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# Relationship Between Number of Government Agencies and SPIP Maturity Level 3 Achievement in 2023 K/L/P

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## Abstract

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This study aims to analyze the relationship between the number of government agencies and the maturity achievement of the Government Internal Control System (SPIP) ≥ Level 3 in three categories of government, namely Ministries/Institutions (K/L), Provincial Governments, and Regency/City Governments in 2023. The data used were secondary and analyzed using a descriptive approach and Pearson correlation test through SPSS. The results showed that there was a very strong negative relationship between the number of agencies and the maturity achievement of SPIP, as shown by the value of the Pearson correlation coefficient of –1,000 with a significance value of 0.018. Substantively, government groups with a smaller number of agencies, such as provincial governments, have higher SPIP maturity achievements than district/city governments that have a larger organizational structure. Although the statistical results cannot be generalized due to the very limited number of samples (N = 3), the pattern of relationships that emerged is consistent with theories and findings of previous research regarding the influence of organizational capacity, APIP capabilities, and bureaucratic complexity on the effectiveness of SPIP. These findings provide important implications for efforts to strengthen internal control, especially in local governments with a large number of agencies.

## 1. Introduction

The Government Internal Control System (SPIP) is a fundamental instrument in ensuring effective, accountable, and transparent governance. The implementation of SPIP is increasingly crucial because the government is required to ensure that all state administration activities are within the corridor of risk control, compliance, and the achievement of organizational goals efficiently (Anindyajati & Dharma, 2019). In line with the agenda of Bureaucratic Reform and the strengthening of the Government Internal Supervision Apparatus (APIP), the maturity level of SPIP is an important indicator to measure the extent to which the internal control system has been running adequately at various levels of government.

However, the achievement of SPIP maturity is not always uniform across all government agencies. Variations in organizational capabilities, APIP capacity, and the scale and complexity of the bureaucratic structure are factors that affect the effectiveness of SPIP implementation (Sumanti, 2020). Previous studies have shown that the difference in the number of work units and the breadth of organizational authority has an impact on the variation in the maturity level of SPIP. Local governments, especially districts/cities, often face greater challenges due to lower internal capacity, disparities in the quality of human resources, and technical coaching constraints (Hajawiyah & Mahera, 2020).

Other findings confirm that the maturity of SPIP is greatly influenced by the availability of resources, managerial capabilities, and APIP's capabilities in conducting internal supervision (Artinah, 2018). Governments that have better governance capacity tend to achieve a higher level of internal control maturity

(Winarna et al., 2021). This shows that there is a relationship between the scale of the organization which is reflected in the number of government agencies—and the achievement of SPIP maturity at each level of government.

Based on SPIP achievement data in 2023, it can be seen that there is a significant gap between the central government group (K/L), provincial government (Pemprov), and district/city government (Pemkab/Pemkot). With the number of agencies drastically different (K/L = 82, Provincial Government = 34, Regency/City Government = 508), the percentage of SPIP maturity achievement ≥ Level 3 also shows a non-uniform pattern. The Provincial Government has the highest achievement (88.23%), followed by K/L (86.58%), and the Regency/City Government with the lowest achievement (65.15%). This phenomenon indicates that the scale of the organization can affect the effectiveness of SPIP implementation and is an important issue that needs to be researched. Based on this context, this study aims to analyze the relationship between the number of government agencies and the maturity achievement of SPIP ≥ Level 3 in K/L/P in 2023. This analysis is important not only to understand the disparity in SPIP performance between government groups, but also to provide policy recommendations for strengthening internal control, especially at the government level which has a larger number of agencies and faces more complex challenges.

## 2. Literature Review

### 2.1. Government Internal Control System (SPIP) and the Importance of Maturity

The Government Internal Control System (SPIP) is a control framework that is required for all government agencies to ensure the effectiveness, efficiency, compliance, and reliability of reporting. SPIP functions as a risk mitigation mechanism, maintains accountability, and strengthens transparency in financial management and government performance (Kapriana & Agung, 2020). SPIP maturity measures the extent to which internal controls have been consistently designed and executed. A higher level of maturity indicates the implementation of SPIP that is increasingly integrated in the managerial processes of government agencies.

In several studies, SPIP is seen as a fundamental element of bureaucratic reform because its effectiveness is directly correlated with good governance. Organizational readiness, compliance with procedures, and risk management capabilities are the main determinants in increasing the maturity of SPIP. Research by Anindyajati and Dharma (2019) also emphasized that organizational characteristics have a significant influence on determining the effectiveness of internal control. Therefore, structural aspects such as the scale of the organization and the number of government organizing units need to be considered in analyzing the maturity level of SPIP.

**H1:** There is a relationship between the number of government agencies and the achievement of SPIP maturity ≥ Level 3 in Ministries/Institutions, Provincial Governments, and Regency/City Governments in 2023.

## 2.2. The Effect of Organizational Capacity and APIP Capabilities on the Effectiveness of SPIP

Organizational capacity, including the availability of human resources, apparatus competence, and the capabilities of the Government Internal Supervision Apparatus (APIP), is a factor that greatly affects the effectiveness of the implementation of SPIP. Juniati (2021) shows that APIP's capabilities have a direct influence on the quality of supervision, which ultimately determines the effectiveness of internal control. An APIP that has high competence can provide appropriate guidance, conduct professional internal control evaluations, and assist agencies in increasing the maturity of SPIP.

Research by Maradesa et al. (2020) stated that the limitation of APIP human resources is one of the biggest obstacles in local governments, especially in districts/cities where the density of agencies and work units is much greater than that of provincial governments. The imbalance between the number of agencies and the capacity of APIP creates a gap in the effectiveness of SPIP implementation. Thus, organizational capacity not only determines the quality of internal supervision, but also determines the structural ability of the agency in achieving adequate SPIP maturity.

**H2:** The greater the number of agencies in a government category, the lower the maturity achievement of SPIP ≥ Level 3.

### 2.3. The Relationship of Organizational Structure and Scale to Internal Control Maturity

The scale of the organization, including the number of government agencies or units, has been shown to affect the effectiveness of internal controls. Several studies show that the larger the organizational structure, the more complex the process of implementing and coaching SPIP (Yaya & Suprobo, 2019). District/city governments, which have a much larger and diverse number of agencies, often face challenges in coordination, resource distribution, human resource capacity gaps, and inconsistencies in the implementation of internal control procedures.

Research by Pakpahan et al. (2022) confirms that governance capacity, including the ability to manage large organizations, greatly affects the maturity level of internal control. Agencies with fewer work units such as provincial governments, tend to have higher SPIP achievements because of easier coordination, more focused coaching, and more controlled risk management. On the other hand, the large number of agencies in the district/city government is often an inhibiting factor in achieving SPIP maturity ≥ Level 3.

**H3:** There is no relationship between the number of government agencies and the maturity achievement of SPIP ≥ Level 3 in the K/L/P in 2023.

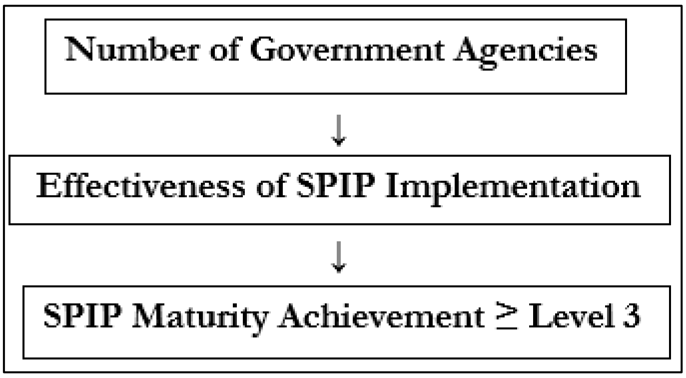


**Figure.1** Conceptual Framework

Figure 1 shows that the larger the number of agencies, the higher the complexity of supervision, so that the lower the tendency to achieve optimal SPIP maturity.

## 3. Methods

This study employs a descriptive-comparative approach with a non-experimental design, aiming to describe, compare, and analyze the relationship between the number of government agencies covering ministries/institutions (K/L), provincial governments, and regency/city governments and the achievement of SPIP maturity at Level 3 or higher in 2023. The approach was selected because the study does not manipulate variables but rather observes existing conditions, a method commonly used in research related to public sector governance and organizational capacity (Hajawiyah & Mahera, 2020; Muhtar et al., 2020). The research relies on secondary data obtained from the official 2023 SPIP maturity report covering all K/L, provincial, and regency/city governments, as well as supporting literature sourced from Google Scholar-indexed journals published between 2018 and 2023 discussing SPIP, governance effectiveness, and APIP capacity. The data include the total number of agencies per government category 82 K/L, 34 provinces, and 508 regency/city governments and the percentage of institutions achieving SPIP maturity Level 3 or above.

The study uses two key variables: the independent variable (X) is the number of government agencies, representing organizational size and complexity, while the dependent variable (Y) is the percentage of SPIP maturity achievement at Level 3 or higher, reflecting the effectiveness of internal control implementation. Data were collected through documentation of SPIP reports and literature study to review relevant theories and previous findings. The data analysis consisted of three stages. First, descriptive analysis was conducted to present differences in the number of agencies and their corresponding SPIP maturity achievements across the three government levels. Second, comparative analysis was used to identify which category achieved the highest and lowest SPIP maturity and to relate this to organizational size. Third, relationship analysis was carried out qualitatively to explore logical linkages between organizational complexity and internal control maturity, since only three data groups prevented formal statistical testing. The interpretation was supported by governance capacity and internal control effectiveness theories (Maradesa, 2020; Winarna et al., 2021).

This study recognizes several limitations. The small number of groups prevents the application of statistical tests; the focus on 2023 data restricts longitudinal interpretation; and important factors such as APIP competence, budget allocation, and leadership influence were not quantitatively assessed. Despite these constraints, the study provides valuable insight into how organizational scale may relate to the maturity of internal control systems in Indonesia's public sector.

## 4. Results

The data of this study includes three government groups, namely Ministries/Institutions (K/L), Provincial Governments, and Regency/City Governments. Each group has a significantly different number of agencies.

**Table 1**. Maturity Achievement of SPIP K/L/P in 2023

| Government Categories | Number of Agencies | SPIP ≤ Lv-1 | SPIP Lv-2 (%) | SPIP ≥ Lv-3 (%) |
|---|---|---|---|---|
| Ministries/Institutions (K/L) | 82 | 0% | 13.42% | **86.58%** |
| Provincial Government | 34 | 0% | 11.77% | **88.23%** |
| Regency/City Government | 508 | 96 | 81 (15.94%) | **331 (65.15%)** |

***Source:*** *BPKP Performance Report 2023*

Based on table 1 of the ministries/institutions totaling 82 agencies, the provincial government consists of 34 agencies, while the district/city government is the largest group with a total of 508 agencies. This difference in organizational scale is the basis for analyzing the relationship between the number of agencies and the achievement of SPIP maturity. In 2023, the maturity achievement of SPIP ≥ Level 3 shows a non-uniform pattern between the three categories of government. The provincial government recorded the highest percentage of achievement, which was 88.23%, followed by Ministries/Institutions at 86.58%. On the other hand, the district/city government showed the lowest achievement, which was 65.15%. This picture shows a tendency that the government group with a smaller number of agencies has a higher SPIP maturity achievement, while the group with the largest number of agencies actually has a lower achievement. To understand the relationship between the number of agencies and the maturity achievement of SPIP ≥ Level 3, a Pearson correlation analysis was conducted using SPSS. The data entered into the SPSS consists of two main variables, namely the number of agencies and the percentage of SPIP achievement ≥ Level 3 in each government category.

**Table 2.** Output SPSS Correlation Analysis Results

| **Correlations** | | | |
|---|---|---|---|
| | | jumlah_instansi | SPIP_Level3 |
| jumlah_instansi | Pearson Correlation | 1 | -1.000* |
| | Sig. (2-tailed) | | .018 |
| | N | 3 | 3 |
| SPIP_Level3 | Pearson Correlation | -1.000* | 1 |
| | Sig. (2-tailed) | .018 | |
| | N | 3 | 3 |
| *. Correlation is significant at the 0.05 level (2-tailed). | | | |

The results of the analysis in Table 2 show the value of the Pearson correlation coefficient of -1,000. This value shows that there is a perfect negative relationship between the number of agencies and the achievement of SPIP ≥ Level 3. This means that the larger the number of agencies in a government group, the lower the SPIP maturity achievement obtained. Similarly, vice versa, the fewer the number of agencies, the higher the maturity achievement achieved. In the context of 2023 data, the findings are consistent with empirical conditions: provincial governments as the group with the least number of agencies have the highest achievements, while district/city governments as the group with the largest number of agencies have the lowest achievements.

In addition to the correlation value, Pearson's analysis also yielded a significance value (Sig. 2-tailed) of **0.018**. Mathematically, this value is below the significance limit of 0.05, so the relationship between the number of agencies and the achievement of SPIP maturity is considered statistically significant. Nevertheless, the interpretation of these results should be done with great caution given that the amount of data (N = 3) is well below the minimum requirements for a valid correlation analysis. Pearson tests ideally require a minimum of five to ten pairs of data to produce generalizable statistical conclusions. Therefore, the significance that emerges is more artifactal due to the very simple and perfectly linearly distributed data structure.

However, the descriptive analysis underlying the data still provides a substantive picture of the patterns of relationships that occur. The difference in the results of achieving SPIP maturity between the three categories of government can be explained through organizational logic. More district/city governments face higher complexity in terms of coordination, coaching, internal supervision, and consistency in the implementation of SPIP policies. On the other hand, provincial governments and Ministries/Institutions have a leaner organizational structure and a more controlled scope of supervision so that it is easier to achieve a higher standard of SPIP maturity.

Thus, the results of the study show that there is a clear pattern of relationship between the number of agencies and the achievement of SPIP maturity in 2023, although statistically inferential this relationship cannot be ascertained due to the limited amount of data. However, descriptively and substantively, these findings support the argument that organizational scale affects the effectiveness of SPIP implementation. These findings are also in line with governance capacity theory and previous research that asserts that the larger the organizational structure, the greater the challenges in achieving effective internal control. These results can be the basis for further analysis in the discussion of the difference in SPIP maturity between government categories.

## 5. Discussion

The results of the study show a pattern of negative relationship between the number of government agencies and the achievement of SPIP maturity ≥ Level 3 in 2023. The findings show that the larger the number of agencies in a government category, the lower the SPIP maturity achievement obtained. The provincial government, with a relatively small number of agencies, was able to achieve the highest maturity level of 88.23%, followed by ministries/institutions with an achievement of 86.58%. On the other hand, the regency/city government as the group with the largest number of agencies actually has the lowest achievement, which is 65.15%. This pattern is consistent with the results of Pearson's correlation analysis which mathematically shows a perfect negative relationship ($r = -1,000$), although inferential statistical interpretation cannot be performed due to the very limited number of samples.

Substantively, these findings are in line with various studies that highlight the relationship between organizational capacity and the effectiveness of internal controls. Anindyajati and Dharma (2019) emphasized that the effectiveness of SPIP is greatly influenced by organizational characteristics, including management's ability to implement a consistent control system. In the context of this study, district/city government groups that have much more agencies face greater coordination challenges, making it more difficult to implement SPIP in an equitable and standardized manner. This explains why the group has a lower SPIP maturity achievement compared to the provincial government or ministries/institutions.

In addition, the internal supervisory capacity of the Government Internal Supervisory Apparatus (APIP) is also one of the factors that affect the achievement of SPIP maturity. Sumanti (2020) found that APIP's capabilities have a significant influence on the effectiveness of SPIP. In the district/city government, the limited resources of APIP are often an obstacle in conducting intensive supervision and coaching to all regional apparatus. Artinah (2018) also stated that the larger the number of work units that must be supervised, the heavier the burden that APIP must bear, so that efforts to increase the maturity of SPIP become less optimal. This condition is consistent with the results of the study, where the district/city government as the group with the largest supervisory burden actually has the lowest SPIP maturity value.

When viewed from the perspective of governance capacity, the findings of this study are also in line with the study of Pakpahan et al. (2022). They noted that agencies with simpler organizational structures tend to have better governance capacity, thus being able to achieve a higher level of SPIP maturity. The provincial government in this study reflects these findings because it has a smaller number of agencies and a more consolidated coordination mechanism. This situation allows the province to implement SPIP in a more focused, directed, and consistent manner, resulting in higher maturity achievements than district/city governments.

The research of Yaya and Suprobo (2019) also strengthens the results found in this study. They explained that the difference in SPIP maturity between local governments is often caused by differences in organizational management capacity and the ability of regional leaders to direct the implementation of internal control. The provincial government has stronger strategic authority and coordination capabilities across regional apparatus than districts/cities, so that the implementation of SPIP can be carried out more effectively.

Thus, the pattern of negative relationships between the number of agencies and the achievement of SPIP maturity found in this study can be explained through various aspects: organizational complexity, APIP capacity, governance capability, and effectiveness of internal coordination. Although statistically inferential this relationship cannot be generalized due to the limited amount of data (N = 3), the results of the study show consistency with previous theories and empirical findings. In other words, this study strengthens the argument that organizational scale has an important impact on the effectiveness of the implementation of government internal controls. These findings also provide important implications for efforts to increase the maturity of SPIP, especially in district/city governments that have the highest level of organizational complexity and the lowest maturity achievements.

## 6. Conclusion

This study aims to analyze the relationship between the number of government agencies and the achievement of SPIP maturity ≥ Level 3 among Ministries/Institutions, Provincial Governments, and Regency/City Governments in 2023. The results of data processing and Pearson correlation analysis show a very strong negative relationship between the two variables. The Provincial Governments, which have the fewest agencies, achieved the highest SPIP maturity level, followed by Ministries/Institutions, while Regency/City Governments with the largest number of agencies recorded the lowest achievement. This pattern suggests that greater organizational complexity, reflected in the higher number of agencies, reduces the ability of a government category to achieve higher SPIP maturity levels.

The Pearson correlation coefficient obtained through SPSS was –1.000 with a significance value of 0.018, indicating a theoretically significant perfect negative correlation. However, since the dataset consists of only three observations, inferential statistical conclusions cannot be generalized. Despite this limitation, the descriptive pattern aligns with existing theories and empirical evidence. Prior studies by Artinah (2018), Kapriana and Agung (2020), Muhtar et al. (2020), Hajawiyah and Mahera (2020), and Juniati (2021) have consistently shown that organizational capacity, APIP competence, and bureaucratic complexity significantly influence the effectiveness of SPIP implementation. In conclusion, organizational scale plays a crucial role in determining the success of internal control systems in government institutions. Smaller and more consolidated organizations tend to achieve higher SPIP maturity, while larger, more complex structures require stronger supervision and coordination mechanisms. These findings provide useful insights for policymakers to design strategies that enhance SPIP maturity, particularly within regency/city governments that exhibit the lowest achievement levels.

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