase 2 HOR Method	- Priority risk agent - Priority risk agent - Preventive action (PA) steps - Correlation assessment between preventive action and priority risk agent - Assessment of the level of difficulty of implementing PA - Correlation assessment between preventive action and priority risk agent - Assessment of the level of difficulty of implementing PA - Aggregate risk potential value - Correlation value between preventive action and priority risk agent - Assess the level of difficulty of implementing PA	- Preventive action (PA) steps - Correlation assessment between preventive action and priority risk agent - Assessment of the level of difficulty of implementing PA - Correlation value between preventive action and priority risk agent - Assess the level of difficulty of implementing PA - Total value of PA effectiveness - Difficulty ratio value - Priority rank PA

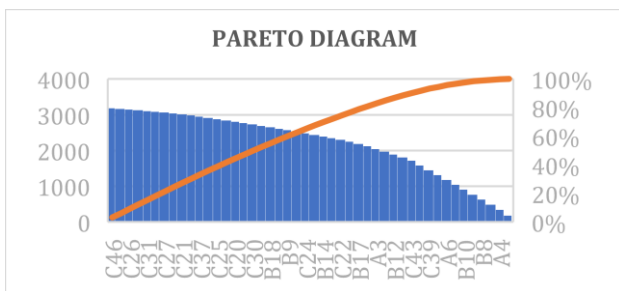


Figure 1. Pareto Chart

In this study, severity assessment uses a 1-5 scale, where 1 represents "not significant," 2 represents "minor," 3 represents "moderate," 4 represents "significant," and 5 represents "very significant." There are six risk events with a severity value of 1 (not significant): F7, G10, G11, G14, G17, and G22. There are five risk events with a severity level of 2 (minor): F5, F8, G12, G13, and G15. Ten risk events have a severity level of 3 (moderate): E1, E2, E3, F4, F6, G16, G18, G19, G20, and G21. Lastly, there is one risk event with a severity level of 4 (significant): G9. Table A3, Table A4, and Table A5 (see Appendices) show the results of HOR phase I.

The Pareto diagram in Fig. 1 illustrates that about 80% of the problems that arise are caused by about 20% different causes [10]. Based on the table and figure above, determining priority risk agents in this research

uses the Pareto principle, namely 80/20, which means that 80% of risk events are caused by 20% of risk causes. So, by prioritizing the 20% highest risk causes you can minimize 80% of risk events.

Table A6 (see Appendices) shows the results of identifications of mitigation actions. There are 5 prioritized risk sources, namely risk sources A1, A4, C42, B8, and C41. For each risk source, mitigation actions (preventive actions) are identified with a total of 9 proposed mitigation actions. For each mitigation action, there is a person responsible for carrying out the mitigation action.

Table A7 (see Appendices) shows the correlation assessment of mitigation actions and risk agent. It is an assessment of the relationship between prioritized risk sources and mitigation actions. The scale given is 9 (strong correlation), 3 (medium correlation), 1 (weak correlation) and 0 (no correlation). Table A8 (see Appendices) presents the degree of difficulty of preventive action. The degree of difficulty is assessed using a scale of 3 (mitigation actions are easy to implement), 4 (mitigation actions are somewhat difficult to implement) and 5 (mitigation actions are difficult to implement).

Table A9 (see Appendices) presents House of Risk Phase 2 and Table A10 (see Appendices) see the risk priority. The ranking of each mitigation action is

sequentially from 1-9, namely in codes PA3, PA1, PA5, PA2, PA8, PA6, PA7, PA9 and PA4.

4. Conclusions

Risk events and risk agents identified in organizational activities at the Secretariat of the Financial Education and Training Agency were 22 risk events and 46 risk sources. Risk agent priority in organizational activities at the Secretariat of the Financial Education and Training Agency, namely (A1) activities that can provide understanding to employees related to learning organizations (socialization, dissemination, webinars or assistance talk shows about learning organizations) are not yet optimal, (A4) not yet optimal activities that can provide understanding to employees regarding integrated learning (socialization, dissemination, webinars or assisted talk shows about integrated learning), (C42) the activity and/or training plans prepared do not follow the budget absorption target pattern in the IKPA provisions (Indicators Quality of Budget Implementation), (B8) inadequate planning for the implementation of assistance, not taking into account the condition of the institution that will be assisted and (C41) adjustments to the business process of implementing the budget after the integration of working units (work units).

Proposed mitigation actions for organizations at the Secretariat of the Financial Education and Training Agency based on successive rankings, namely (PA3) implementation of integrated learning implementation programs (from work plans made), (PA1) socialization activities, dissemination, webinars, talk shows, assistance regarding learning organizations, (PA5) monitoring deviations and realization, (PA2) assigning relevant employees to take part in FGD/socialization/dissemination/webinar/talkshow/assistance/similar activities related to learning organization, (PA8) one on one specifically for certain work units that have the potential to have smart value Low DJA, (PA6) preparing a study of information obtained regarding training institutions that will be accredited, (PA7) preparing assistance plans for training institutions that will be accredited, (PA9) sending official notes to work units (work units) and work units to carry out projections realization of the output achievement budget periodically, (PA4) sending ND (Office Note) to the work unit (work unit) to adjust the activity and/or training schedule in accordance with the IKPA budget absorption pattern.

Declaration statement

Shanti Kirana Anggraeni: **Conceptualization, Methodology, Software and Resources, Supervision.** Nuraida Wahyuni: **Supervision, Visualization, Investigation.** Iim Imroatu Soleha: **Writing-Original Draft, Data Processing, Editing.** Putiri Bhuana Katili, Maria Ulfah: **Supervision**

Acknowledgement

The authors wish to thank anonymous referees for their constructive feedback.

Disclosure statement

The authors report there are no competing interests to declare.

Funding statement

The author(s) received no financial support for the research, authorship, and/or publication of this article.

Data availability statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.

References

- [1] I. M. M. Febriyanta, "Pengelolaan Risiko yang Optimal Melalui Manajemen Risiko," 21 Juli 2021. [Online]. Available: <https://www.djkn.kemenkeu.go.id/kanwil-jakarta/baca-artikel/14069/Pengelolaan-Risiko-yang-Optimal-Melalui-Manajemen-Risiko.html>. [Accessed 2023 Desember 5].
- [2] M. Nurfiani, "Analisis Pengaruh Keberhasilan Penerapan Manajemen Risiko Terhadap Pencapaian Indikator Kinerja Utama (IKU) Pada Kantor Pelayanan Pajak Pratama Jakarta Gambir Satu Tahun 2015," *Skripsi, Program Studi Akuntansi, Institut Keuangan Perbankan dan Informatika Asia*, Jakarta, 2017.
- [3] H. Darmawi, "Manajemen Risiko," Aksara Bumi, Jakarta, 2010.
- [4] R. N. Cahyani, S. Etnika, H. Nareswari, N. Evelyn and W. B. Anggoro, "Analisis Kasus Penyalahgunaan Keuangan Direktorat Jenderal Pajak Oleh Rafael Alun Trisambodo," *Home of Management and Bussiness Journal*, vol. 2, no. 1, pp. 18-29, 2023, doi: [10.26753/hombis.v2i1.1066](https://doi.org/10.26753/hombis.v2i1.1066).
- [5] M. J. Rizki, "Imbas Kasus Rafael: Urgensi Bersih-Bersih Internal Kemenkeu," 17 Maret 2023. [Online]. Available: <https://www.hukumonline.com/berita/a/imbaskasus-rafael-urgensi-bersih-bersih-internal-kemenkeu-1t64147e3d446df/>.
- [6] Syaefullah, "Dampak Kasus Rafael Alun, Wapres Minta: Jangan Sampai Orang Tak Mau Bayar Pajak," 1 Maret 2023. [Online]. Available: <https://era.id/nasional/119614/dampak-kasus-rafael-alun-wapres-minta-jangan-sampai-orang-tak-mau-bayar-pajak>.
- [7] Soemarsono, "SDM (Sumber Daya Manusia) Pilar Penting Atas Keberhasilan dan Kegagalan Organisasi," Direktorat Jenderal Pembendaharaan (DJPb) Kementerian Keuangan RI, Palangkaraya, 2018.
- [8] S. A. Maharani, S. Sari, M. As'adi and A. P. Saputro, "Analisis Risiko Pada Proyek Konstruksi Perumahan Dengan Metode House of Risk (HOR) (Studi Kasus: Proyek Konstruksi Perumahan PT ABC)," *Journal of*

Integrated System, vol. 5, no. 1, pp. 16-26, 2022, doi: [10.28932/jis.v5i1.3996](https://doi.org/10.28932/jis.v5i1.3996).

- [9] F. Fahma, W. Sutopo and F. D. Prakoso, "Manajemen Risiko Pada Layanan Dinas Kependudukan Dan Pencatatan Sipil Kota Surakarta Di Era Normal Baru," *Jurnal Standardisasi*, vol. 23, no. 2, pp. 121-132, 2021.
- [10] A. H. K. Nadhira, T. Oktiarso and T. D. Harsoyo, "Manajemen Risiko Rantai Pasok Produk Sayuran Menggunakan Metode Supply Chain Operation Reference Dan Model House Of Risk," *KURAWAL Jurnal Teknologi, Informasi, dan Industri*, pp. 101-117, 2019, [10.33479/kurawal.v2i2.260](https://doi.org/10.33479/kurawal.v2i2.260).
- [11] C. d. S. R. Parwati, "Pengendalian Kualitas Produk Cacat dengan Pendekatan Kaizen dan Analisis Masalah dengan Seven Tools," in *Seminar Nasional aplikasi Sains & Teknologi (SNAST) periode III*, Yogyakarta, 2012.
- [12] M. d. A. Hamid, "Analisa Pengaruh Peningkatan Kuantitas Produk Cacat Pada Perusahaan Manufaktur (Studi Kasus PT X)," *JURNAL REVENUE*, vol. 2, no. 1, pp. 199-204, 2021, doi: [10.46306/rev.v2i1.63](https://doi.org/10.46306/rev.v2i1.63).
- [13] A. C. D. D. Widhy Wahyani, "Penerapan Metode Six Sigma dengan Konsep DMAIC Sebagai Alat Pengendali Kualitas," in *Institut Teknologi Adhi Tama Surabaya*, Surabaya, 2018.
- [14] F. Ahmad, "Six Sgima DMAIC Sebagai Metode Pengendalian Kualitas Produk Kursi pada UKM," *JISI: Jurnal Integrasi Sistem Industri*, vol. 6, no. 1, pp. 11-17, 2019, doi: [10.24853/jisi.6.1.11-17](https://doi.org/10.24853/jisi.6.1.11-17).
- [15] D. C. d. Tandianto, "Penerapan Metode Six Sigma Dengan Pendekatan Dmaic Pada Proses Handling Painted Body Bmw X3 (Studi Kasus: Pt. Tjahja Sakti Motor)," *Jurnal PASTI*, vol. IX, no. 3, pp. 248-256, 2020.
- [16] C. P. J. I. S. A. Hanky Fransiscus, "Implementasi Metode Six Sigma DMAIC untuk Mengurangi Paint Bucket Cacat di PT X," *Jurnal Rekayasa Sistem Industri*, vol. 3, no. 2, pp. 53-64, 2014, doi: [10.26593/jrsi.v3i2.1297.53-64](https://doi.org/10.26593/jrsi.v3i2.1297.53-64).
- [17] H. S. d. E. Penti, "Pengendalian Kualitas Menggunakan Metode Six Sigma (Studi Kasus pada PT Diras Concept Sukoharjo)," *AJIE - Asian Journal of Innovation and Entrepreneurship*, vol. 2, no. 3, pp. 254-290, 2017.
- [18] S. Sofiyannurriyanti, M.M. Ahmad. "Penerapan metode six sigma (DMAIC) pada UMKM Kerudung di Desa Sukowati Bungah Gresik," *Jurnal Optimalisasi*, vol. 5, no. 2, 2019.
- [19] N. Izzah, M.F. Rozy. "Analisis Pengendalian Kualitas dengan Metode Six Sigma-Dmaic dalam Upaya Mengurangi Kecacatan Produk Rebana pada UKM Alfiya Rebana Gresik," *Jurnal Ilmiah: SOULMATH*, vol. 7, no. 1, pp. 13-25, 2019.
- [20] Windarti, Tantri. "Pengendalian kualitas untuk meminimasi produk cacat pada proses produksi besi beton." *J@ Ti Undip: Jurnal Teknik Industri*, vol. 9, no. 3, pp. 173-180, 2014, doi: [10.12777/jati.9.3.173-180](https://doi.org/10.12777/jati.9.3.173-180).

Appendices

Table A1.

Risk identification

No	Business process	Risk Category	Risk Events	Risk Agents
1	Core Business Processes	Operational	The level of employee understanding of the learning organization is inadequate	There are not yet optimal activities that can provide understanding to employees regarding learning organizations (socialization, dissemination, webinars or assistance talk shows about learning organizations)
2	Core Business Processes	Operational	Knowledge management assistance is less than optimal	The assistance team is incompetent in aiding Lack of engagement of partner Echelon 1 Units with the implementation of KM (Knowledge Management)
3	Core Business Processes	Operational	Employee understanding of integrated learning is inadequate	Not yet optimal activities that can provide understanding to employees regarding integrated learning (socialization, dissemination, webinars or assistance talk shows about integrated learning) Lack of leadership role in integrated learning in the units under their authority Integrated learning assistance to stakeholders is not yet optimal
4	Business Process Management	Reputational	Assistance in preparing accreditation is not appropriate	Lack of information gathering by assistance providers regarding the condition of the KLID (Ministry/Institution/Regional Agency) to which assistance will be provided Planning for the implementation of assistance is inadequate, not taking into account the condition of the institution that will be assisted
5	Business Process Management	Reputational	There is a negative perception of the BPPK Secretariat's services	Policy implementation is not the same Understanding of efficiency movements is still lacking There is a sudden request for service, causing delays in the work on other previously planned applications
6	Business Process Management	Reputational	Low level of employee awareness of Ministry of Finance culture	The Ministry of Finance's cultural strengthening program was not implemented
7	Business Process Management	Fraud	There were arrests, extortion and acts of corruption detected by law enforcement officers among employees within the BPPK	Ineffective internal control system Employee non-compliance in implementing the Ministry of Finance's values, including integrity
8	Business Process Management	Operational	Failure at the planning stage of strategic project development	The KLC (Knowledge Learning Center) application managed by BPPK which is hosted at the Ministry of Finance's Data Center experienced problems Operational Database is Interrupted / Inaccessible Disruption / Damage to network devices/servers (Core, Router, Switch) ICT systems cannot be recovered when a disaster occurs
9	Supporting Business Processes	Policy	Delay in completing the PMK/KMK determination proposed by BPPK	The substance of the material prepared has not yet reached an agreement Constraints on harmonization with higher regulations that have not yet been determined
10	Supporting Business Processes	Reputational	Less than optimal information submitted by BPPK in supporting proactive issues and anticipating responses to negative or sensitive issues in the Ministry of Finance	Lack of public understanding and support for Ministry of Finance policies The Ministry of Finance's internal and external public relations coordination is not yet optimal
11	Supporting Business Processes	Reputational	The organization has not encouraged innovation in strengthening supervision	Strengthening the UKI (Internal Compliance Unit) has not been a priority Inaccuracy of task authority and supervisory functions The organizational structure at BPPK places UKI at Echelon 4 level so it is not able to accommodate all internal control tasks and functions
12	Supporting Business Processes	Reputational	The recommendations of the Ministry of State Apparatus Empowerment and Bureaucratic Reform (KemenPAN-RB) have not been or are not followed up	Delay in completing follow-up actions to recommendations from the Ministry of Administrative and Bureaucratic Reform (Ministry of State Apparatus Empowerment and Bureaucratic Reform) Change management is not managed well according to the RB (Bureaucratic Reform) assessment criteria Lack of coordination with the IG (Inspectorate General)
13	Supporting Business Processes	Compliance	There were findings of misstatements in the examination of LK BA (Financial Reports for Budget Section) 015	Errors in recording, summarizing (related to the administration of financial reports) and reporting financial information The financial report verification process is not yet effective
14	Supporting Business Processes	Compliance	There are recommendations from the Inspector General (Inspectorate General) that are not followed up	There are recommendations whose follow-up authority is beyond the control of BPPK

No	Business process	Risk Category	Risk Events	Risk Agents
15	Supporting Business Processes	Compliance Risk	Archives management is not optimal	Infrastructure supporting archives is inadequate
16	Supporting Business Processes	Operational Risk	Delay in the delayering completion process	Delays in developing work mechanisms or post-delayering governance
17	Supporting Business Processes	Operational Risk	Delay in completing milestones from set targets	There has been a change in the direction of leadership policy and national policy Time management from activity owners that supports milestone achievement is not good
18	Supporting Business Processes	Operational Risk	Failure to fulfill managerial and socio-cultural competencies for structural officials	Assessee does not yet understand the competency gap they have Competency development is still not effective in filling competency gaps
19	Supporting Business Processes	Operational Risk	DJA smart value is low	There has been a change in policy regarding the calculation of achievements Contradiction between IKPA calculations (Budget Implementation Quality Indicators and Smart DJA (Directorate General of Budget)) Differences in perception regarding budget implementation documentation
20	Supporting Business Processes	Operational Risk	The IKPA budget absorption indicator (Budget Implementation Performance Indicator) did not reach the optimal value	The activity and/or training plans prepared do not follow the budget absorption target pattern in the IKPA provisions Activities and/or training that have a large budget allocation are scheduled in semester II
21	Supporting Business Processes	Operational Risk	IT system failure	The Ministry of Finance's data center migration plan to Smart DC (Switch Over Custom Web) is not according to plan
22	Supporting Business Processes	Operational Risk	There are buildings and/or infrastructure within the BPPK environment that do not comply with goods standards and requirements standards	Data based on BMN (State Property) is not yet comprehensive There are no guidelines for standardization of sarpras (facilities and infrastructure) at BPPK

Table A2.

Severity assessment of risk events (1 = not significant, 2 = minor, 3 = moderate, 4 = significant, 5 = very significant)

Code	Risk Events	Severity
E1	The level of employee understanding of the learning organization is inadequate	3
E2	Knowledge management assistance is less than optimal	3
E3	Employee understanding of integrated learning is inadequate	3
F4	Assistance in preparing accreditation is not appropriate	3
F5	There is a negative perception of the BPPK Secretariat's services	2
F6	Low level of employee awareness of Ministry of Finance culture	3
F7	There were arrests, extortion and acts of corruption detected by law enforcement officers among employees within BPPK	1
F8	Failure at the planning stage of strategic project development	2
G9	Delay in completing the PMK/KMK determination proposed by BPPK	4
G10	Less than optimal information submitted by BPPK in supporting proactive issues and anticipating responses to negative or sensitive issues in the Ministry of Finance	1
G11	The organization has not encouraged innovation in strengthening supervision	1
G12	The recommendations of the Ministry of State Apparatus Empowerment and Bureaucratic Reform (KemenPAN-RB) have not been or are not followed up	2
G13	There were findings of misstatements in the examination of LK BA (Financial Reports for Budget Section) 015	2
G14	There are recommendations from the Inspector General (Inspectorate General) that are not followed up	1
G15	Archives management is not optimal	2
G16	Delay in the delayering completion process	3
G17	Delay in completing milestones from set targets	1
G18	Failure to fulfill managerial and socio-cultural competencies for structural officials	3
G19	DJA smart value is low	3
G20	The IKPA budget absorption indicator (Budget Implementation Performance Indicator) did not reach the optimal value	3
G21	IT system failure	3
G22	There are buildings and/or infrastructure within the BPPK environment that do not comply with goods standards and requirements standards	1

Table A3.

Occurrence assessment of risk agent (1 = almost didn't happen, 2 = rare, 3 = sometimes happens, 4 = occurs often, 5 = almost certain to happen)

Code	Risk Agents	Occurrence
A1	There are not yet optimal activities that can provide understanding to employees regarding learning organizations (socialization, dissemination, webinars or assistance talk shows about learning organizations)	5
A2	The assistance team is incompetent in aiding	2
A3	Lack of engagement of partner Echelon 1 Units with the implementation of KM (Knowledge Management)	2
A4	Not yet optimal activities that can provide understanding to employees regarding integrated learning (socialization, dissemination, webinars or assistance talk shows about integrated learning)	5
A5	Lack of leadership role in integrated learning in the units under their authority	5
A6	Integrated learning assistance to stakeholders is not yet optimal	5
B7	Lack of information gathering by assistance providers regarding the condition of the KLID (Ministry/Institution/Regional Agency) to which assistance will be provided	3
B8	Planning for the implementation of assistance is inadequate, not considering the condition of the institution that will be assisted	3
B9	Policy implementation is not the same	2
B10	Understanding of efficiency movements is still lacking	2
B11	There is a sudden request for service, causing delays in the work on other previously planned applications	2
B12	The Ministry of Finance's cultural strengthening program was not implemented	2
B13	Ineffective internal control system	2
B14	Employee non-compliance in implementing the Ministry of Finance's values, including integrity	2
B15	The KLC (Knowledge Learning Center) application managed by BPPK which is hosted at the Ministry of Finance's Data Center experienced problems	2
B16	Operational Database is Interrupted / Inaccessible	2
B17	Disruption / Damage to network devices/servers (Core, Router, Switch)	2
B18	ICT systems cannot be recovered when a disaster occurs	2
C19	The substance of the material prepared has not yet reached an agreement	1
C20	Constraints on harmonization with higher regulations that have not yet been determined	1
C21	Lack of public understanding and support for Ministry of Finance policies	2
C22	The Ministry of Finance's internal and external public relations coordination is not yet optimal	2
C23	Strengthening the UKI (Internal Compliance Unit) has not been a priority	4
C24	Inaccuracy of task authority and supervisory functions	4
C25	The organizational structure at BPPK places UKI at Echelon 4 level so it is not able to accommodate all internal control tasks and functions	4
C26	Delay in completing follow-up actions to recommendations from the Ministry of Administrative and Bureaucratic Reform (Ministry of State Apparatus Empowerment and Bureaucratic Reform)	1
C27	Change management is not managed well according to the RB (Bureaucratic Reform) assessment criteria	1
C28	Lack of coordination with the IG (Inspectorate General)	1
C29	Errors in recording, summarizing (related to the administration of financial reports) and reporting financial information	2
C30	The financial report verification process is not yet effective	2
C31	There are recommendations whose follow-up authority is beyond the control of BPPK	2
C32	Infrastructure supporting archives is inadequate	2
C33	Delays in developing work mechanisms or post-delaying governance	3
C34	There has been a change in the direction of leadership policy and national policy	2
C35	Time management from activity owners that supports milestone achievement is not good	2
C36	Assessee does not yet understand the competency gap they have	1
C37	Competency development is still not effective in filling competency gaps	1
C38	There has been a change in policy regarding the calculation of achievements	5
C39	Contradiction between IKPA calculations (Budget Implementation Quality Indicators and Smart DJA (Directorate General of Budget)	5
C40	Differences in perception regarding budget implementation documentation	5
C41	Adjustment of budget implementation business processes after integration of working units (Work Units)	5
C42	The activity and/or training plans prepared do not follow the budget absorption target pattern in the IKPA provisions (Budget Implementation Quality Indicators)	5
C43	Activities and/or training that have a large budget allocation are scheduled in semester II	5
C44	The Ministry of Finance's data center migration plan to Smart DC (Switch Over Custom Web) is not according to plan	1
C45	Data based on BMN (State Property) is not yet comprehensive	2
C46	There are no guidelines for standardization facilities and infrastructure at BPPK	2

Table A4.
House of Risk phase 1 (risk events)

Business process	Risk Agents											Severity			
	Code	A1	A2	A3	A4	A5	A6	B7	B8	B9	B10		B11	...	
Core	E1	9	0	0	0	0	0	0	3	0	0	0	...	3	
Business	E2	0	9	9	0	0	0	1	3	0	1	0	...	3	
Processes	E3	0	0	0	9	9	9	0	0	0	0	0	...	3	
	F4	1	3	0	1	0	0	9	9	0	0	0	...	3	
Business	F5	0	0	0	0	0	0	0	1	9	9	9	...	2	
Process	F6	1	0	0	1	0	0	0	0	0	0	0	...	3	
Management	F7	0	0	0	0	0	0	0	0	0	0	0	...	1	
	F8	0	0	1	0	0	0	0	0	0	3	3	...	2	
	G9	0	0	0	0	0	0	0	0	0	0	0	...	4	
	G10	0	0	0	0	0	0	0	0	0	0	0	...	1	
	G11	0	0	0	0	0	0	0	0	1	0	0	...	1	
	G12	0	0	0	0	0	0	0	0	1	0	0	...	2	
	G13	0	0	0	0	0	0	0	0	0	0	0	...	2	
	G14	0	0	1	0	0	0	0	0	0	0	0	...	1	
	Supporting Business Processes	G15	0	0	0	0	0	0	0	0	0	1	0	...	2
		G16	0	0	0	0	0	0	0	0	0	0	0	...	3
G17		0	0	0	0	0	0	0	0	0	3	0	...	1	
G18		1	0	0	0	0	0	0	0	0	1	0	...	3	
G19		0	0	3	0	0	0	0	0	0	0	0	...	3	
G20		0	0	0	0	0	0	0	0	0	0	0	...	3	
G21		0	0	0	0	0	0	0	0	0	0	0	...	3	
G22		0	0	0	0	0	0	0	0	0	0	0	...	1	
Occurrence		5	2	2	5	5	5	3	3	2	2	2	...		
ARP		180	72	78	165	135	135	90	141	42	136	48	...		

Table A5.
Risk agent priority

Code	Risk Agents	ARP	%ARP	Cum ARP	Priority
A1	There are not yet optimal activities that can provide understanding to employees regarding learning organizations (socialization, dissemination, webinars or assistance talk shows about learning organizations)	180	5.66%	5.66%	1
A4	Not yet optimal activities that can provide understanding to employees regarding integrated learning (socialization, dissemination, webinars or assistance talk shows about integrated learning)	165	5.19%	10.84%	2
C42	The activity and/or training plans prepared do not follow the budget absorption target pattern in the IKPA provisions (Budget Implementation Quality Indicators)	145	4.56%	15.40%	3
B8	Planning for the implementation of assistance is inadequate, not taking into account the condition of the institution that will be assisted	141	4.43%	19.83%	4
C41	Adjustment of budget implementation business processes after integration of working units (Work Units)	140	4.40%	24.23%	5
B10	Understanding of efficiency movements is still lacking	136	4.27%	28.50%	6
A5	Lack of leadership role in integrated learning in the units under their authority	135	4.24%	32.75%	7
A6	Integrated learning assistance to stakeholders is not yet optimal	135	4.24%	36.99%	8
C38	There has been a change in policy regarding the calculation of achievements	135	4.24%	41.23%	9
C39	Contradiction between IKPA (Budget Implementation Quality Indicators) and Smart DJA (Directorate General of Budget) calculations	135	4.24%	45.47%	10
C40	Differences in perception regarding budget implementation documentation	135	4.24%	49.72%	11
C43	Activities and/or training that have a large budget allocation are scheduled in semester II	135	4.24%	53.96%	12
B7	Lack of information gathering by assistance providers regarding the condition of the KLID (Ministry/Institution/Regional Agency) to which assistance will be provided	90	2.83%	56.79%	13
B12	The Ministry of Finance's cultural strengthening program was not implemented	82	2.58%	59.37%	14
C33	Delays in developing work mechanisms or post-delaying governance	81	2.55%	61.91%	15
A3	Lack of engagement of partner Echelon 1 Units with the implementation of KM (Knowledge Management)	78	2.45%	64.36%	16
A2	The assistance team is incompetent in providing assistance	72	2.26%	66.62%	17
B17	Disruption / Damage to network devices/servers (Core, Router, Switch)	68	2.14%	68.76%	18
B16	Operational Database is Interrupted / Inaccessible	62	1.95%	70.71%	19
C22	The Ministry of Finance's internal and external public relations coordination is not yet optimal	50	1.57%	72.28%	20
B11	There is a sudden request for service, causing delays in the work on other previously planned applications	48	1.51%	73.79%	21
B14	Employee non-compliance in implementing the Ministry of Finance's values, including integrity	48	1.51%	75.30%	22
B13	Ineffective internal control system	44	1.38%	76.68%	23
C24	Inaccuracy of task authority and supervisory functions	44	1.38%	78.06%	24
C35	Time management from activity owners that supports milestone achievement is not good	44	1.38%	79.45%	25
B9	Policy implementation is not the same	42	1.32%	80.77%	26
B15	The KLC (Knowledge Learning Center) application managed by BPPK which is hosted at the Ministry of Finance's Data Center experienced problems	42	1.32%	82.09%	27
B18	ICT systems cannot be recovered when a disaster occurs	40	1.26%	83.34%	28
C29	Errors in recording, summarizing (related to the administration of financial reports) and reporting financial information	40	1.26%	84.60%	29
C30	The financial report verification process is not yet effective	40	1.26%	85.86%	30
C19	The substance of the material prepared has not yet reached an agreement	39	1.23%	87.08%	31
C20	Constraints on harmonization with higher regulations that have not yet been determined	37	1.16%	88.25%	32
C23	Strengthening the UKI (Internal Compliance Unit) has not been a priority	36	1.13%	89.38%	33
C25	The organizational structure at BPPK places UKI at Echelon 4 level so it is not able to accommodate all internal control tasks and functions	36	1.13%	90.51%	34
C32	Infrastructure supporting archives is inadequate	36	1.13%	91.64%	35
C37	Competency development is still not effective in filling competency gaps	36	1.13%	92.77%	36
C44	The Ministry of Finance's data center migration plan to Smart DC (Switch Over Custom Web) is not according to plan	32	1.01%	93.78%	37
C21	Lack of public understanding and support for Ministry of Finance policies	28	0.88%	94.66%	38
C36	Assessee does not yet understand the competency gap they have	27	0.85%	95.51%	39
C27	Change management is not managed well according to the RB (Bureaucratic Reform) assessment criteria	25	0.79%	96.29%	40
C28	Lack of coordination with the IG (Inspectorate General)	22	0.69%	96.98%	41
C31	There are recommendations whose follow-up authority is beyond the control of BPPK	22	0.69%	97.67%	42
C34	There has been a change in the direction of leadership policy and national policy	20	0.63%	98.30%	43
C26	Delay in completing follow-up actions to recommendations from the Ministry of Administrative and Bureaucratic Reform (Ministry of State Apparatus Empowerment and Bureaucratic Reform)	18	0.57%	98.87%	44
C45	Data based on BMN (State Property) is not yet comprehensive	18	0.57%	99.43%	45
C46	There are no guidelines for standardization of facilities and infrastructure at BPPK	18	0.57%	100.00%	46

Table A6.

Identify mitigation actions

Code	Risk Agent	Mitigation Action	Code	Person Responsible
A1	There are not yet optimal activities that can provide understanding to employees regarding learning organizations (socialization, dissemination, webinars or assistance talk shows about learning organizations)	Socialization activities, dissemination, webinars, talk shows, assistance regarding learning organizations	PA1	All units within the BPPK environment
A4		Assign related employees to take part in FGD/ socialization/ dissemination/ webinar/ talk show / assistance/ similar activities related to learning organization	PA2	All Pusdiklat, PKN STAN, and Balai within the BPPK environment
A4	Not yet optimal activities that can provide understanding to employees regarding integrated learning (socialization, dissemination, webinars or assistance talk shows about integrated learning)	Implementation of the integrated learning implementation program (from the work plan created)	PA3	All units within the BPPK environment
C42	The activity and/ or training plans prepared do not follow the budget absorption target pattern in the IKPA provisions (Budget Implementation Quality Indicators)	Sending ND (Office Note) to the work unit (work unit) to adjust the activity and/ or training schedule in accordance with the IKPA budget absorption pattern	PA4	1. Financial department 2. Organization and Management Section 3. Education and Training Center 4. Hall
		Deviation and realization monitoring	PA5	Finance Section of the BPPK Secretariat
B8	Planning for the implementation of assistance is inadequate, not taking into account the condition of the institution that will be assisted	Preparation of studies on information obtained regarding training institutions that will be accredited	PA6	1. AP and KNPK Education and Training Center (Renbangjar Division) 2. Organization and Management Section
		Preparation of assistance plans for training institutions that will be accredited	PA7	1. AP and KNPK Education and Training Center (Renbangjar Division) 2. Organization and Management Section
C41	Adjustment of business processes for budget implementation after integration of working units (work units)	One on one specifically for certain work units that have the potential to have low DJA smart scores	PA8	Finance Section of the BPPK Secretariat
		periodically project budget realization for output achievements	PA9	1. Agency Secretariat Finance Section 2. Work Unit within the BPPK environment Satker within the BPPK environment

Table A7.

Correlation assessment of mitigation actions and risk agent

Risk Agents	Mitigation Action									ARP
	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	
A1	9	9	3	0	1	0	0	0	0	180
A4	1	1	9	0	0	0	0	0	0	165
C42	0	0	0	9	9	0	0	1	3	145
B8	0	0	0	0	1	0	0	9	9	141
C41	0	0	0	0	0	9	9	0	0	140

Table A8.

Degree of difficulty of preventive action

Code	Mitigation Action	Dk (Degree of Difficulty)
PA1	Dissemination outreach activities, webinars, talk shows, assistance regarding learning organizations	3
PA2	Assign related employees to take part in FGD/ socialization/ dissemination/ webinar/ talk show / assistance/ similar activities related to learning organization	4
PA3	Implementation of the integrated learning implementation program (from the work plan created)	3
PA4	Sending ND (Office Note) to the work unit (work unit) to adjust the activity and/ or training schedule in accordance with the IKPA budget absorption pattern	4
PA5	Deviation and realization monitoring	3
PA6	Preparation of studies on information obtained regarding training institutions that will be accredited	3
PA7	Preparation of assistance plans for training institutions that will be accredited	3
PA8	One on one specifically for certain work units that have the potential to have low DJA smart scores	3
PA9	periodically project budget realization for output achievements	5

Table A9.

House of Risk Phase 2

Sources of Risk	Mitigation Action									ARP
	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	
A1	9	9	3	0	1	0	0	0	0	180
A4	1	1	9	0	0	0	0	0	0	165
C42	0	0	0	9	9	0	0	1	3	145
B8	0	0	0	0	1	0	0	9	9	141
C41	0	0	0	0	0	9	9	0	0	140
Tech	1785	1785	2025	1305	1626	1260	1260	1414	1704	
Etc	3	4	3	4	3	3	3	3	5	
ETD	595	446	675	326	542	420	420	471	341	
Rank	2	4	1	9	3	6	7	5	8	

Table A10.

Mitigation action ranking

Code	Mitigation Action	Rank
PA3	Implementation of the integrated learning implementation program (from the work plan created)	1
PA1	Dissemination outreach activities, webinars, talk shows, assistance regarding learning organizations	2
PA5	Deviation and realization monitoring	3
PA2	Assign related employees to take part in FGD/socialization/dissemination/webinar/ talk show /assistance/similar activities related to learning organization	4
PA8	One on one specifically for certain work units that have the potential to have low DJA smart scores	5
PA6	Preparation of studies on information obtained regarding training institutions that will be accredited	6
PA7	Preparation of assistance plans for training institutions that will be accredited	7
PA9	periodically project budget realization for output achievements	8
PA4	Sending ND (Office Note) to the work unit (work unit) to adjust the activity and/or training schedule in accordance with the IKPA budget absorption pattern	9