

# How to Design Qualitative Research with NVivo 12 Plus for Local Government Corruption Issue in Indonesia?

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## ABSTRACT

This paper utilizes NVivo 12 Plus, a type of qualitative data analysis software, for qualitative document content analysis as a means of understanding informal fiscal policymaking practices, including bribery, corruption, collusion, lobbying, negotiation, and transactional politics. Use of NVivo 12 Plus for qualitative document content analysis facilitated the management, analysis, and visualization of data on informal fiscal policymaking. More specifically, qualitative content analysis of decisions of the Supreme Court of Indonesia revealed that informal fiscal policymaking in Malang City, Malang Regency, and Batu City, Indonesia, involved the practices of bribery, corruption, collusion, lobbying, negotiation, and transactional politics between regional leaders, bureaucrats, private actors, and political brokers. This paper contributes a qualitative research design that can be used to explain informal practices in fiscal policymaking and budget management.

Keywords: Qualitative Data Analysis Software, Informal Policymaking, Fiscal Politics, Content Analysis

## INTRODUCTION

Understanding informal policymaking practices poses unique challenges to Indonesianists around the world ([Bardhan & Mookherjee, 2012](#); [Dorotinsky & Pradhan, 2007](#)). The greatest challenge to researchers investigating informal policymaking practices is difficulty obtaining data on these practices ([Dutta, 2009](#)). Informal policymaking practices refer to the political processes through which collusive, corruptive, and transactional fiscal policies are produced ([Dorotinsky & Pradhan, 2007](#)). Most commonly, such informal fiscal policymaking

processes are perpetrated by politicians and bureaucrats who wield authority and political power ([Montambeault & Goirand, 2016](#)). These actors communicate, interact, and make political agreements in order to promote the formulation of fiscal policies that promote their own interests ([Rubin, 2019](#)).

Also involved in informal fiscal policymaking are private sector actors with political influence ([Farhan, 2018](#)), which they gain by establishing strong politico-economic relationships with politicians and bureaucrats in order to advance their own interests. From a rent-seeking perspective, these private-sector actors are capable of exerting dominance over politicians and bureaucrats ([Adi, 2018](#)), thereby influencing policymaking and ensuring their interests are accommodated ([Asher & Novosad, 2019](#)). Also involved in informal fiscal policymaking are political brokers and criminals, who become involved in the process by bridging political, government, and private-sector actors.

Informal fiscal policymaking occurs behind closed doors, open to and involving only actors with sufficient politico-economic power, authority, and influence ([Lambsdorff, 2018](#)). In such a situation, it is difficult—if not impossible—to guarantee budget transparency. Data on informal fiscal policymaking cannot easily be obtained, and as such researchers have been unable to provide a detailed and comprehensive understanding of the practice ([Flick, 2009](#)). Earlier studies have investigated informal fiscal policymaking processes through interviews with informants who are not directly involved in these practices, including activists, social figures, politicians, and journalists as their informants ([Montambeault & Goirand, 2016](#)). These interviews are generally complemented by observation of formal fiscal policymaking processes, i.e. those that occur in accordance with established mechanisms and procedures. Several studies have taken policy documents as data in their investigation of informal fiscal policymaking ([Rumbul, Parsons, & Bramley, 2018](#)). Such studies are significantly limited by their data, which are incapable of providing a detailed understanding of the political

processes involved informal fiscal policymaking, including the roles, communications, and collusive, corruptive, and transactional interactions between politicians, bureaucrats, and private-sector actors. As such, this paper seeks to produce a qualitative research design that is capable of understanding informal fiscal policymaking.

This paper offers a research design that emphasizes the use of qualitative document content analysis through NVivo 12 Plus, a qualitative data analysis software. Qualitative document content analysis facilitates the study of informal fiscal policymaking, as it does not require data to be collected in the field (i.e. through interviews, observations, and focus group discussions). Rather, it reveals informal fiscal policymaking practices by exploring the practices of corruption and bribery revealed within decisions of the Supreme Court of Indonesia. In the current era of open information, all court documents regarding cases of corruption are published through official government websites. Researchers thus accessed court documents regarding cases of budget corruption, then analyzed said documents using NVivo 12 Plus. This analysis produced quality data, the validity of which could be proven scientifically ([Woods, Paulus, Atkins, & Macklin, 2016](#)). Through NVivo 12 Plus, the researchers were able to produce data regarding informal fiscal policymaking processes, including the practices of corruption and bribery involved.

## LITERATURE REVIEW

### INFORMAL FISCAL POLICYMAKING

Fiscal policymaking refers to the political process through which fiscal policy is produced, and involves political actors such as elected officials, legislators, party elites, and civil society ([Yandra, Nasution, Harsini, & Wekke, 2018](#)). These actors become involved in the policymaking process to ensure that the policy produced accommodates their specific interests ([Rubin, 2010](#)). As part of the political process, fiscal policymaking involves the distribution of money between actors with an inter-

est in fiscal policy ([Montambeault & Goirand, 2016](#)). As such, the question of how funds are distributed to all involved actors is fundamental in studies of fiscal policymaking ([Rubin, 2019](#)). Studies must consider how government, political, and informal actors prepare fiscal policy through political negotiations and transactions, as well as how they exchange resources in order to advance their own interests ([Rumbul et al., 2018](#)).

Studies of fiscal policymaking must also consider the involvement of formal and informal institutions in various parts of the process ([Montambeault & Goirand, 2016](#); [Alatas et al., 2013](#)). Formal institutions are those actors whose involvement in the policymaking process is provided by existing systems, mechanisms, and laws, while informal institutions are those actors whose involvement is not legally mandated ([Trantidis & Tsagkroni, 2017](#); [Farrell & Héritier, 2003](#)). Such informal institutions are more prone to practices of clientelism, patronage, rent-seeking, and corruption ([Farhan, 2018](#); [Slater & Simmons, 2013](#)).

In general, the interactions between executive and legislative actors in fiscal policymaking are used as arenas for transactional politics, resulting in practices of bribery and corruption ([Grillos, 2017](#)). Executive and legislative institutions have their own specific interests, with the former generally seeking to use public funds for infrastructure development and the latter often prioritizing social empowerment activities. In many cases, legislative institutions are only willing to accommodate the interests of executive institutions when they are offered bribes ([Basri & Nabiha, 2014](#)). Where legislative institutions are willing to accommodate executive proposals and allocate funds for them, fiscal policymaking processes initially follow the legally mandated mechanisms and processes. Ultimately, however, they often resort to informal political transactions and compromises, thereby providing fertile ground for bribery and corruption ([Montambeault & Goirand, 2016](#)).

For governments and politicians, fiscal policy is a political tool, as controlling fiscal policy enables them to maintain their

power. They use their power and authority to create fiscal policies that advance the political interests of themselves and their supporters ([Lucas, 2016; Wong, 2010](#)). They fund political programs and activities, or distribute money directly to constituents, who are expected to provide their political support in return ([Bardhan & Mookherjee, 2012; Rumbul et al., 2018](#)). In this context, Hallerberg (2019) writes —for individual politicians ... the budget is a resource deployed to enhance political support. A politician can attempt to influence budget allocation in order to gain political support from particular groups. Thus, from this perspective also, budget-making is necessarily a political process.¶ Politicians, from executive leaders to legislators, thereby attempt to prepare fiscal policies that enable them to maintain their political power.

The above discussion of fiscal policymaking shows that the process involves informal actors and institutions, and is replete with cartelism, clientelism, and elite capture. A range of political actors, including civic groups, political parties, private sector, non-government organizations, and governments, are jointly involved in the political process, with their communications and negotiations being used to determine and formulate fiscal policy that represents their own political interests. This process is dominated by actors who have the power and influence to advance their specific interests ([Rumbul et al., 2018](#)).

## QUALITATIVE STUDIES OF INFORMAL FISCAL POLICYMAKING

Scholars have employed a wide range of research approaches to understand informal fiscal policymaking, both in developing and developed nations. One commonly used approach is the qualitative approach, through which researchers examine the subject based on qualitative data collected through interviews, observations, government reports, non-governmental analyses, and participatory action research ([Montambeault & Goirand, 2016; Rumbul et al., 2018](#)). Numerous studies have employed a

qualitative approach to show that informal fiscal policymaking is common in Africa, Brazil, and China, where government officials, politicians, and private-sector actors often establish paternalistic relationships ([Bardhan & Mookherjee, 2012](#); [Dorotinsky & Pradhan, 2007](#)).

Although these studies have shown that informal actors are frequently involved in fiscal policymaking, their findings have been derived primarily from observations of and interviews with local residents, whether or not they are involved in informal fiscal policymaking ([Montambeault & Goirand, 2016](#); [Rebecca Rumbul et al., 2018](#)). As such, there may be bias in their depictions of the paternalistic relationship between politicians, government officials, citizens, and private-sector actors ([Flick, 2009](#)). Another shortcoming of these studies lies in their data analysis, which generally employs conventional techniques to read and understand informal fiscal policymaking practices in regions or countries that have received previous academic interest.

Previous studies have yet to implement an innovative research design, such as software-based qualitative document content analysis, to understand informal fiscal policymaking. As such, their analytical results and findings have been unable to comprehensively illustrate the informal practices such as corruption, bribery, and transactional politics involved in informal fiscal policymaking ([Woods et al., 2016](#)). NVivo 12 offers significant benefits for analyzing qualitative data, including document content, by producing data of sufficient quality to explain the practices of bribery, corruption, collusion, lobbying, negotiation, and transactional politics (involving politicians, bureaucrats, private sector actors, and political brokers).

### **RESEARCH LOCATION SETTING**

Research was conducted in Batu City, Malang City, and Malang Regency. These three autonomous municipalities are located in East Java, Indonesia (Figure 1).

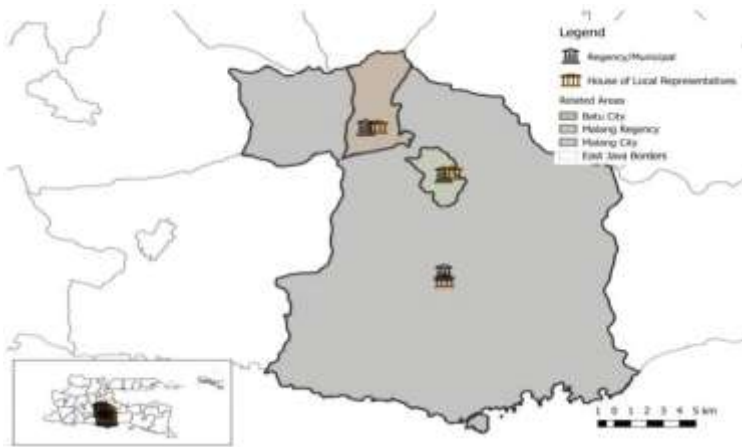


FIGURE 1. MAP OF BATU CITY, MALANG CITY, AND MALANG REGENCY

Together, these three municipalities are known as Greater Malang, with Malang City (previously the administrative center of Malang Regency) gaining autonomy in 1999 and Batu City having been produced through the administrative division of Malang Regency in 2001. Executive officials from all three municipalities have been found guilty of corruption, having embezzled money from the municipal budget. Such cases of corruption have also involved other actors. In Batu City, for example, embezzlement involved bureaucrats and private-sector actors; in Malang City, it involved bureaucrats, legislators, and private-sector actors; and in Malang Regency it involved bureaucrats, political communities, and private-sector actors.

This study investigates the involvement of executive officials, bureaucrats, legislators, and private-sector actors in practices of corruption and bribery during fiscal policymaking processes in Batu City, Malang City, and Malang Regency. As such, it seeks to answer the following research question:

*How are the informal fiscal policymaking processes in Batu City, Malang City, and Malang Regency, Indonesia?*

## QUALITATIVE DATA ANALYSIS SOFTWARE IN DOCUMENT ANALYSIS

This study employs a qualitative approach to examine budget corruption in Greater Malang, with a focus on the embezzlement of funds from the local budgets of Malang City, Malang Regency, and Batu City. For its data, it draws from the decisions of the Supreme Court of Indonesia regarding the criminal practice of budget corruption in Greater Malang. Qualitative content analysis of these documents provides an understanding of budget corruption in Greater Malang.

In qualitative research, documents are defined as artifacts that are produced and accessed by human beings (Flick, 2009). The documents discussed in this paper are the decisions of the Supreme Court of Indonesia regarding the criminal practice of budget corruption in Greater Malang, were produced by the Supreme Court of Indonesia in accordance with applicable Indonesian legal processes and procedures. Since the passage of the Law on Public Information Openness (Law No. 14 of 2008), all of the Supreme Court's decisions have been published online through the Directory of Supreme Court Decisions (<https://putusan3.mahkamahagung.go.id/>). The documents discussed in this study were accessed from this directory.

The selected documents fulfilled the criteria of authenticity, credibility, representativeness, and meaningfulness (Flick, 2009). The authenticity criterion is fulfilled by these documents' having been produced by the Supreme Court of Indonesia through a process of investigation and advocacy. These documents also fulfill the credibility criterion, having been produced in accordance with applicable procedures and processes. They were identified as representative, and thereby able to provide the data necessary to answer the research question. Finally, the decisions used for this analysis were meaningful, as they are capable of describing the practice of budget corruption in Greater Malang. This study employs qualitative document content analysis, analyzing Supreme Court decisions through scientific processes



and procedures. Document analysis requires the capability and skill to interpret and translate data as a means of answering the research question (Flick, 2009). To facilitate the collection, management, and qualitative analysis of data, thereby improving the credibility of the data and subsequent findings, qualitative data analysis software has been developed (Wallmeier, Helmig, & Feeney, 2019). In this case, such software has been employed to analyze the Supreme Court decisions and produce an understanding of corruption in Greater Malang.

Analysis was conducted using NVivo 12 Plus, a qualitative data analysis software that facilitates the collection, categorization, mapping, analysis, and visualization of qualitative data, including that collected from documents (memos, reports, legislations, and photographic documents) and through interviews (Bazely & Richards, 2013). NVivo 12 Plus was used to analyze the decisions of the Supreme Court of Indonesia regarding the criminal practice of budget corruption in Greater Malang through data management, actor network mapping, data classification, and research demographic management.

Research involved several stages, as follows: research topic determination, research design, research approach determination, data analysis design, interpretative data analysis, and research result discussion. This process is presented in Figure 2 below.



FIGURE 2. RESEARCH PROCESS

As shown by Figure 2, the first stage of the research process involved the determination of the research topic by preparing a review of the literature. Second, the research design was decided, with qualitative content analysis of Supreme Court

decisions ultimately being chosen. Third, the research approach—a content analysis approach involving frame/concept/theme/node coding—was chosen. Fourth, a software-based data analysis technique was chosen. Finally, the collected data were interpretatively analyzed and the findings were discussed.

### QUALITATIVE DOCUMENT CONTENT ANALYSIS

This study employs qualitative content analysis, a research method that emphasizes the textual analysis of documents such as government regulations and public opinion pieces as well as the results of observations, interviews, and focus group discussions. Qualitative content analysis is intended to systematically describe, translate, and interpret data ([Krippendorff, 2004](#)). As such, it requires the ability to translate, interpret, and give meaning to textual data, and this ability informs data quality. This study employs a qualitative approach to analyze decisions of the Supreme Court of Indonesia regarding the criminal practice of budget corruption in Batu City, Malang City, and Malang Regency.

One principle of qualitative content analysis is that the summary of a document can be used to understand it as a comprehensive textual unit. In this context, the original text of the document is defined and understood through a particular frame/concept, with said frame/concept showing the meaning and significance of the original text ([Flick, 2009](#)). A frame/concept may be formulated based on a review of prior studies (deductive frame) or based on data collected in the field (inductive frame) ([Neuendorf, 2020](#)).

Content analysis involves several stages, namely research question determination, data selection, frame/concept formulation, interpretation and classification of data within the frame/concept, data analysis, data elucidation, and finding interpretation ([Flick, 2009](#)). This is clarified further in Table 1 below.

TABLE 1. STAGES OF DOCUMENT ANALYSIS

CONTENT ANALYSIS PROCESS	CONTENT ANALYSIS OF SUPREME COURT DECISIONS
Research question determination	How are the informal fiscal policymaking processes in Batu City, Malang City, and Malang Regency, Indonesia?
Data Selection	Decisions of the Supreme Court of Indonesia regarding the Criminal Practice of Budget Corruption in Greater Malang
Frame/Concept/Theme/Node Formulation	Frame/Concept/Theme/Node formulated based on a review of the literature and the Supreme Court decisions. Node formatting was done using NVivo 12 Plus.
Data Interpretation and Classification	The Supreme Court decisions were coded into specific nodes/themes. Data coding was done using NVivo 12 Plus.
Data Evaluation and Modification	Coded data were evaluated and modified using NVivo 12 Plus.
Data Analysis	Coded data were analyzed using Nvivo 12 Plus.
Presentation and Interpretation of Findings	Results of data analysis were analyzed and discussed

## DOCUMENT COLLECTION TECHNIQUE

Research data in the form of Supreme Court decision documents regarding criminal acts of budget corruption in Malang City, Malang Regency, and Batu City are accessed in the Supreme Court decision directory <https://putusan3.mahkamahagung.go.id/>. The Supreme Court Decision Directory provides a search page for decision documents of all courts in Indonesia and provides files of all types of decisions including decisions on corruption in Malang City, Malang Regency and Batu City (table 2).

## DATA ANALYSIS USING NVIVO 12 PLUS

This study employs the spiral data analysis technique developed by [Creswell \(2014\)](#), which consists of five stages: (1) data organization, (2) document reading and preparation, (3) description, classification, and interpretation of data as code/theme,

TABLE 2. DECISIONS OF THE SUPREME COURT OF INDONESIA

No.	Name	Case Number	Office	Practice	Territory
1	Rendra Kresna	37/Pid.sus-TPK/2019/P N Sby.	Regent of Malang Regency, 2010–2015 and 2016–2021	Budget corruption	Government of Malang Regency
2	Ali Murtopo	200/Pid.sus-TPK/2018/P N Sby.	Entrepreneur/ Private Sector Actor	Bribing government officials to gain access to government projects	Government of Malang Regency
3	Moch Anton	94/Pid.Sus/TPK/2018/PN. Sby.	Mayor of Malang, 2013–2018	Bribing legislators to shape budget policy	Government of Malang City
4	Jarot Edy Sulistyano	16/Pid Sus-TPK/2018/P N.Sby	Head of the Office of Public Works and Construction Monitoring	Bribing legislators to shape budget policy	Government of Malang City
5	Eddy Rumpoko	27/Pid.Sus/TPK/2018/PN .Sby.	Mayor of Batu, 2007–2012 and 2012–2017	Budget corruption.	Government of Batu City
6	Edi Setiawan	28/Pid.sus/TPK/2018/PN Sby.	Head of Service and Procurement Office, Batu City Government	Receiving bribes to determine access to government projects	Government of Batu City
7	Filipus Djap	252 /Pid.Sus/TPK/2017/PN. SBY.	Entrepreneur/ Private Sector Actor	Giving bribes to gain access to government projects	Government of Batu City

(4) data interpretation, and (5) data presentation and visualization. Spiral analysis thereby requires a researcher to continuously analyze and organize qualitative data. This approach will produce a report or conclusion regarding budget corruption and political networks in Greater Malang. NVivo 12 Plus was used for the five stages of spiral analysis, as shown in Table 3 below:

TABLE 3. STAGES OF QUALITATIVE DATA ANALYSIS

Stage of Analysis	Data Analysis Technique	NVivo 12 Plus Feature
Data Management	<ul style="list-style-type: none"> <li>• Data Importing</li> <li>• Data Folder Creation</li> </ul>	IMPORT, DATA
Data Classification	<ul style="list-style-type: none"> <li>• Data Classification</li> <li>• Data Attribute Entry</li> </ul>	File Classification Case Classification
Data Coding	<ul style="list-style-type: none"> <li>• Research Node/Theme Creation</li> <li>• Case (Actor, Organization, and Location) Creation</li> <li>• Nodal/Thematic Categorization of Text</li> </ul>	Code and Case
Data Analysis	<ul style="list-style-type: none"> <li>• Nodal/Thematic Analysis per Case (Organization)</li> <li>• Nodal/Thematic Analysis per Case Attribute (Type of Institution and Type of Organization).</li> </ul>	Explore Chart

### DATA MANAGEMENT USING NVIVO 12 PLUS

The import feature of NVivo 12 Plus was used to input the collected Supreme Court decisions into an NVivo 12 Plus DATA file. The process involved three stages:

1. Three folders were created through the DATA menu. These folders were named in accordance with the research location: Malang Regency, Malang City, and Batu City.
2. The research data (Supreme Court decisions) were imported into the three folders using NVivo 12 Plus' IMPORT feature, as made available through the DATA menu.
3. The imported research data (Supreme Court decisions) were classified as Government Documents using the FILE CLASSIFICATION menu.

TABLE 4. FOLDERS, FILES, AND CLASSES OF RESEARCH DATA

FOLDER NAME	DATA FILE NAME	FILE CLASSIFICATION
Malang Regency	Ali Murtopo	Government Document
	Rendra Kresna	Government Document
Batu City	Eddy Rumpoko	Government Document
	Edi Setiawan	Government Document
	Filipus Djap	Government Document
Malang City	Moch Anton	Government Document
	Jarot Edy Sulistiyono	Government Document

Source: Exported from NVivo 12 Plus

**DATA CLASSIFICATION USING NVIVO 12 PLUS**

The Supreme Court documents were classified based on the organizations involved in budget corruption in Batu City, Malang City, and Malang Regency. Data classification involved the following stages.

1. Case folders were created, being named in accordance with the research location. Each case was classified through Case Folder Organization (Table 5).

TABLE 5. CASE FOLDER ORGANIZATION FOR ANALYZING BUDGET CORRUPTION IN GREATER MALANG

CASEFOLDERNAME	CASE FOLDER CLASSIFICATION
Malang Regency	Organization
Batu City	Organization
Malang City	Organization

2. Folders for Case Organizations was created. Then, name of the Cases in the Organizational Cases folders was in accordance with the name of the organization in the Supreme Court decision (table 6).
3. Fill in the Case / demographic attributes of the study. All the cases were given their respective identities titled Institution Type and Organization Type (table 6)

TABEL 6. CASE ORGANIZATIONS IN THE POLITICAL CORRUPTION NETWORKS OF GREATER MALANG

NAME OF CASE ORGANIZATION	CLASS OF CASE ORGANIZATION	
	TYPE OF INSTITUTION	TYPE OF ORGANIZATION
Local Parliamentary Budget Team	Parliamentary Institution	Political Organization
Commission B, Local Parliament	Parliamentary Institution	Political Organization
Hanura-PKS Faction	Parliamentary Institution	Political Organization
Gerindra Faction	Parliamentary Institution	Political Organization
Deputy Speaker, Local Parliament	Parliamentary Institution	Political Organization
Commission C, Local Parliament	Parliamentary Institution	Political Organization
PPP-Nasdem Faction	Parliamentary Institution	Political Organization
Demokrat Faction	Parliamentary Institution	Political Organization
PUPPB Contractors Association	Private Sector	Private Sector
Commission Chairman	Parliamentary Institution	Political Organization
Golkar Faction	Parliamentary Institution	Political Organization
PKB Faction	Parliamentary Institution	Political Organization
PAN Faction	Parliamentary Institution	Political Organization
PDIP Faction	Parliamentary Institution	Political Organization
Faction Leader	Parliamentary Institution	Political Organization
Mayor	Elected Official	Government
Members of Local Parliament	Parliamentary Institution	Political Organization
Local Government Budget Council	Official Government	Government
PUPPB	Official Government	Government
Regional Secretary	Official Government	Government
Speaker, Local Parliament	Parliamentary Institution	Political Organization
PT Sentratama Global Solusindo	Private Sector	Private Sector
PT Agrajaya	Private Sector	Private Sector
Auction Work Unit	Official Government	Government
Acting Maker of Commitments	Official Government	Government
CV Amarta Wisena	Private Sector	Private Sector
PT Daibana Prima Indonesia	Private Sector	Private Sector
Head of Procurement Office	Official Government	Government

NAME OF CASE ORGANIZATION	CLASS OF CASE ORGANIZATION	
	TYPE OF INSTITUTION	TYPE OF ORGANIZATION
Office of Expenditure, Revenue, and Asset Management	Official Government	Government
Agriculture Office	Official Government	Government
Malang Regency Government (Treasurer)	Official Government	Government
Contractors' Association	Private Sector	Private Sector
Office of Public Works	Official Government	Government
CV Tunjang Langit	Private Sector	Private Sector
CV Adhijaya Sakti	Private Sector	Private Sector
CV Sawunggaling	Private Sector	Private Sector
CV Karya Mandiri	Private Sector	Private Sector
CV Kartika Fajar Utama	Private Sector	Private Sector
CV Adhikersa	Private Sector	Private Sector
Auction Committee	Official Government	Government
Information Technology Team	Official Government	Government
Bureau of Electronic Data Management, Electronic Procurement Service	Official Government	Government
Office of Education	Official Government	Government
Rendra–Subhan Campaign Team	Political Groups	Political Groups
Regent	Elected Official	Elected Official

Source: Exported from Nvivo 12 Plus

### CODING TECHNIQUE AND DATA ANALYSIS WITH NVIVO 12 PLUS

One of the most important elements of qualitative content analysis is the coding of the document text. For this study, document coding involved the categorization of Supreme Court decisions based on the concepts presented through the literature review (deductive coding) and based on the findings of coding process (inductive coding). Coding involved the following stages: (1) Node creation, with the name of each node reflecting the research concepts identified in the literature review and find-



ings of the coding process; and (2) Reading, understanding, and inputting the text of the Supreme Court decisions in accordance with the nodes used.

TABLE 7. NODE FORMAT/RESEARCH THEMES

NODENAME	NOTE
• Corruption	Six nodes used to answer questions regarding informal fiscal policymaking processes in Malang City, Malang Regency, and Batu City, Indonesia.
• Bribery	
• Collusive Relations	
• Transactional Relations	
• Political Lobbying	
• Political Negotiation	

Data were analyzed using Nvivo 12 Plus through its Explore Chart feature, which offered values for each node (theme) based on the Case (Organization) and Attribute (type of institution dan type of organization). The values obtained through the Explore Chart feature were used to understand the informal fiscal policymaking processes of Malang City, Malang Regency, and Batu City, Indonesia.

### RESULTS OF DATA ANALYSIS WITH NVIVO 12 PLUS Informal Fiscal Policymaking Practices in Malang City, Malang Regency, and Batu City

Analysis of the Supreme Court decisions regarding the criminal practice of budget corruption in Batu City, Malang City, and Malang Regency shows that a range of informal political activities were involved in fiscal policymaking. These included corruption, lobbying, and collusive relationships between actors with power, access, and authority in local government agencies. Figure 3 shows that Malang City had the highest value of informal fiscal policymaking (81.51%), followed by Batu City (11.78%) and Malang Regency (5.89%). Collusive relationships between actors were highest in Malang City (38.27%), followed by Batu City (31.54%) and Malang Regency (30.17%). Corruption was most prevalent in Malang City (57.53%), followed by Malang Regency (20.58%) and Batu City (20.07%). Lobbying was most common in Malang City (96.48%), followed by Batu

City (1.88%) and Malang Regency (1.61%). Political negotiations were highest in Malang City (74.80%), followed by Malang Regency (15.05%) and Batu City (8.77%). Finally, transactional political practices were most prevalent in Malang City (56.61%), Malang Regency (22.10%), and Batu City (21.27%).

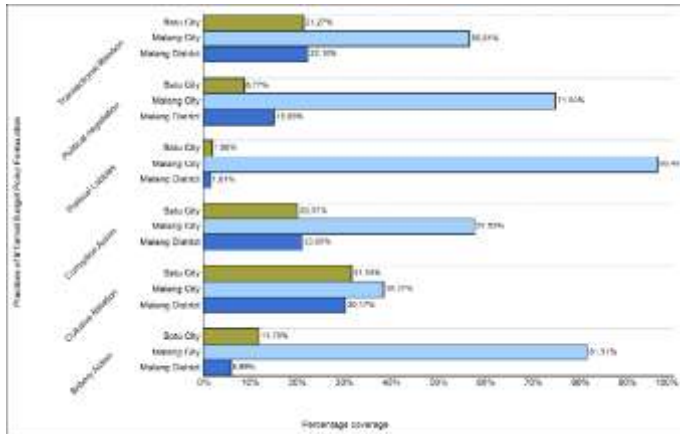


FIGURE 3. INFORMAL FISCAL POLICYMAKING PRACTICES IN MALANG CITY, MALANG REGENCY, AND BATU CITY

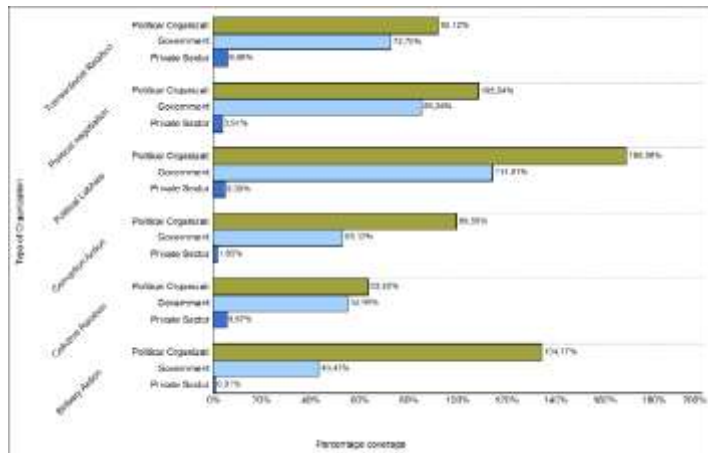


FIGURE 4. ACTORS INVOLVED IN INFORMAL FISCAL POLICYMAKING IN MALANG CITY

### ACTORS INVOLVED IN INFORMAL FISCAL POLICYMAKING IN MALANG CITY

The actors involved in informal fiscal policymaking included the government, political organizations, and the private sector. These actors were actively involved in the informal fiscal

policymaking processes through acts of bribery, collusion, corruption, political lobbying, political negotiations, and transactional politics.

From Figure 4, it is evident that political organizations were the most dominant actor in informal fiscal policymaking in Malang City, followed by government organizations and private-sector actors. Bribery amongst political organizations had a value of 134.17%, while values of 43.47% and 0.91% were recorded amongst government organizations and private-sector actors, respectively. Collusive relationships were most prevalent amongst political organizations (63.29%), followed by government organizations (54.96%) and private-sector actors (5.67%). Budget corruption is dominated by political organizations (99.55%), followed by government organizations (53.12%) and private-sector actors (1.65%). This was also true for political lobbying, where political organizations had a value of 168.86%, government organizations had a value of 114.41%, and private-sector actors had a value of 5.00%. Political organizations played an active role in political negotiations at every stage of the informal fiscal policymaking process, returning a value of 108.54%; this was followed by government organizations (85.25%) and private-sector actors (3.91%). Finally, transactional politics was intensively used by political (92.12%) and government organizations (72.70%), but less intensively by private-sector actors (6.06%).

The involvement of these organizational actors in informal fiscal policymaking processes in Malang City was represented by the involvement of individual actors, including the members and leaders of these organizations. In Malang City, political organizations were represented by members of parliament. Government organizations were represented by the mayor and by bureaucrats, while private-sector actors were represented by corporations that worked in conjunction with the government.

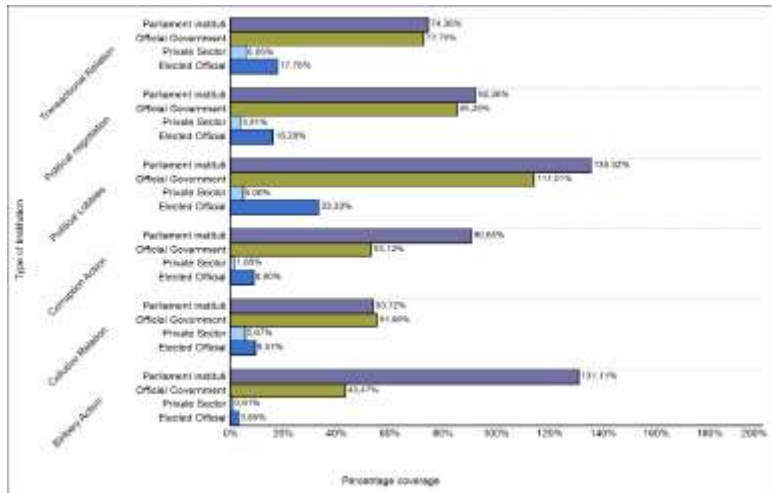


Figure 5 shows that members of parliament, representing political organizations, were more heavily involved in informal fiscal policymaking in Malang City than bureaucrats (government officials), political officials/the mayor (elected officials), and private-sector actors. Amongst the members of parliament in Malang City, the practice of bribery had a value of 131.11%, followed by bureaucrats (43.47%), the mayor (3.00%), and private-sector actors (0.91%). Meanwhile, bureaucrats were more actively involved in establishing collusive relationships, followed by members of parliament (53.72%), the mayor (9.57%), and private-sector actors (5.67%). In regards to budget corruption, a value of 90.65% was found for members of parliament, followed by 53.12% for bureaucrats, 8.90% for the mayor, and 1.65% for private-sector actors. The political lobbying value for members of parliament was 135.52%, with lower values found for bureaucrats (114.01%), the mayor (33.33%), and private-sector actors (5.00%). Political negotiations were dominated by members of parliament (92.26%), followed by bureaucrats (85.25%), the mayor (16.26%), and private-sector actors (3.91%). Finally, transactional politics was most common amongst members of parlia-

ment (74.36%) and bureaucrats (72.70%), followed by the mayor (17.76%) and private-sector actors (6.06%).

### Actors in Informal Fiscal Policymaking in Malang Regency

In Malang Regency, informal fiscal policymaking involved government organizations, private-sector actors, and political brokers/political communities. These organizations utilized collusive relationships, corrupt practices, political negotiations, and transactional interactions in their policymaking activities.

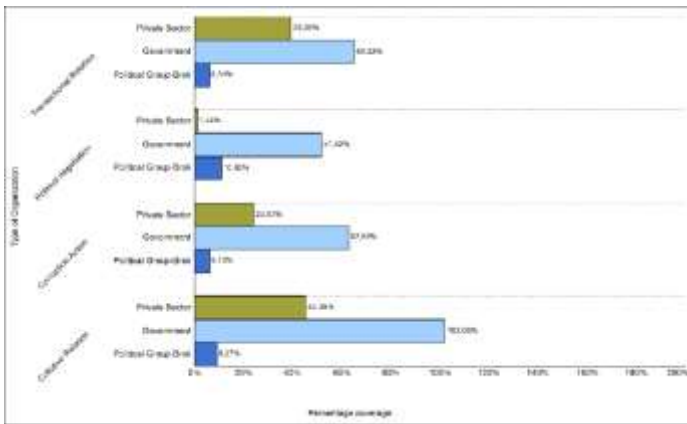


FIGURE 6. ACTORS INVOLVED IN INFORMAL FISCAL POLICYMAKING IN MALANG REGENCY

Figure 6 shows that, government organizations had a value of 102.06% in establishing collusive relationships, followed by private-sector actors (45.39%) and political communities (9.27%). Government organizations also dominated the practice of corruption (62.89%), followed by private-sector actors (24.03%) and political communities (6.13%). Meanwhile, while government organizations also dominated active political negotiations (51.82%), political communities were more active than private-sector actors (10.80% versus 1.44%). Transactional relationships were widespread in informal fiscal policymaking in Malang Regency, with government organizations taking a dominant role (65.22%) followed by private-sector actors (39.36%) and political communities (6.34%).

390

In this case, government organizations were represented by the Regent (an elected official) and bureaucrats (government officials); private-sector actors were represented by entrepreneurs; and political communities were represented by campaign teams and political brokers. Bureaucrats were dominant in all stages of the informal fiscal policymaking process, being supported by private-sector actors, campaign teams, political brokers, and the regent.

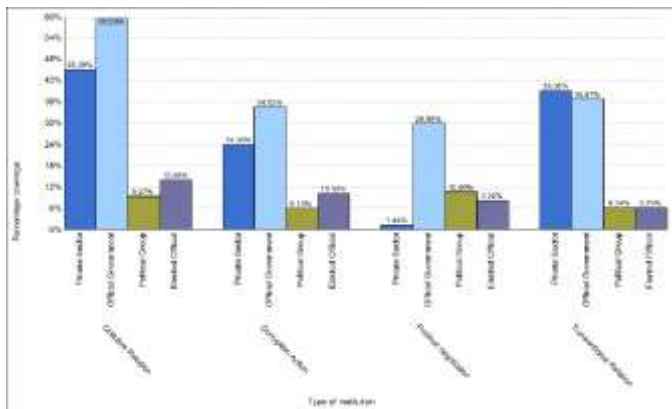


FIGURE 7. TYPES OF ACTORS INVOLVED IN INFORMAL FISCAL POLICYMAKING IN MALANG REGENCY

Government officials, including office heads and project staff, established collusive communications and relationships with other actors. These bureaucrats were most active (with a value of 59.59%), followed by private-sector actors (45.39%), the regent (13.98%), and political communities (2.27%). Practices of budget corruption in Malang Regency predominantly involved government officials (34.52%) and private-sector actors (24.03%), followed by the regent (10.30%) and political communities (6.13%). In their political negotiations, government officials received a value of 29.99%; in this, they were supported by political communities (10.80%), the regent (8.22%), and private-sector actors (1.44%). Transactional politics most commonly involved private-sector actors (39.36%) and government officials (36.87%), but at times political communities (6.34%) and the regent (6.25%) were involved (Figure 7).

### Actors in Informal Fiscal Policymaking in Batu City

Unlike in Malang City and Malang Regency, where informal fiscal policymaking involved government organizations, political organizations, and private-sector actors, in Batu City the process only involved government organizations and private-sector actors (Figure 8). These organizations were actively involved in all types of informal fiscal policymaking, including bribery, collusive relationships, corruption, political lobbying, and transactional politics.

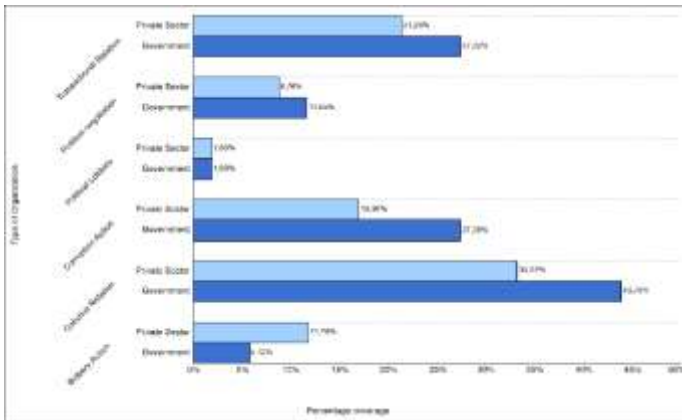


FIGURE 8. ACTORS INVOLVED IN INFORMAL FISCAL POLICYMAKING IN BATU CITY

In Batu City, bribery was predominantly practiced by the private sector (11.78%), followed by government organizations (5.72%). Meanwhile, the establishment of collusive relationships most commonly involved government organizations (43.79%), followed by private-sector actors (33.22%). Corruption values were higher amongst government organizations (27.35%) than amongst private-sector actors (16.96%). Both used political lobbying in their informal fiscal policymaking processes, receiving a value of 1.88%. In political negotiations, government organizations (11.55%) were more active than private-sector actors (8.76%); this reinforces the view that the government provided lobbying spaces for private-sector actors. Finally, in their transactional practices, government actors in Batu City dominated

private-sector actors (27.32% versus 2.26%) (Figure 8).

Government organizations involved in informal policymaking practices included the mayor (an elected official) and bureaucrats (government officials); meanwhile, the private-sector actors involved in corruption, collusion, negotiation, transactional politics, and bribery in Batu City were local entrepreneurs. These organizations were mutually complementary in informal fiscal policymaking activities in Batu City.

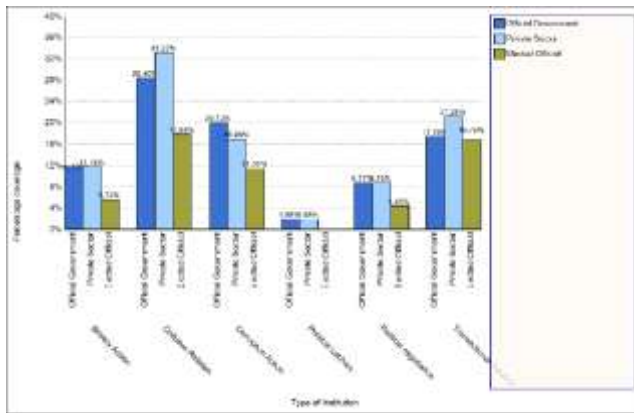


FIGURE 9. TYPES OF ACTORS INVOLVED IN INFORMAL FISCAL POLICYMAKING IN BATU CITY

Figure 9 above shows that private-sector actors dominated the informal fiscal policymaking activities in Batu City, followed by bureaucrats and the mayor. Bureaucrats and entrepreneurs had almost equal opportunities to commit bribery, the latter actors were slightly more active (11.78% versus 11.70%); meanwhile, the mayor was less involved (5.72%). Entrepreneurs were also the most active (33.22%) in establishing collusive relationships during informal fiscal policymaking activities, followed by bureaucrats (28.40%) and the mayor. Meanwhile, bureaucrats contributed most significantly to budget corruption (20.13%), followed by private-sector actors (16.96%) and the mayor (11.52%). Bureaucrats and entrepreneurs were equally involved



in political lobbying (1.88%); the mayor, conversely, was not directly involved in lobbying. Nonetheless, the mayor was involved in the process of political negotiations (4.48%), which is an intrinsic part of the lobbying process. Bureaucrats and private-sector actors were almost equally involved in such negotiations, with the former slightly more active (8.77% versus 8.76%). Private-sector actors (21.26%) were heavily involved in creating transactional politics with government officials (17.39%) and the mayor (16.75%), with such transactions being used to advance their interests in the informal fiscal policymaking process.

## DISCUSSION OF RESULTS

A qualitative document content analysis of Supreme Court decisions regarding the practice of corruption in Malang City, Malang Regency, and Batu City using Nvivo 12 Plus has shown that the informal policymaking processes in these municipalities have involved bribery, corruption, collusion, lobbying, political negotiations, and transactional politics ([Basri & Nabiha, 2014](#)). In Malang City, the informal fiscal policymaking process involved all of these practices intensively. Meanwhile, while these practices were less intensive in Batu City and Malang Regency, they occurred in both municipalities' informal fiscal policymaking processes ([Rebecca Rumbul et al., 2018](#)).

The intensiveness of informal fiscal policymaking practices in Malang City can be attributed to the number and diversity of the actors involved, including political organizations, government organizations, the mayor, and private-sector actors. Most dominant in the informal fiscal policymaking process in Malang City were political organizations, followed by government organizations and private-sector actors; this is evidenced by these political organizations' involvement in practices of bribery, corruption, lobbying, negotiation, and transactional politics ([Montambeault & Goirand, 2016](#)). Members of parliament were more commonly involved in informal fiscal policymaking activities than government officials, elected officials, and private-se-

tor actors ([Dorotinsky & Pradhan, 2007](#)); as such, they positioned themselves as having greater influence in the informal fiscal policymaking process. Under their influence, the mayor, bureaucrats, and entrepreneurs became involved in the informal fiscal policymaking process ([Yandra et al., 2018](#)).

In Malang Regency, meanwhile, the informal fiscal policymaking process involved government organizations, private-sector actors, and political communities ([Montambeault & Goirand, 2016](#)). In this case, the regent—an elected official—regulated and controlled the informal fiscal policymaking process ([Adi, 2018](#)). He instructed government officials, including the leaders of local government offices, to commit informal policymaking practices such as negotiation, lobbying, political transactions, and providing private-sector actors access to government projects ([Adi, 2018](#); [Montambeault & Goirand, 2016](#)). Furthermore, the regent instructed local bureaucrats to work with the political communities that supported him and to include them in fiscal policymaking ([Trantidis & Tsagkroni, 2017](#)). Private-sector actors (i.e. entrepreneurs) worked in conjunction with the Malang Regency government to formulate fiscal policy, doing so by establishing collusive relationships with the regent, bureaucrats, and political communities ([Arias, 2018](#); [Wong, 2010](#)). In order to facilitate access to government-funded development projects ([Berenschot, 2018](#)), during the informal fiscal policymaking process entrepreneurs practiced bribery, lobbying, corruption, and political negotiation with the regent, bureaucrats, and project brokers. This was positively received by the regent and by local bureaucrats, and supported by political communities. Ultimately, corruption, bribery, and transactional politics were widely practiced during the budgeting process ([Arias, 2018](#); [Kostiuchenko, 2014](#)).

In Malang Regency, the dominant political community was the regent's campaign team, a group of elites that acted collectively as a project and fiscal broker ([Jones, 2013](#)). This political community was established during the regional election, when

it campaigned for the regent, accumulated political power, and raised funds from entrepreneurs with their own specific interests in the election and in the regional budget ([Auriol & Flochel, 2015](#)). After the conclusion of the election, this political community served as a project and fiscal broker, working to connect the regent with entrepreneurs and to control bureaucrats' formal fiscal policymaking activities ([Arias, 2018](#)).

In Malang Regency's informal fiscal policymaking activities, government organizations were more dominant than private-sector actors and political communities. Meanwhile, private-sector actors were more active than political communities, as illustrated by their willingness to work in conjunction with government officials. Political communities, finally, served as project and fiscal brokers in Malang Regency ([Bardhan & Mookherjee, 2012](#)).

Finally, two types of actors were involved in the informal fiscal policymaking process in Batu Regency, namely government organizations and private-sector actors ([Montambeault & Goirand, 2016](#)). Private-sector actors dominated this process, with the support of bureaucrats and the mayor. At the same time, the mayor provided spaces for informal fiscal policymaking activities, while bureaucrats enabled entrepreneurs' practice of bribery, collusion, corruption, lobbying, negotiation, and transactional politics ([Farhan, 2018](#); [Montambeault & Goirand, 2016](#); [Rubin, 2019](#)). As such, although the Mayor of Batu did not dominate the informal fiscal policymaking process in the city, he was a major source of the bribery, corruption, collusion, lobbying, negotiation, and transactional politics that occurred during the informal fiscal policymaking process ([Rumbul et al., 2018](#)).

## CONCLUSION

Qualitative content analysis was conducted using NVivo 12 Plus, which was involved in document collection, data management, data classification, node creation, and thematic/topical coding of Supreme Court decisions regarding practices of cor-

ruption in Malang City, Malang Regency, and Batu City. It found that informal policymaking activities involved the practices of bribery, corruption, collusion, lobbying, negotiation, and transactional politics. Such activities were more prominent in Malang City than in Batu City and Malang Regency. In Malang City, the informal fiscal policymaking process was dominated by political organizations, as represented by members of parliament. Meanwhile, in Malang Regency, the process was dominated by government organizations, as seen by the active involvement of the regent and local bureaucrats. Finally, in Batu City, the informal fiscal policymaking process was dominated by private-sector actors, though the practice itself was rooted in the mayor's promotion of informal approaches to fiscal policymaking amongst the municipality's bureaucrats.

In analyzing informal fiscal policymaking processes, the main strength of NVivo 12 Plus is its ability to ensure that data are well organized. In this case, Supreme Court decisions were organized well; informal fiscal policymaking activities were clearly identified; informal fiscal policymaking practices such as bribery, corruption, collusion, lobbying, negotiation, and transactional politics were mapped systematically; analytical results were clearly visualized; and research findings were organized well, enabling the researchers to understand the informal fiscal policymaking processes in Malang City, Malang Regency, and Batu City. Nonetheless, the use of NVivo 12 Plus for content analysis is limited in its ability to triangulate data, as the results of its analysis of Supreme Court documents could not be confirmed with other primary data (i.e. interviews and observations). As such, analysis of Supreme Court documents regarding informal fiscal policymaking practices must be supported with data collected through interviews, observations, and reviews of other documents, which would promote a more comprehensive understanding of the phenomenon and better data triangulation.

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