

# Employing Notonagoro Semiotics in Deconstructing Public Sector Organization Performance

Nanda Widaninggar

Universitas Brawajaya, Jl. MT. Haryono, Malang, Jawa Timur 65145, Indonesia and STIE Mandala Jember, Jl. Sumatra No.118-120, Tegal Boto Lor, Sumber Sari, Kec. Sumber Sari, Kabupaten Jember, Jawa Timur 68121, Indonesia.

[nanwiedha@student.ub.ac.id](mailto:nanwiedha@student.ub.ac.id)

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## ABSTRACT

This study aims to find the philosophy and concepts in the accounting field related to the public sector organizations based on the Notonagoro's Hierarchical-Pyramidal of Pancasila which breathes local wisdom and religious universals. This deconstruction is focused on the development of constitutionally public management in Indonesia and relate it into public sector organizational accountability assessments. This article is interdisciplinary in nature, comprising synthesis of Notonagoro's writings, using the Notonagoro's Hierarchical-Pyramidal Semiotics methodology. This article contributes to a brief synthesis, taken from Notonagoro's writings related to the public management in Indonesia and Pancasila as the basis of state philosophy which is more humanist, emancipatory, transcendental, and teleological. The result is that Notonagoro's Hierarchical-Pyramidal (1) has not been used in public management in Indonesia, (2) can be synthesized as Notonagoro *Public Management*, (3) public sector organizational accountability assessments should reflect every precept in Pancasila as the basis of state philosophy.

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*“Sesudahnya seminar Pancasila selesai, dengan pidato dari Prof. Mr. Drs. Notonagoro (pada tanggal 17 Februari 1956), yang menjelaskan secara ilmiah tempat dan kedudukan Pancasila itu di dalam ketatanegaraan Indonesia, maka dunia politik menjadi tenang dan tenteram, cepklakep, di mana energi tidak lagi dipakai dan dibuang-buang untuk memikirkan hal materi itu. Menenteramkan dunia politik yang bergolak, sungguh suatu buah yang besar nilainya”.*

Prof. Dr. M. Sardjito, Rector Universitas Gadjah Mada, at the time, [1]

## 1. Introduction

Pancasila religiosity is an idea that shows the level of strong and deep wisdom. Pancasila can serve as a guide for piety and moral guidelines for Indonesian people, in solving various problems of the nation, even including in the management of the state, specifically public sector accounting. Unfortunately, modern accounting includes a scientific as well as practical solution which tends to negate God. Accounting has created a

rigid structure, leading it to its entrapment to modernity. In this sense, the concepts of theology and religion are seen as a reflection of an modernity antithesis, which in the end the anthropocentric view emerges massively because it assumes that there is no power outside of humans, and that humans are the center of everything. Accounting has become secular from a scientific perspective because it emphasizes objectivity and focuses on materiality in order to achieve welfare and asset growth, which is not for the common welfare, but for the owner (Property Theory), corporations (Entity Theory which later transformed into High -End Entity Theory), as well as investors (Investor Theory). This is not only dominated by the private sector, but in the management of public sector organizations, accounting has also experienced a lot of secularism in the mindset. Ludigdo, U. and Kamayanti (2012) declared how Pancasila carries cherished local values, as an alternative base to develop accountant ethics. By the approach of Stakeholders' Theory a critical arguments was developed on the relevance of Pancasila to accountant ethics to hinder the invasion of ethics imperialism in the purpose of maintaining the accountants' integrity.

Old Public Administration (OPA) then shifted to the concept of New Public Management (NPM), New Public Service (NPS), and finally became New Public Governance. In the New Public Services, which is implemented by the country in Southeast Asia, including Indonesia, the orientation is to the citizens' services and not to the users of public services. The concept of NPS is intended for the public interest, which focuses on aspects of citizenship, not on business and productivity. The NPS also wants the fulfillment of the public interest, as well as a strong good governance mechanism whose emphasis is primarily on the accountability aspect. Through the concept of NPM and NPS, accounting is then seen only as the legitimacy of an institution. An interesting critical point of view is regarding the appropriateness of the application of the NPM and NPS concepts in developing countries, considering that these concepts originate from developed countries, whose circumstances are very different culturally. The cultural differences in question are not only caused by geographical conditions and cultural customs, but also because of the high level of corruption in many developing countries and the low administrative capacity of bureaucrats. In comparison, it is difficult to apply NPM in developed countries in Europe because the concept is too operational and tends to be American style [4], whereas they already have a more philosophical concept of Europe Public Management (EPM). Or is it reversed in the logic of thinking? With the application of NPM or NPS, the level of Corruption, Collusion, and Nepotism becomes increasingly widespread massively like the growth of cells in the body of living things.

Ideally scientific problem solving produces practical solutions in the field [2]. This should be done by always involving Allah SWT, as the One Essence to which all creatures return. An auto critique needs to be expressed that there is a wrong habit in research, including accounting research, that is, researchers claim that methods used are only tools of a knowledge system resulting in pragmatic behavior of researchers. Ideology, such as Pancasila, is the way a person or group thinks about a problem, which is a collection of systematic concepts that are used to provide direction and purpose for their research. Many public sector accounting problems occurred need solutions by integrating local wisdom, such as by integrating the basic philosophy of the nation, namely Pancasila.

In terms of the accuracy (fit and proper) of implementation, Mahmudi (2010) has exemplified Malaysia which has achieved success with the implementation of Total Quality Management (TQM) in its country, but Bangladesh and several countries in Africa have experienced many failures, even though they are both developing countries. This illustrates that the bureaucratic reform model of a country is only customized for that country, due to differences in political, economic, social, and cultural conditions prevailing in that country. Bureaucratic reform is actually a branch of efforts to reform in the field of public administration as a response to globalization, namely through improving the quality of human resources to create the right man on the right place to follow the continuing changes, improving the quality of public services, and increasing sensitivity to the environment. [6]. When reforms in Indonesia rolled out in 1997, there was new hope from all elements of society regarding major changes in various fields for the better, because in the new order era the government was considered over-centralized, authoritarian, and used the military as a shield for its own defense. However, it turns out that the current condition is not in line with expectations, even though the direction for improvement has been and is ongoing. The corrupt behavior of government officials and the number of programs that have not responded to the needs of the community is contrary to the spirit of change in bureaucrats as public servants. There are actually some important lessons that can be drawn from the government in the new order, including a clear formulation of state administration that aims to institutionalize state and government apparatus.

Mattessich (1978) wants accounting to be integrated into the field of management science, which includes economic and analytical methods of administration, as well as entity management. Initially, Mattessich (1978) made a statement of encouragement from a critical social science perspective. However, with the approval of management experts as a sound basis for developing accounting theory, it is not surprising that the theory is said to fall in the context of standard accounting technology from functionalism and reflects fundamental philosophical assumptions. Mattessich (1978) then put forward a group of "general" basic assumptions that resulted in axioms, which later shaped accounting thinking as "a discipline concerned with the quantitative description and projection of the circulation of income and aggregates of wealth". Then accounting is formed in theoretical logic. What is desired here is actually a "better" technology that is based on a set of basic assumptions that produce alternative representations that are consistent with economic environmental factors. Can this "better" technology help evaluate social order and life rationally so that changes in practices and policies are said to be irrational and oppressive? It is still not clear. On a functionalist basis, this tendency should be small. Accounting is often also considered as the legitimacy of an institution. Legitimacy is a process of creating and validating the normative order of society [8], including in the field of public sector accounting in local governments.

The last two decades mark the use of accountability as the legitimacy of local government institutions. Legitimacy theory explains the meaning of the social contract implied between public institutions and their communities. This theory is needed by institutions to achieve goals in order to be congruent with the wider community. Legitimacy is even considered as an effort to equalize the perception that an entity's actions are desirable, appropriate, or in accordance with a socially developed system of norms,

values, beliefs, and definitions. Based on the traditional accounting perspective, there is no awareness of wrongdoing, crisis, education, or transformative action. In addition, there is no recognition of the social good, except in the vague and distorted belief, then it is assumed that everything can be fulfilled well by the capitalist system in the perspective of modern accounting.

Widaninggar, *et.al.* (2019) states that performance-based management is part of the New Public Management reform, which encourages public sector organizations to continuously improve their performance. In the concept of results-oriented government, performance-based management and performance measurement are two things that are related and have enormous strength [10]. Performance accountability can be achieved if public sector organizations have good performance management and performance measurement. Through the issue of NPM, the public sector then became like the private sector (reinventing government), and finally the concept of corporate governance developed [11]. Akbar, *et.al* (2012) explicates the key elements of accountability, transparency, fighting corruption, participation, stakeholders, legal frameworks and laws, and there is a close relationship between democracy and elements of good governance. One of the key elements that is very important and becomes the main focus of the community in terms of public sector financial performance is accountability.

NPM and NPS as accountability philosophies do not have an Indonesian spirit, since they are built from the logic of a liberal state, which may not be able to absorb the "value" of Indonesian sovereignty. Substantially, scientific philosophy separates the identity of the archipelago, the view of reality is not carried out integrally, the separation of religiosity and culture, and the aim of science is not centered on true belief and truth, which are concepts that should be implemented in religious, social and state life for all. this country's stakeholders, who should have an Indonesian personality, as in the concept of the Nusantara Paradigm [13]. The focus of the central government and local governments is the significant increase in the flow of the State Revenue and Expenditure Budget (APBN) and Regional Revenue and Expenditure Budget (APBD) from year to year. This SiLPA does not improve public services, the reality is that there is no change in form, only in terms of content or practice, but there is no core value of the organization that has changed significantly from the previous condition.

Pancasila as the basis of state philosophy is the core value of the nation's personality, of course it must always be practiced and maintained as a view and way of life. Pancasila in the scientific realm has met the requirements in its discussion, namely object, methodical, systematic, and universal and fulfills descriptive, normative, essence, and causal scientific knowledge [14]. Pancasila was widely semiotized by Notonagoro (1974), through his works such as "Pancasila Basic Philosophy of the State", "Some Things About the Philosophy of Pancasila" Notonagoro (1967), "Pancasila Scientifically Popular" [17], and it was in this last work that Notonagoro succeeded. Notonagoro conveyed the idea of integration of the precepts in Pancasila, so that it arrived at the concept of writing Pancasila which was not separated into Panca Sila [18], in this case then philosophically Pancasila was known as a unifier of the nation. Building a Hierarchical-Pyramidal Pancasila means that each precept for the next precept is the basis and each subsequent precept is an incarnation or specialization of the precepts that preceded it. In

the Hierarchical-Pyramid of Pancasila the basis is God Almighty, while the top of the pyramid is Social Justice for All Indonesian People, and of course this concept has the nuances of Indonesian local wisdom and is universally religious.

## 2. Method

Postmodern philosophy is a philosophical movement in the 20th century as a critical response to the assumptions allegedly present in modernist philosophical ideas about culture, identity, history, language developed during the 18th century Enlightenment [19]. Terminologically according to [20] postmodern is a critique of modern society and its failure to meet its expectations. In this paradigm there is no established, mainstream, and standard research method, so the method depends on the reality under study. [21] explains that theories and ideas in accounting research methodology have been practiced for a long time, only they are used less when compared to other qualitative methodologies. According to [22] when modern social theory seeks a universal, ahistorical, and rational basis for its analysis and to criticize society, postmodern groups question this rationale by criticizing that the rationale of modern social theory tends to give privileges to some groups, while reducing the degree of most of the others or give power to certain groups and make other groups become powerless.

This research uses the Postmodernism Paradigm, which is characterized by a unique counter-intuitive view of time, space, and history that is often used as a foothold by modernists, non-hierarchical oppositional mindsets, scientific aspects that emphasize value (ethical) aspects, theoretical aspects, putting itself outside the modern paradigm [20]. The method used in this research is the Hierarchical-Pyramidal Semiotics of Pancasila which is the result of Notonagoro's thinking. Confucius stated that "If you want to manage the country well, then first publish the terms (linguistics) that exist in the country" [23], and Notonagoro's semiotics is included in the linguistics of the Indonesian state.

This research refers a lot to the thoughts of Barthes who was one of the great figures of French philosophy and critical/structuralist theory at the end of the 20th century whose research was postmodern in the field of scientific and creative philosophy of communication. Barthes' work is driven by two main thrusts, namely science and artistic creativity, and is therefore suitable for accounting analysis and professional accounting, which lie similarly between the two. The first phase of his work was to demystify and to seek the science of communication, which was inspired by de Saussure's company linguistics (1995, first published 1916) and produced a formal semiology focused on the systems and patterns of structuralism. Accounting has always included words as well as numbers, but the role of narrative has increased substantially in recent years, either through mandatory or voluntary disclosure, and this has extended to social and environmental reporting, all of which narratives can be analyzed for their denotations and connotations. From a visual perspective, numerical financial reports themselves can be thought of as visual artifacts of denoting and connotation, but beyond financial reports, accounting and accountability reports incorporate an eclectic mix of graphs, photographs and images, all of which require rich connotations as well as denotations. The next phase is paradoxically characterized by the rise of hedonism which "seems to enjoy some effectively expressed

mystification" [24]. This later phase also prioritized fun and creativity over scientific rationalism, in a movement known as post-structuralism.

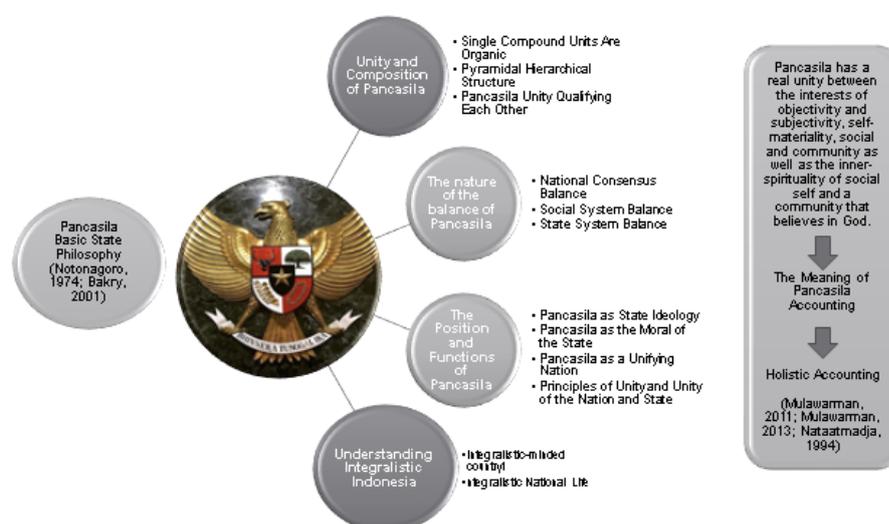
In this research, the first step is to explore Notonagoro's theories and thoughts in Hierarchical-Pyramidal Pancasila. At this stage, researcher will declare Notonagoro's view on the existence of God related to science and reality, as well as his views on ideal reality and science, as well as the role of humans in it. Then synchronize them with the context of public management, which is connected with the opinion of researchers about reality, science, and the role of humans at this time, which of course is integrated with Notonagoro's opinion at that time through his writings. Furthermore, through this research, the researcher deconstructs the reality of public management so that it would be based on local wisdom and universally religious.

### 3. Results and Discussions

#### 3.1. Pancasila as the Basic Philosophy of the State

The basis of the Indonesian state, namely Pancasila, is essentially divided into two aspects; materially and formally. Materially, Pancasila is the nation's philosophy of life that can be lived as the soul of the nation, the nation's personality, the means of the nation's life goals, the nation's view of life, and the nation's way of life. Formally, Pancasila is the basis of state philosophy, as the source of all sources of Indonesian state law and also as a noble agreement of the Indonesian nation in the state. Pancasila has become the basis of the philosophy of state administration and legal system, which on the one hand upholds dignity and human rights independently, on the other hand focuses on essential equality between humans and social justice, so that Pancasila is a philosophical school that takes the middle path from individualism and collectivism. Pancasila pays attention to its two social dimensions, in a harmonious balance [14]. Pancasila is a unity, contains the characteristics of balance, which serves as evidence that Pancasila is the only basis of the Indonesian state, which can be explained as follows.

**Figure 1**  
**Pancasila as the Basic Philosophy of the State and the Nation**



Unity in Pancasila is an absolute thing as the basis of state philosophy, so its elements must also exist in absolute terms.

### 3.2. Notonagoro's theories and thoughts in Hierarchical-Pyramidal Pancasila

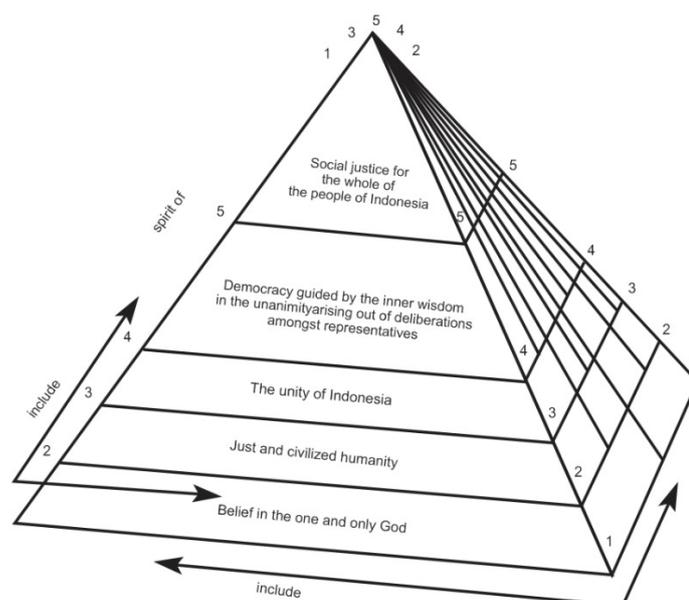
The theory related to the Unity of Pancasila is explained through the Unity of Pancasila Compound-Single, is organic and in the form of the composition of Pancasila as Hierarchical Pyramidal, and in which the precepts of Pancasila are mutually qualified. These three theories were put forward by an Indonesian thinker, namely Notonagoro (1905-1981). In the hierarchical pyramid, the basis is God Almighty, while the peak of the pyramid is social justice, which is in accordance with the formulation of the fifth precept, namely "to realize social justice for all Indonesian people", which is the goal of the other four precepts. Therefore, it can be stated that the form of the Hierarchical-Pyramidal arrangement of Pancasila is "a multilevel unit in which each precept in front of the other precepts is the basis or principal base, and each precept is a specialty of the precepts in front of it". Figure 2 depicts the formulation of Pancasila in the Hierarchical-Pyramidal Pancasila.

As shown in Figure 2, the order of the Pancasila precepts in the Hierarchical-Pyramidal arrangement of Pancasila by paying attention to the five formulations above and a brief description on the basis of the form of the diagram (pyramidal which means like a pyramid shape, namely that the widest set is below and the set below). more specifically, as the culmination of the ideals he wants to achieve), can be explained as follows [16]: (1) A group of people who are part of the whole of humanity have the special nature of believing in the One Godhead; (2) A group of people who believe in the One Godhead who love and respect each other and fellow human beings and fellow creatures of God, respect each other according to their rights and dignity; (3) A group of people with the belief in the one and only God who love and respect each other with different ethnicities, customs, and aspirations of one nation as the Indonesian nation; (4) A group of people as Indonesians who believe in the One Godhead, love and respect each other, in the administration of the state, which is regulated in a kinship or populist manner through Representative Consultative Institutions; (5) A group of people as Indonesians who believe in the One Godhead love and respect each other and who are governed by the people in the administration of the state have the aspiration to form a society with social justice for the entire Indonesian people.

Calam and Sobirin (2008) declared that as a national development paradigm of Indonesia, Pancasila philosophically has a role and a consequence in the nature of its position in all aspects of national development, and this means that we must base on the nature of the values of the Pancasila precepts. It is found that according to Notonagoro's thinking, Pancasila is a positive, objective, and subjective basic legal norm which cannot be changed formally, in other words it is absolute because it has been enshrined in the 1945 Constitution [18]. Likewise materially, Pancasila cannot be changed, and this is already absolute. This is motivated by the idea that the life of citizens, culture (including philosophy), morality, and religion are positive laws whose elements have existed, always live for all time, with core elements derived from Pancasila. Therefore, for Notonagoro,

Pancasila became the basis of the state philosophy which in addition to having a state character also had cultural and religious characteristics. Even further, Notonagoro emphasized that the content of Pancasila which is the basis of the state's philosophy should not be able to be influenced by all differences such as religion, ethnicity, citizenship, or class. Likewise, it cannot be determined by all changes, such as changes in circumstances, incidents, regions (inside and outside Indonesia), time of day, population composition, patterns of correlation between people, nation and state. In conveying Notonagoro's thoughts, it is believed that Pancasila religiosity exists and is very visible in the concept of pious character proposed by Notonagoro [18]. A pious character is an expression of a monopluralist human who emphasizes human behavior and actions that should always be in a balanced, harmonious, and dynamic state. Therefore, Notonagoro's teachings about "humans with a pious character" or his conception of "moral people" are believed by the philosopher and his friend [26], to be an alternative way out in dealing with basic problems in various fields of life. For example, in the field of education, fostering national character, and preserving national identity which is constantly faced with the threat of reform and the development of new values, as a result of the development of information technology.

**Figure 2. Hierarchical-Pyramidal Pancasila**



### 3.3. New Public Management (NPM)

The concept of good governance in public administration reform is a response to public demands for government officials who are expected to be transparent, accountable, effective, efficient, and customer-centric or often called citizen-oriented. In its realization, the comparison of the application of these values between the era before NPM, which is known as the era of bureaucracy and the era of NPM, is illustrated in Table 1.

**Table 1. Core Value Realization**

Focused Value	Bureaucracy	New Public Management
Accountability for result		√
Accountability through hierarchy	√	
Rule of law	√	
Equality before law	√	
Productivity		√
Efficiency		√
Objectivity	√	
Impartiality	√	
Customer/Citizen oriented		√
Mission and goal oriented		√
Cost Efficiency		√
High Specialization	√	
Transparency	√	

Source: Persson and Goldkuhl (2010)

### 3.4. New Public Services (NPS)

Through the concept of the New Public Service (NPS), government accountability is measured through the achievement of the Performance Accountability System for Government Agencies (or SAKIP), as well as the acquisition of Unqualified Opinion (WTP). It is revealed that there are four values in public administration, which include administrative efficiency, individual rights, political response and social justice [28]. With these values in public administration, the application of NPM alone is deemed insufficient. Therefore the concept of New Public Services (NPS) which was introduced [29].

The NPS paradigm is intended to counter the administrative paradigm that became mainstream at that time and even today, namely the "New Public Management" (NPM) paradigm which has the principle of "run government like a business" or "market as solution to the ills" in the public sector". According to the NPS paradigm, running a government administration is not the same as a business organization. State administration must be moved as it moves democratic government. The mission of public organizations is not only to satisfy service users (customers) but also to provide goods and services as a fulfillment of public rights and obligations. The NPS paradigm treats public users of public services as citizens (citizens) not as customers (customers). State administration is not just how to satisfy customers but also how to give citizens the right to get public services. This perspective of the NPS paradigm, according to [29], was inspired by the Political Theory of Democracy, especially with regard to the relationship of citizens with the government and the humanistic approach in organizational and management theory.

The NPS paradigm views the importance of the involvement of many actors in the administration of public affairs. In public administration what is meant by the public interest and how the public interest is realized does not only depend on state institutions. The public interest must be formulated and implemented by all actors, both state, business, and civil society. This kind of view makes the NPS paradigm also known as the Governance paradigm. Governance theory holds that the state or government in the global

era is no longer believed to be the only institution or actor capable of efficiently, economically and fairly providing various forms of public services so that the governance paradigm views the importance of partnership and networking between many stakeholders in the implementation of public affairs.

**Table 2. Differentiation of New Public Management and New Public Service**

Aspect	<i>New Public Management</i>	<i>New Public Service</i>
Theoretical foundations and epistemological foundations	Economic theory	Democratic theory
Rationality and models of human behavior	Technical and economic rationality (economic man)	Strategic rationality or formal rationality (political, economic and organizational)
The concept of public interest	The public interest represents the aggregation of individual interests	The public interest is the result of a dialogue of various values
Responsiveness of public bureaucracy	<i>Customers</i>	<i>Citizen</i>
Government role	<i>Steering</i>	<i>Serving</i>
Achievement of objectives	Private and non-profit organizations	Coalition of public, non-profit and private organizations
Accountability	Work in accordance with the will of the market (customer wishes)	Multi-aspects: legal accountability, values, community, political norms, professional standards
Administrative discretion	Discretion is given widely	Discretion is needed but limited and responsible
Organizational structure	Decentralized organization with primary control vested in the agents	Collaborative structure with internal and external shared ownership

Source: [29]

Denhardt and Denhardt formulate the principles of the New Public Service which is different from the principles of New Public Management. The basic ideas or principles of the New Public Service paradigm are (1) Serving the community as citizens, not customers, through the taxes they pay, citizens are the legitimate owners of the state; (2) Meeting the public interest; Public interests are often different and complex, but the state has an obligation to fulfill them. The state must not pass its responsibility to other parties in fulfilling the public interest; (3) Prioritizing citizens over entrepreneurship; entrepreneurship is important, but citizens are above all else; (4) Think strategically and act democratically; the government must be able to act quickly and use a dialogic approach in solving public problems; (5) Recognizing the complexity of accountability; Accountability is a difficult and measurable process that must be carried out with the right method; (6) Serve not direct; The main function of government is to serve citizens, not direct; (7) Prioritizing the interests of the community, not productivity; the interests of the community must be a priority even though it is contrary to the values of productivity. Judging from the

theory that underlies the emergence of the New Public Service, it appears that the New Public Service tries to articulate various theories in analyzing public problems. Therefore, viewed from various aspects, according to Denhardt and Denhardt the paradigm of New Public Service has different characteristics with New Public Management. These differences can be seen in Table 2.

### 3.5. Autocritique of NPM vs NPS

As mentioned earlier, if the problems in the NPM and NPS countries of origin are only social, economic, political, and cultural differences, then the problems in Indonesia are compounded by classic problems, including: (1) NPM is based on a market mechanism, while the market in Indonesia is not yet effective; (2) Accrual Basis and an increase in Cash Flow (because of the large state debt) which encourages Value for Money to eliminate social bonds because it focuses on efficiency and productivity, which may even end in privatization or deregulation; (3) Privatization of public companies leads to foreign ownership of companies; (4) Changes in the bureaucracy to market mechanisms provoke criminal acts of corruption because the world of bureaucrats is full of competition; (5) Collusion and nepotism in awarding employment contracts, (6) Institutional problems, the policies made are often not synchronized between institutions [5][30].

NPM and NPS must be customized with the country where the concept is applied, because no country is identical. This causes different approaches bureaucracy reformation, and currently Public Management in Indonesia that is still not in accordance with Pancasila values which are universal religious, while Pancasila is the philosophy of the nation. In addition, it is stated that what is important is not the outcome, but the policy process that is prepared because NPM is included in government policy [31]. It is argued that through Institutional Theory [33] which has always been the basis for managing Public Sector Organizations, it actually degrades the people's economy with institutional isomorphism through a process of mimicry (evolutive imitation) [30][32]. The NPS does not breathe sovereignty but serves the liberalization of the interests of citizens and not the people individually, and in the end the NPS will be more dangerous because it returns to a government structure that has more control over the people who are its subordinates.

Both NPM and NPS are performance-oriented public sector organizations. Strengthening performance accountability is one of the programs implemented in the framework of bureaucratic reform to realize a clean and free government from KKN, improve the quality of public services to the community, and increase the capacity and accountability of bureaucratic performance. This accountability strengthening is carried out by implementing the Government Agency Performance Accountability System (SAKIP) as referred to in Presidential Regulation Number 29 of 2014 concerning SAKIP (a systematic series of various activities, tools, and procedures designed for the purposes of determining and measuring, collecting data, classifying, summarizing) and performance reporting to government agencies in the context of accountability and performance improvement of government agencies) [34]. To find out the extent to which government agencies implement the Government Agency Performance Accountability System (SAKIP), as well as to encourage an increase in the performance of government agencies, it is necessary to carry out an evaluation of the implementation of SAKIP. This evaluation is expected to

encourage government agencies at the central and regional levels to consistently improve the implementation of their SAKIP and realize the performance achievements (outcomes) of their agencies as mandated in the RPJMN/RPJMD. The evaluation of the implementation of SAKIP in public sector organizations must be carried out as well as possible.

An autocritique should also be conveyed regarding the Government Accountability Index Assessment, that what happens to the community is that there is a non-linearity between the acquisition of a high index score and the level of community satisfaction as measured by the Community Satisfaction Index (IKM), while public sector organizations in Indonesia are essentially an organization engaged in the field of public services and state administration in the context of implementing the state constitution. This means that community satisfaction is the main thing, although accountability does not then become unimportant. However, so far the accountability of the public sector is still judged in terms of the quality of state financial management, as evidenced by the evaluation parameters as indicated in Table 3.

**Table 3. Government Agency Accountability Assessment**

No.	Parameter	Accountability Classification
1.	Financial Statement Opinion	Financial Accountability
2.	Follow up on BPK Recommendations	Administrative Accountability
3.	State/Regional Losses	Financial Accountability
4.	Evaluation of Regional Government Implementation Performance (EKPPD)	Administrative Accountability
5.	Self-Assessment of the Implementation of Bureaucratic Reform (PMPRB)	Administrative Accountability
6.	Government Agency Performance Accountability Report (LAKIP)	Administrative Accountability
7.	Results of Budget Implementation Reward and Punishment State Shopping	Financial Accountability
8.	State Property Management Award	Financial Accountability
9.	LHKPN Award	Administrative Accountability
10.	National Procurement Award	Administrative Accountability

Source: [35]

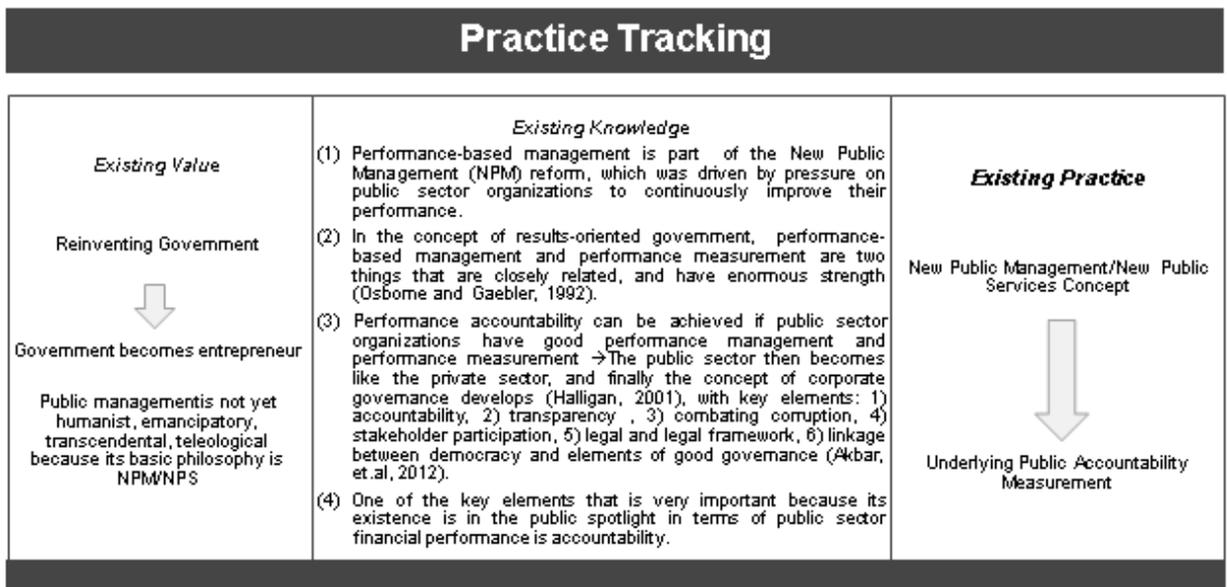
Table 3 indicates that there is no element of assessment that integrates each precept in Pancasila, the type of accountability conveyed is material. In addition, if you look in more detail at the percentage composition in SAKIP based on the Regulation of the Minister of PAN-RB Number 12 of 2015 (Peraturan Menteri Pendayagunaan Aparatur Negara-Reformasi Birokrasi Republik Indonesia Nomor 12 Tahun 2015 Tentang Pedoman Evaluasi Atas Implementasi Sistem Akuntabilitas Kinerja Instansi Pemerintah, 2015) and changes have been made through the Regulation of the Minister of PAN-RB Number 88 of 2021 [37] concerning Guidelines for Evaluation of SAKIP Implementation, which consists of Performance Planning by 30% (before 30%), Performance Measurement by 30% (before 25%), Performance Reporting by 15% (before 15%), Internal Evaluation by

25% (before 10%), and the Achievement of Organizational Performance Goals by 0% (before 20%) and furthermore, by referring to the assessment matrix, has not shown the existence of elements of local wisdom and universal religion. In the end, accounting really only legitimizes local government institutions and has not played an ideological role as support for the existence of a customer-centric New Public Service, because a citizen must be served in the best way and with high accountability.

### 3.6. Synchronizing the Notonagoro’s Hierarchical-Pyramidal of Pancasila with the Public Management

A deconstruction of the public management is necessary to be implemented. Figure 3 and 4 highlight the tracking of the practice and the construction of ethical value in the public management. In addition, based on the Hierarchical-Pyramidal Pancasila, a concept in a public sector organization based on the basic philosophy of the state must be reconstructed, with the explanation as shown in Figure 5. The formation of a new term in public sector accounting through Notonagoro (Not is “No” in Javanese alphabet) Public Management will be easier to differ by understanding the essence of NPM vs NPS vs Notonagoro Public Management as indicated in Table 4.

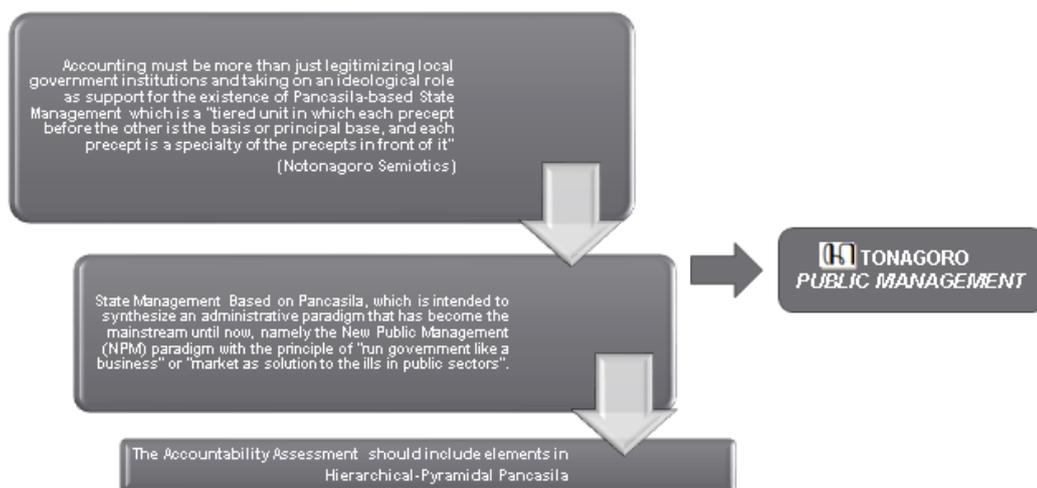
Figure 3. The Tracking of the Practice in the Public Management in Indonesia



**Figure 4. The Construction of Ethical Value in the Public Management in Indonesia**

Construction of Ethical Values		
<p><i>Ideal Value</i></p> <p>State Management Based on Pancasila, implies that running a government administration is not the same as a business organization. State administration must be moved as moving a government that is divine, nationalist, and democratic.</p> <p>The mission of public organizations is not only to satisfy service users (customers) but also to provide goods and services as a fulfillment of public rights and obligations. Public users of public services as citizens (citizens) who have equal rights, and not as customers (customers).</p> <p>Accounting must do more than just legitimize the institutions</p> <p>Regional Government and take an ideological role as support for the existence of State Management Based on Pancasila which is a "tiered unity in which each precept before the other precepts is the basis or principal base, and each precept is a speciality of the precepts in front of it"</p>	<p><i>Ideal Knowledge</i></p> <p>An autocritic should also be conveyed regarding the Government Accountability Index Assessment, that what happens to the community is that there is a non-linear relationship between obtaining a high index score and the level of community satisfaction as measured by the Community Satisfaction Index (IKM), while public sector organizations in Indonesia are essentially organizations which is engaged in the field of public services and state administration in the context of implementing the state constitution. This means that community satisfaction is the main thing, although accountability does not then become unimportant. However, so far the accountability of the public sector is still assessed in terms of the quality of state financial management only</p>	<p><i>Ideal Practice</i></p> <p>State Management Based on Pancasila, which is intended to synthesize an administrative paradigm that has become the mainstream until now, namely the New Public Management (NPM) paradigm with the principle of "run government like a business" or "market as solution to the ills in public" sectors".</p>

**Figure 5. Notonagoro Public Management Establishment**



It can be seen that the aspects that underlie the implementation of the New Public Management, New Public Services, and Notonagoro Public Management concepts and bring the elements in the Hierarchical-Pyramidal Pancasila. Furthermore, in the assessment of public accountability through SAKIP, it also forms an evaluation that is more humanist, emancipatory, transcendental, and teleological (Sharia Accounting Theory) [38]; [39]; [40].

**Table 4. Aspects in New Public Management, New Public Services, and *Gotong Royong* Public Management**

Aspect	New Public Management	New Public Service	<i>Gotong Royong</i> Public Management
Theoretical foundations and epistemological foundations	Economic theory	Democratic theory	Sharia Accounting Theory, Populist Accounting Theory
Rationality and models of human behavior	Technical and economic rationality (economic man)	Strategic rationality or formal rationality (political, economic and organizational)	Religious, Humanity, Unity, Democracy, Social Justice
The concept of public interest	The public interest represents the aggregation of individual interests	The public interest is the result of a dialogue of various values	The public interest is fulfilled holistically universally with the added value of material/non-material accounting
Responsiveness of public bureaucracy	Customers	Citizen	Servant of God
Government role	Steering	Serving	Leading the implementation of holistic wise accounting design with the true Pancasila ideology
Achievement of objectives	Private and non-profit organizations	Coalition of public, non-profit and private organizations	integral network as a cross-functional Government ( <i>gotong royong</i> ) organizations in the community to achieve a complete and solid people's accounting, relying on long-term goals, God's Way
Accountability	Work in accordance with the will of the market (customer wishes)	Multi-aspect: legal accountability, values, community, political norms, professional standards	Accounting with holistic wisdom, a complete and solid populace, relying on long-term goals, God's Way and the true ideology of Pancasila
Administrative discretion	Discretion is given widely	Discretion is needed but limited and responsible	Discretion can happen, by maintaining Religiosity, Humanity, Unity, Democracy, Social Justice
Organizational structure	Decentralized organization with primary control vested in the agents	Collaborative structure with internal and external shared ownership	Collaborative structure with the concept of networking/ <i>gotong royong</i> to achieve long-term goals, God's Way

#### 4. Conclusion

Through the concept of NPM and NPS, accounting is seen only as the legitimacy of a government institution. An interesting critical point of view is regarding the appropriateness of the application of the NPM and NPS concepts in developing countries, is that these concepts originate from developed countries, whose circumstances are very different culturally. Both are neither internalizing local wisdom nor universally religious. As a national development paradigm of Indonesia, Pancasila philosophically has a role and a consequence in the nature of its position in all aspects of national development, and this means that we must base public sector management also the values of the Pancasila precepts. According to Notonagoro's thinking, Pancasila is a positive, objective, and subjective basic legal norm which cannot be changed formally. In other words, it is absolute because it has been enshrined in the 1945 Constitution. Pancasila religiosity exists and is very visible in the concept of pious character proposed by Notonagoro.

The holistic accounting of Pancasila is needed in the face of the attack of neoliberalism which is identical to secularism. Elevating the basic philosophy of the state, namely Pancasila which is universally religious, is very important because so far the Hierarchical-Pyramidal Theories and Thoughts of Notonagoro has not been used in the public management. This article is a synthesis of Notonagoro's writings, using the Notonagoro's Hierarchical-Pyramidal Semiotics methodology, which contributes to a brief synthesis, taken from Notonagoro's writings related to the public management in Indonesia and Pancasila as the basis of state philosophy which is more humanist, emancipatory, transcendental, and teleological. The result is that Notonagoro's Hierarchical-Pyramidal (1) has not been used in public management in Indonesia, (2) synthesized into Notonagoro Public Management, (3) public sector organizational accountability assessments should reflect every precept in Pancasila to employ the basis of state philosophy. In addition, the accountability assessment of public sector organizations should reflect every precept in Pancasila to be able to return to the basic philosophy of the state, and from this fundamental line of thought as well as praxis it can be synthesized into a very original Notonagoro Public Management, containing the theme of local wisdom, as well as universally religious.

Further research should focus on the micro scope of criticizing the assessment of SAKIP with the dimension of Performance Planning, Performance Measurement, Performance Reporting, and Internal Evaluation, moreover, by referring to the assessment matrix. Although the evaluation of SAKIP has been changed through the Regulation of the Minister of PAN-RB Number 88 of 2021 concerning Guidelines for Evaluation of SAKIP Implementation, it has not yet shown the internalization of Pancasila which encourages the existence of the elements of local wisdom and universally religious as a philosophical basic life of patriotic people in Indonesia.

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