

17 Years of Establishment of Pagaralam as a Tourism City: How is the Tourism Sector's Ability to Increase Original Local Government Revenue?

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Abstract— One component of regional revenue is Original Local Government Revenue (OLGR). OLGR shows the ability of local governments to generate revenue. Pagaralam is a tourism city in South Sumatra, but OLGR in tourism sector is still very low. This research raises the issue of supporting factors and inhibitors of the OLGR growth in the tourism sector in Pagaralam city and the government's efforts to increase OLGR. Data collection techniques in this research are divided into interactive data collection techniques in the form of in-depth interviews with the selection of informants, purposive sampling and expert analysis and non-interactive data collection techniques in the form of systematic documentation and observation. Data analysis techniques are emphasized on the thematic analysis based on the results of the interview transcripts and continued with logic model analysis to see the correlation of the causative factors. The results of data analysis show that the total revenue of OLGR in the tourism sector is still below 2% compared to the total revenue of OLGR. The supporting factor to increase OLGR in the tourism sector is the good landscapes and the inhibiting factors are the lack of society contribution and the government efforts are still limited to the promotion of conventional tourism.

Keywords— Original Local Government Revenue (OLGR), Public Sector Accounting, Tourism, Local Government, Triangulation.

I. INTRODUCTION

Original Local Government Revenue (OLGR) is used as an indicator for local governments to show the regional independence. OLGR according to Law No. 28 of 2009, the regional financial resources that are excavated from the region concerned which consists of the regional taxes, the results of regional retribution, the results of the regional owned company and the results of regional assets management which separated and other legitimate local revenue. Components in the OLGR are the results of local taxes, the results of regional retribution, the results of the company owned by the region and the results of separated regional assets management and other legitimate regional revenues.

One of contributor sector of OLGR is the tourism sector. Matters that are classified as OLGR in the tourism sector are restaurant taxes, hotel taxes, entertainment taxes, tourist / sports levies, lodging fees, and villas. The Tourism Sector can be used as a field to increase OLGR, considering in this era, tourism has become the lifestyle of most of the world community.

Tourism development must be balanced by the participation of local governments. Tourism promotion is one of the local government efforts to increase tourist visits. The form of promotion that can be carried out by the local government can be through organizing events, promoting to other regions or through social and multimedia networks.

One of the tourism areas in Indonesia is Pagaralam City which is located in the Province of South Sumatra. The attraction of Pagaralam City is the beauty of the landscape in the form of mountains and megalithic sites. The development of the tourism sector increase the OLGR source in Pagaralam in the terms of hotel tax, entertainment tax, restaurant tax and

retribution which can be seen through the Budget Realization Report.

The formulation of the problem in this research is what are the support factors and inhibit factors of tourism growth in Pagaralam City? And how are the government efforts to increase the OLGR in Pagaralam City? The purpose of this research is to determine the supporting factors and inhibiting factors of OLGR growth and also to know the efforts that have been made by the government of Pagaralam City in improving OLGR.

II. RESEARCH METHOD

The Problems faced by Pagaralam City in programs preparation and promotional activities in the tourism sector are the lack of human resources, the ineffectiveness of the planning / programming and promotional activities, and it has not been oriented to the results that will be achieved. From the purpose of this research, then the rationality of the research uses a case study method.

The case study is a type of qualitative research that is trying to find meaning, investigate the processes, and gain a deep insight and deep understanding of individuals, groups, or situations [1].

This type of research is a mix method which is a combination of two types of research between quantitative research and qualitative research [2]. Quantitative research method is a systematic scientific research on the parts and phenomena and their relationships [3]. The purpose of quantitative research is to develop and use mathematical models, theories and / or hypotheses related to natural phenomena. Qualitative research method is a research method that is used to examine the condition of a natural object where the researcher is an instrument key, data collection techniques

are carried out jointly, data analysis is inductive, and the results of qualitative research emphasize the meaning rather than generalization [4].

Data collection techniques in this study are divided into two types, namely [5]:

1. Interactive Data Collection Techniques

Interactive data collection techniques are carried out through interview techniques. This technique is a data collecting to get information through data sources directly with the conversation [6]. This technique is carried out with an in-depth interview type. In this research, the informant whose information will be explored is selected using purposive sampling and expert analysis techniques. The purposive sampling technique is an informant selection method based on the characteristics owned by the subject, the subjects selection because those characteristics are in accordance with the objectives of the research that will be conducted while the expert analysis is to choose people who have direct involvement with the activities or events related to the tourism sector and OLGR [7] [8]. In this research, the informants who will answer the interview questions are the Head of the Department of Tourism, the Section Head of Bina Marga of the Public Works and City Planning Office, and also the Subdivision Head of the Accounting and Reporting of The Local Revenue Office.

2. Non-interactive Data Collection Techniques

Non-interactive data collection techniques is done by the Documentation and observation. The documentation process is carried out by collecting the types of documents such as monumental writings or drawings in accordance with the research theme [9]. Documentation will support the analysis of interview results. In the research the documents which will be used are the Regional Government Financial Reports (RGFR) consists of the Budget Realization Report (BRR) and general cash books obtained from the Tourism Office and Regional Finance Agency of Pagaralam City. Observation is conducted by observing and taking notes a subject and object or event that is carried out systematically [10]. In this research, observation is conducted with direct observation to the research object. The tools which are used for data collection in observations are anecdotal notes or observation forms. The type of observation which is used is the systematic observation with a framework of factor and the characteristic features to be observed are made before the observation is carried out.

In this research, the validity of the data was examined through credibility and confirmability testing. The credibility is used as a measure of the collected data validity, which describes the suitability of the researcher's concept with the results of the research. The credibility of the data examined through the completeness of the data obtained from various sources [18]. The credibility test which is used is through triangulation, negative case analysis and member checking [9].

Triangulation is a part of the data credibility testing technique. Triangulation is a data collection technique that combines various data collection techniques and data sources. The purposes of triangulation are to collect data and to test the

data credibility. The technique used in triangulation is checking the credibility of the data through various data collection techniques and various data sources [9]. The source triangulation is a different method used to obtain information using the same data collection techniques [9]. The Source triangulation is used to test the credibility of the data. The source triangulation is conducted by checking the data that has been obtained through different sources. The data testing in this research will be conducted to the Head of the Pagaralam City Tourism Office, the Sub-Division Head of the Accounting and Reporting of the Pagaralam City Government Regional Finance Agency and, the Head of the Bina Marga Section of the Pagaralam City Government. The data that has been analyzed will be concluded. Triangulation Method is the use of various data collection techniques carried out to the data sources. Triangulation Method is used to test the data credibility with several different data collection techniques [11]. Time triangulation will test the credibility of the data by collecting data at different times [11]. Time differences often affect the data credibility. The data collection that is conducted in the morning when working with fresh physical conditions will make different results if compared to the afternoon, generally the informant's physical condition will not as good as in the morning. Theoretical Triangulation is conducted by researchers using a perspective of more than one theory in discussing the problems studied [5]. In conducting this type of theoretical triangulation, researchers need to understand some of the theories that have relevance to the problem studied.

Negative case analysis is a data search that is different from the findings even contrary to the findings. If no different findings are found it can be interpreted that the data obtained is credible data [9]. Negative case searches are conducted by conducting unstructured interviews with non-government informants, namely the local residents of Pagaralam City.

The data that has been obtained is reviewed by a member checking which is a re-checking of the data that has been obtained to the informant. Re-checking aims to measure the validity of the data obtained from the interview process, documentation and observation. The validity of the data obtained can be seen from the agreement between informants and researchers. Thus the data obtained will be credible and can be used as consideration in making decisions.

Data Analysis Technique

Quantitative data analysis techniques in this study are conducted by looking at the OLGR result of Pagaralam City Government. OLGR can be seen every year in the receipt of levies and taxes that focused on the tourism sector. This data analysis technique uses documents that have function to support the data analysis obtained through in-depth interview and observation processes.

The data analysis technique which is used to analyze the results of interviews in this study is the qualitative data with thematic analysis approach. This analysis is a method that aims to analyze, identify, and report the theme patterns in a data [12]. In this research, thematic analysis is used to analyze the interviews themes related to the preparation of programs

and activities of the Pagaralam City Government in increasing the OLGR, especially in the tourism sector.

Thematic analysis steps are transcription of the interview results [13], data recognition of transcriptions, coding on transcription, theme search, review of main themes, re-discussion and naming of main themes, research report writing [14].

Researchers urgently need theoretical sensitivity in the process of data analysis in an effort to develop a theory, especially in the form of qualitative data [15]. The theoretical sensitivity itself is the personal quality of the researcher, which indicates the awareness of accuracy, in-depth

observation and the meaning complexity of the data that will be analyzed.

III. RESULTS AND DISCUSSION

The data that has been obtained is analyzed with the following results:

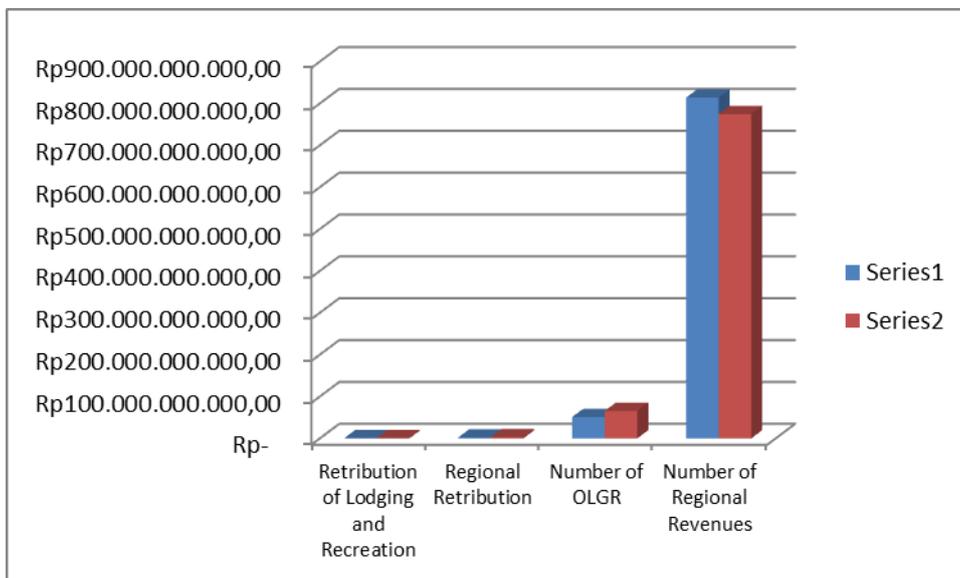
A. Quantitative Data

Quantitative data is a data that is based on those number symbols, quantitative calculations can be conducted to produce a general conclusion in a parameter. In this research, the quantitative data which is used are the General Cash Book, LAK and BRR.

TABLE 1. Regional Revenue

Year	2016	2017
Retribution of Lodging and Recreation	Rp550.711.000,00	Rp855.836.500,00
Regional Retribution	Rp2.282.828.998,00	Rp2.748.701.775,00
Number of OLGR	Rp51.113.017.419,00	Rp65.643.816.886,17
Number of Regional Revenues	Rp814.062.290.217,45	Rp774.685.914.906,25

Source: BRR and General Cash Book



Source: Data Processed, 2018

Fig. 1. Comparison of regional revenue categories

From the results of data collection with documentation, can be seen that the original regional income is still very small, namely the receipt of lodging and recreation levies in 2016 amounting to 24.12% of the total regional retribution and in 2017 the receipt of lodging and recreation levies amounted to 31.14% of the total retribution area. When compared with the total OLGR, the results obtained in 2016 amounted to 1.08% of the total revenue of OLGR, while in 2017 the revenue of the tourism sector was 1.3% of the total revenue of OLGR. Comparison of revenues from lodging and recreation levies with total regional revenue of 0.07% in 2016 and 0.11% in 2017.

B. Qualitative Data

Qualitative data in this research is in-depth interview. Interview is conducted with semi structure questions. There

are three participants in interview data collection techniques. The results of the analysis of interview results are carried out as follows:

TABLE 2. Participant Profile

Position	Code	Educational level	Gender	Interview Time
The Head of Pagaralam City Tourism Office	P1	S2	Male	Afternoon
The Section Head of Bina Marga, Public Works and Spatial Planning of Pagaralam City	P2	S1	Male	Morning
The section Head of Accounting and Reporting of Pagaralam City Regional Finance Agency	P3	S2	Female	Afternoon

Source: Data Processed, 2018

In-depth interview questions submitted to participants in semi-structured form referring to the formulation of the problem raised. The interview questions are as follows:

TABLE 3. Interview Questions

No.	Questions asked
1	What types of income can be obtained for the Pagaram City Government?
2	How big is the contribution of OLGR to the Pagaram City Local Budget?
3	Is there contribution from the Tourism Sector OLGR to Pagaram City?
4	If "YES", how big?
5	Why can't the Tourism Sector OLGR be a Mainstay OLGR?
6	What can be a supporting factor and inhibiting factor in increasing OLGR in the tourism sector in Pagaram City?
7	What are the efforts in the form of activities and strategies carried out by the Pagaram City Government to increase the OLGR in the tourism sector?
8	Are there parties who are able to carry out these activities and strategies?
9	How many tourist destinations that can be the mainstay of Pagaram City?
10	What is the role of the society, local media and social media in increasing the OLGR in the tourism sector?
11	What are the short-term outcomes, long-term outcomes, and expected impacts of the current strategy?
12	How is the promotion using social media conducted by the Pagaram City Government?
13	Have you ever heard of promotional techniques with motion graphic media?

Source: Data Processed, 2018

In-depth interview analysis using thematic analysis with the initial process of coding using open coding after transcription results from in-depth interviews.

The main themes obtained from the interview analysis using thematic analysis are as follows:

- a. OLGR Growth Support Factors in the tourism sector are good cooperation between agencies in the Pagaram city government agency for adequate infrastructure development to access the tourist area and Pagaram City not only has a tourism concept in the form of natural scenery but also has many cultural heritage tourism sites and megalithic site. The inhibiting factor in the growth of OLGR in the tourism sector is that not all people want to be compensated for their land for tourism infrastructure and the community considers the tourism area as ancestral land so there is no need to pay for accessing tourist areas.
- b. The Pagaram City Government has carried out various tourism promotion efforts, but has not had a significant impact on the increasing of OLGR number. Tourism promotion that has been carried out is oriented to conventional promotions, so it has not had a significant impact on the tourist visits.

Constraints in the implementation of tourism promotion efforts are the unavailability of human resources who understand the multimedia field well.

IV. CONCLUSION

From the problems and data analysis above, it can be concluded that so far, OLGR in Pagaram City, especially the tourism sector has not been able to contribute OLGR with a large portion, even though there are many tourism areas and cultural heritage areas that become the main attraction for tourist visits. The retribution contribution of tourism sector is still below 1.5% compared to the total revenue of OLGR.

The Supporting Factors in increasing OLGR tourism sector are good cooperation between agencies and the number of tourist areas that can be visited. The inhibiting factors in increasing OLGR of tourism sector are the difficulty of land acquisition and the management of contributions that have not been in accordance with procedures.

The Promotional efforts by the government are still conventional and there are not available human resources in the multimedia field.

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