

Organizational Conflict In Local Management Budget Planning In Raja Ampat Regency

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ABSTRACT: Local government leadership in Raja Ampat, based on the writer's observation, yet effectively perform conflict resolution organizations in the area of financial management. This is evident from the acquisition of predicate disclaimer that occur repeatedly. Disclaimer predicate occurs repeatedly in the area of financial management in Raja Ampat because the local government leadership has not been effective in reducing conflicts that have a negative effect on the performance of individuals and the performance of positions in all SKPDs; not implementing more effective management strategies in order to moderate the conflict related to disagreements about the task, policy and other organizational issues; and less effective in stimulating the learning process SKPDs level with regard to financial management area. Based on the above description, organizational conflict studies in the area of financial management in Raja Ampat is important and urgent to do. The importance of this study because of financial management in Raja Ampat still face the task of conflict situations and conflict relations in the budget planning. The purpose of this study is to: 1) Describe the forms of organizational conflicts in planning, budget in Raja Ampat. 2) Describe the sources of conflict in the organization of planning, budget in Raja Ampat. 3) Analyze the conflict resolution organizations in planning, budget in Raja Ampat. Based on several conclusions can be drawn as follows : 1) In the budget planning are forms of task conflict and relationship conflict. 2) Sources of conflict in the budget planning is the difference in the organization's goals, criteria that do not work worth it, and the inequality of treatment between sub-units. 3) Conflict resolution is a budget planning by providing an understanding of the meaning-Term Development Plan and the area and ask for advice and input from the Regent, to accommodate the pricing to be more flexible to adjust to market conditions, and the translation of the priority programs to sub-units and requested assistance to the government officials and TAPD.

Key word: Organizational, Conflict, Budget Planning, Raja Ampat)

1 INTRODUCTION

Conflict is an interactive process which is manifested in a mismatch, disagreements, or disputes within or between social entities, ie individuals, groups, and organizations (Rahim, 2002: 207) [1]. Conflict occurs when the behavior directed at achieving a goal by blocking groups or threaten purposes other groups (Jones, 2007: 394) [2]. Forms of organizational conflict can be either a task or conflict relationship conflict. Conflict duties include disagreement among members of the organization with respect to activities related to the process and performance standards. The conflict is a disagreement and inability relationships among members of the group with respect to personal issues unrelated to the task (Weingart & Jehn, 2009: 328-329) [3]. In this regard Stoner and Edward (1992: 216) [4], suggests that organizational conflict is a mismatch understanding between two or more members of the organization, which arises due to the fact that they must share in terms of getting resources that step, or activities or work and due to the fact that they have statuses, goals, values or perceptions are different.

Government of Raja Ampat is a large scale organizations for hiring employees who have a lot of differences in the nature, capacity and skills, and not all know each other personally. Employees in large quantities is organized into a number of work units (SKPD). The device area is an element of Regents in local governance consisting of regional secretariat, the secretariat of Parliament, local government departments, local technical institute, district, and village. Organizing the local device takes the form of bureaucratic structure. Structured bureaucratic organization has five main characteristics, namely: standardization and formalization, division of labor and specialization, hierarchy of authority, professionalization, and written documentation (Weber, 1947: 330-332) [5]. Bureaucratic structure, according to Mintzberg (1987: 219) [6], is complicated. The author assumes theoretically that in a complex organizational structure, has many employees with a variety of properties, capacity and skills, organizational conflict cannot be avoided and easily lead to a dysfunctional situation. Dysfunctional conflict can harm and be a source of inefficiency of local government organizations that need to be addressed more effectively. Local government leadership in Raja Ampat, based on the writer's observation, yet effectively perform conflict resolution organizations in the area of financial management. This is evident from the acquisition of predicate disclaimer that occur repeatedly. Disclaimer predicate occurs repeatedly in the area of financial management in Raja Ampat because the local government leadership has not been effective in reducing conflicts that have a negative effect on the performance of individuals and the performance of positions in all SKPDs; not implementing more effective management strategies in order to moderate the conflict related to disagreements about the task, policy and other organizational issues; and less effective in stimulating the learning process SKPDs level with regard to financial management area. Based on the above description, organizational conflict studies in the area of financial management in Raja Ampat is important and urgent to do. The importance of this study because of financial management in Raja Ampat still face the task of conflict situations and conflict

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relations in the budget planning.

A. Objective

Appropriate formulation of the problem mentioned above, the purpose of this study is to :

1. Describe the forms of organizational conflicts in planning, budget in Raja Ampat.
2. Describe the sources of conflict in the organization of planning, budget in Raja Ampat.
3. Analyze the conflict resolution organizations in planning, budget in Raja Ampat.

B. Benefits Research

Theoretical benefits

This study has both theoretical and practical benefits. Theoretically, the results of this study can contribute to the development of Organization Theory.

Practical benefits

Practically, the results of this study can provide useful explanations for local governments in an effort to understand the problems of financial management are increasingly complex in recent decades. The results of this study can provide information for the leadership of the local government with regard to the form and source of conflict in the budget planning so that it can be a conflict of control measures in order to remain at the optimum level. In addition, the results of this study can provide valuable information for the leadership of the local government with respect to how to encourage optimum conflict to streamline the financial management area.

II. RESEARCH METHODS

A. Design Research

This study will use a qualitative approach to investigate in depth the organizational conflict in the area of financial management. Organizational conflict include forms of conflict between or among subunits in SKPD, trigger sources of the conflict, and resolution and managerial efforts made by leaders in the framework of conflict resolution organization.

B. Location Research

This study is located in sectors in Raja Ampat, West Papua Province. Raja Ampat has 29 SKPDs consisting of 1 Regional Secretariat, 1 Parliament Secretariat, Office 16 and 11 Regional Technical Institute in the form of Agency, Office, Inspectorate, and the General Hospital. All SKPDs are involved in the planning of the budget in 2011. The author did research on all of the above but choose SKPDs certain SKPDs purposively to be the location of the study. SKPDs author chose is the Department of tourism and creative economy because it is an element SKPDs executive authority in the area of tourism affairs.

C. Data Collection Techniques

The data required in this research is qualitative data about the form of conflict, a source of conflict, and conflict resolution organizations in the area of financial planning. Qualitative data is sourced from informants narrative research and relevant documents. To obtain these data, data collection techniques are better suited interviews and documentation.

III. RESULTS AND DISCUSSION

A. Conflict in the Organization of Financial Management in Raja Ampat Regency

Public financial management refers to the procedures for managing public money through the budget process (Prakash and Cabezon, 2008; [7] Fölscher 2010 [8]; Graham, 2010) [9]. Budgeting process in the Indonesian Government Regulation No. 58 Year 2005 on Regional Financial Management includes activities budget planning, budget execution, budget administration, budget reporting, accountability of the budget, and budget oversight. The latter activity, which is monitoring the duties and functions of external agencies SKPDs. Furthermore, the five areas of financial management activities that are internal SKPD, can be simplified into three groups of activities, namely the budget planning, budget execution, and accountability of the administration and reporting APBD. activities budget is already integrated in the implementation of activities APBD. Conflict organizational accountability thought to occur in each phase of financial management in Raja Ampat. The process of planning and budgeting (Budget and Expenditure) refers to Government Regulation (PP) No. 58 Year 2005 on Regional Financial Management. Broadly speaking, the budget planning process, as illustrated, consists of the main processes, namely (1) the preparation of a regional work plan, (2) the preparation of the draft general budget policy, (3) the preparation of budget priorities and ceiling while, (4) preparation of plans work and budget SKPDs, (5) the drafting of the budget rules, and (6) the establishment of the budget. From this process, the potential for conflict in the budget planning occurs in Phase 2 and 3, namely the drafting of general policy priorities and budget as well as the preparation of the budget ceiling while. This is because at this stage, the Local Government Budget Team (TAPD) and BAPPEDA should work well with the working units (SKPD) purpose is to ensure that the budget is actually put in the corridor policies that have been defined in the KUA and PPAS . In addition, to ensure that all stakeholders are involved in the budgeting process in accordance with applicable regulations. The process of interaction in the cooperation between the three core components of the organizers of this rule can lead to conflict. This is because each party has interests that should they ask. Conflicts are sourced from their interests attached to a particular party and affect other parties commonly called a conflict of interest (OECD, 2005) [10]. In the Minister of Home Affairs No. 13 of 2006 on Regional Financial Management Guidelines explain that the budget execution process began in the formulation List Budget Implementation (DPA) SKPDs up to liability from the use or disbursement and receipt of funds. In addition it, the Minister of the Interior also distinguish implementation of the budget into two elements, namely the implementation of expenditure and implementation of acceptance. In this study, which became the object of study is the implementation of expenditure. Implementation of expenditure is used as the object of study because of the element of this is the most common conflicts, mainly because of differences in interest expenditure (conflict of interest) between the budget users. Budget users or PA is an official who holds the authority in terms of the use of the budget and is responsible for managing the budget on State ministry/ institution / work unit area concerned. Each Head of Institution or Agency is the budget. Users Budget Authority appointed to manage the budget within the work unit (PIU). Budget

Authority or KPA is working unit head or officer appointed by the Budget Users to use the budget that are in their control as well as possible. Budget users at the regional level is the official holder of the authority of the use of the budget to carry out the duties and functions of the regional work units (SKPD) lead. Mechanism disbursement of budget funds, the Government Regulation No. 58 Year 2005 on Regional Financial Management states that the implementation of the budget expenditure on the load carried by Payment Order (SPM), which was published by the user or power user budget. Warrant pay (SPM) is a document issued by budget users or power users on a budget for publishing SP2D DPA-SKPD expenditure. Fund Disbursement Order (SP2D) is a document that is used as the basis for the disbursement of funds issued by BUD based SPM. Regional Treasurer (BUD) is the unit that is authorized to manage and record the use of the budget. Conflict in the implementation of the budget is often the case at the time the request disbursement by SKPDs to BUD in BPKAD. Procedure on accountability of the budget stipulated in Government Regulation No. 58 of 2005 which described in more detail in Regulation No. 13 of 2006 as amended by Regulation No. 59 of 2007 and Regulation No. 21 of 2011. With reference to the Regulation, local governments develop mechanisms and accountability of the budget procedure defined by Regulation / Decision of the Regional Head concerned. Broadly speaking accountability mechanisms and procedures for the implementation of the budget include: (a) Realization Reports First Half Revenue and Expenditure Budget; (b) the Annual Report; (c) Establishment of Regional Regulation Accountability Implementation budget; and (d) Evaluation of Regional Regulation on the Implementation of the budget and Regulations Accountability Regional Head of Translation of Accountability Implementation APBD. Report first half of the budget, along with the next semester of estimates prepared by call now of the financial administration SKPDs Officials and submitted to the relevant SKPD head to forwarded to PPKD. Officials PPKD has the task of managing the budget and act as Regional Treasurer. Interaction between SKPDs with BUD / BPKAD This often led to conflict. Thus, the budget management of organizational conflict occurs in three main forms of planning, implementation, and accountability of the budget. First, organizational conflict in Planning a budget in Raja Ampat occur between BAPPEDA with SKPDs, TAPD with SKPD, and between sub-units within the SKPD. This study intends to analyze the conflict in the area of financial management Raja Ampat using three instruments, namely the form of conflict, a source of conflict, and conflict resolution, especially in the budget planning.

1. Forms of Organizational Conflict in budget planning

The planning stage includes the preparation of RKA-SKPD. This phase begins after the General Budgets and Policy Priorities and Budget Ceiling While (KUA-PPAS) agreed upon by the Regional Head and Parliament. Preparation of RKA-SKPD conducted by Chief SKPDs by RKA-SKPD drafting guidelines set by the Regional Head. RKA-SKPD prepared using the medium-term expenditure framework approach area, integrated budgeting and performance-based budgeting. RKA-SKPDs load plan revenues, expenditures for each program and activity according to the planned function, detailed down to the details of the object income, expenditure, and financing, as well as forecast forward for next year. RKA-SKPD which has been prepared by the head SKPD PPKD submitted to,

and discussed by a team of local government budgets.

a. Conflicts between BAPPEDA with the Department of Tourism and Creative Economy

Forms of organizational conflict can be seen from the results of interviews with informants were conducted with AM and YNL are as follows: In an interview with AM, which is carried out on Thursday the 17th of October, 2013, he stated that: *"At the time of planning, we are always guided by the planning documents, namely Law No. 25 of 2004 on the national development planning system. In addition to these documents are also documents of spatial plans, then the long-term development plan (RPJP), then under the medium-term development plan (Plan) and later elaborated by sector departments or regional work units. through strategic plan SKPDs it some documents we use as a guide in local development planning, and strategic planning this SKPDs can not get out of the master plans."* Excerpts of the interview planning process gained some information. First, that in the planning process, which is related to the function of the budget, always guided by the Act No. 25 Year 2004 concerning the national development planning system. The legal basis of the macro, it means to be a national development foundation. Of the law, then compiled the planning stages of development that are micro, includes regional and local. Regional planning guidelines and areas include Spatial Plan (Spatial), Medium Term Development Plan (RPJMD), Long Term Development Plan (RPJPD). From the planning guidelines, then prepared a detailed program plan that includes environmental again SKPDs or technical agencies within the government.

b. Conflict budget planning in Raja Ampat is due to the difference in understanding between SKPDs with the Agency.

SKPDs party as a technical implementation for the use of the budget, has a work program to be run. Some of the work program are summarized and then described as a Strategic Plan (Plan) SKPD. In the planning process often conflict between the work program prepared by SKPDs with control functions that are run by the Planning Agency. BAPPEDA control means control function that is used to control that planning programs run in accordance with the Strategic Plan RPJMD and SKPD. Responding to the conditions and the BAPPEDA statement, then do a comparison with the Department of Tourism and Creative Economy as SKPDs sampled in this study. Incompatibility understanding of the filing of the work program in the framework of planning by the Department of Tourism and Creative Economy to the Planning Agency shows the shape of the conflict is the conflict task. With see the conditions and characteristics of the conflicts that occur between BAPPEDA task with the Department of Tourism and Creative Economy, we can see that the conflict has benefit to the condition of financial management organization. In other words, the conflict occurring tasks positive impact on the performance of the relevant agencies. With the conflict in the form of conflict that task, it will obtain an input or inputs that can strengthen the working relationship between BAPPEDA with the Department of Tourism and Creative Economy. One positive impact of the conflict is the task of increasing the quality of group decisions. Groups in conflict tasks tend to make better decisions than the group who did not experience it as a conflict task assignments encourage greater

understanding of the problem is happening. The emergence of the theoretical relationship conflict can be positive or negative. The positive impact can be seen from the increased performance of the organization and effective learning process, while the negative impact seen from the increasing degree of conflict into a dispute. Conflict relationship between BAPPEDA with the Department of Tourism and Creative Economy compliance personnel tend to form attitudes toward their job description entailed, to avoid the issuance of letters warning of regents. In the end, the conflict of the relationship will form the desire to change for the better. From both of these conditions can conclude that the form of the conflict between BAPPEDA with the Department of Tourism and Creative Economy in terms of budget planning in Raja Ampat can be a task conflict and relationship conflict. Both forms of the conflict, leading to a conflict that is learning so that a positive impact on budget management organization in Raja Ampat. The findings of the conflict in the form of task conflict and relationship conflict is consistent with the results of research conducted by Weingart & Jehn.

c. Conflict between TAPD with the Department of Tourism and Creative Economy

TAPD form of conflict between the Department of Tourism and Creative Economy in terms of budget planning in the form of Raja Ampat task conflict and relationship conflict. Conflict occurs when a task carried out an evaluation of the program proposed by SKPDs by a team of TAPD. In the evaluation of the proposed program, TAPD often strike out some of the proposals on the grounds that the proposed RKA-SKPD not include the details in the details of expenditure, both personnel expenditure, spending on goods and capital expenditures. The Department of Tourism and Creative Economy, on the other hand stated that the fault is not in the details of their RKA submission, but at a standard price of goods and services. Determination of the standard price of goods and services by TAPD not take into account the possibility of price fluctuations in the market. Prices in the market is volatile and often turbulent ride, while the price ceiling submitted by TAPD inflexible. When the market price of goods and services increases, the Department of Tourism and Creative Economy will be difficulties in spending to implement programs and activities. Determination of the standard prices are not flexible to accommodate the needs SKPDs in this case the Department of Tourism and Creative Economy of the possibilities in the market. Relationship conflict occurs when the Department of Tourism and Creative Economy assume that in the selection of the proposed programs and activities that will be included in the budget bill, the TAPD have non-technical interests. This is evidenced by some of the proposed program exclusion of Tourism and Creative Economy contained in RKA by TAPD. Even TAPD, often entrust some new program to the Department of Tourism and Creative Economy that is not through the planning process from the beginning. Allegations that are personal suspicion is then able to be a trigger of conflict between the personnel of SKPDs relationship with the TAPD. The Department of Tourism and Creative Economy felt that TAPD not transparent when evaluating RKA-SKPD, whereas if the TAPD transparent when evaluating RKA-SKPD of SKPDs we can explain and fix errors in the preparation TAPD RKA appropriate corrections. Based on the findings and excerpts of interviews conducted to the informant can be concluded that the form of the conflict

between the Department of Tourism and Creative Economy with TAPD is a form of task conflict and relationship conflict. These findings support the hypothesis Weingart and Jehn (2009) [3] concerning the form of conflict.

d. Conflict between sub-units within the Department of Tourism and Creative Economy

Form of conflict known from interviews with informants from the Department of Tourism and Creative Economy. Interviews were conducted with YNL and NR from the Department of Tourism and Creative Economy of the conflict between sub-units in SKPD. Submission of the work program undertaken level the aspirations SKPDs done in the form of a plan of work done by a subunit or field / section. In a meeting or a meeting to review the program viable and included in the work plan and budget SKPDs, head of the sub-units / field is given the opportunity to present and explain their work. Thus, each sub-unit head must be able to demonstrate the urgency of the program and the principle of priority so that the proposed program is approved for SKPDs level. Unfortunately, in some cases difficult to achieve ideal conditions, this was due to be some parties claimed that the proposed program of work at the level SKPDs judged not on the basis of priority and urgency. But rather to other factors that are subjective, so comes the 'jealousy' between subunit. This condition occurs because the number of programs that are not balanced between the sub-units with other sub-units. At the end of the budget allocation imbalance occurs between the sub-units. This condition by Basri (2011) [11] shows the model of bargaining where there is competition for resources, in this case is the budget or funds for the implementation of programs / activities. Based on the statement implied the potential for unfair treatment between sub-units within the SKPD. This unfair treatment can then trigger imbalances that ultimately resulted happen 'jealousy' between sub-units within the SKPD. This is because of the sub-units with approved programs more, will get a bigger budget allocation, while the sub-unit which received little work program will get a little budget allocation. Competition for budget share ideally should pay attention to the urgency of the proposed program. Urgency of the program in question is that the program has to be urgent and important for the implementation of development. If the process of selecting a program conducted by the head SKPD not pay attention to these things and tend to use a subjective approach, it is very common then in case of conflict the relationship between sub-units within the SKPD. Of the informants statement, implied that the conflict between sub-units in the SKPDs Department of Tourism and Creative Economy shaped relationship conflict. Relationship conflict is conflict nature of personal relationships in person and have nothing to do with the tasks and functions performed by the personnel concerned. Personnel relations phenomenon that led to the conflict in an organization, in line with what was raised by Weingart and Jehn (2009) [3]. Thus, the findings in the analysis of conflict between sub-units within the Department of Tourism and Creative Economy also supports the hypothesis Weingart and Jehn that form of conflict within an organization can be a conflict relationship.

2. Sources Of Conflict In The Organization Of Budget Planning

a. Conflicts between BAPPEDA with the Department of Tourism and Creative Economy

Has been described in sub-chapter on planning resource conflicts, that in the preparation of the work program should be tailored to the development planning guidelines. Guideline development planning based on its scope can be divided into two (2), namely the scope of the macro and micro scope. Macro level development planning includes Law No. 25 Year 2004 concerning the national development planning system, while micro among others on RPJPD, RPJMD, strategic planning, and Renja. Regional Long Term Development Plan and Medium Term Development Plan is the main guideline development planning in the region. Regional work plan prepared by sticking and guided by RPJPD and RPJMD. From these Renja, only then compiled technical work plan proposed and implemented by SKPDs. In order to obtain a hierarchical structure of the work programs in local development planning. Potential conflicts as expressed by informants may occur in the process of planning, especially when filing program by SKPD. *"There is always a tug of war between SKPDs with the Agency because it has BAPPEDA control functions. And control so that it is used to control the programs that run in accordance with the planning and also the Strategic Plan RPJMD SKPDs. There are common pull that cause differences in understanding, consequently there is a long dialogue"*

Interview with AM on Thursday 17th October 2013.

Results of interviews with informants, it is known that the potential conflicts were prevalent at the time of planning the programs are implemented. Often appearing attraction between BAPPEDA with SKPDs who submitted the program. This occurs because the pull of SKPDs authorized only have 5 years to complete the program of work, whereas on the other hand have to adjust and accommodate BAPPEDA also the program of work of other officials. Moreover, it also adapts to the financial condition of the area. *"Because of the interest and needs of SKPD in the implementation of the program and activities so that within a period of 5 years, they can complete the program that has been planned in the Strategic Plan of SKPD."*

Interview with AM on Thursday 17th October 2013.

The behavior of some SKPDs which often interfere with the planning process is the emergence of planning work program that is not tailored to the work plan that had been developed previously. The new work program is generally contrary to the work plan from the beginning. *"In Renja (work plan) there is a striking thing there, there are some inconsistent SKPDs program planning with their strategic plan, but that's Strategic Plan is a derivative of RPJP, RPJMD. So it might not want to come out of it. "*

Interview with AM on Thursday 17th October 2013.

Incompatibility of the work program with plans of local governments predetermined caused by some reasons. First, because SKPDs often want to obtain the maximum budget ceiling, thus proposed a program of work that is not in accordance with the work plan. "Work Unit area is also pursuing the target in the hope that getting the maximum

allocation."

Interview with AM on Thursday 17th October 2013.

Second, because SKPDs is bureaucracy which often occur mutations among staff and between leaders SKPD. This change of personnel can lead to the emergence of a new work program. Bureaucratic conditions in Indonesia generally Thus, each person has their own work program. They seem reluctant to run the existing work program, thus propose a new work program. This new program of work which are often incompatible with the work plan that had been developed previously. *"This SKPDs not often there is a mutation in both the level of the leadership and staff, who at the time he moved from other agencies, so get in on the new agency immediately given the task to be involved in the preparation of planning so that he does not know about the previous plan, the result of planning SKPDs often refracted or out of the Strategic Plan so that new proposals emerged forced to be accommodated in the preparation of work plans. "*

Interview with AM on Thursday 17th October 2013.

In response, the Department of Tourism and Creative Economy as one SKPDs provide an explanation that it is not intentionally to achieve the target, but rather as elements that need urgent and urgent nature, so that they apply for the work program. In addition, they reaffirmed that all of the (filing work plan) performed solely for the development of the tourism sector. With the development of the tourism sector development goals contained in RPJMD can be done well. *"If we were from the Department of Tourism should work quickly but must also be supported by adequate infrastructure. If our program the way, tourism can be developed, meaning Regents program is going well. "*

Interview with YNL on Monday, 28 October 2013.

Based on interviews with informants quote from BAPPEDA found that the source of the conflict occurred in principle derived from the difference in views about the purpose of the work plans. BAPPEDA execute its control functions. Control in the sense that they have to adjust the work program proposals that go to match the existing development guidelines. If there are programs that do not work in accordance with the guidelines, then BAPPEDA entitled to the exclusion of the program. On the other hand, SKPDs often assume that their proposed work program is a program that is desired by the community. So that the program is important and urgent. The existence of differences is what makes many proposed programs and activities of the SKPD including from the Department of Tourism and Creative Economy should be crossed out by the Planning Agency. Deletion is done because it is not in accordance with the priorities and direction of regional development, as well as the financial condition of the area. If concluded, the description of the interview excerpts stating that the source of conflict comes from the difference in views about the goals that are considered a priority. The work program SKPDs there are some who deviated from the Strategic Plan, while the work plan is a guide for the development direction SKPDs. BAPPEDA serves as the controller towards regional development, so that if the work program proposed by SKPDs deviated from their Strategic Plan it is only logical that the program was dropped or pending. Thus, the source of conflict between BAPPEDA task with the Department of Tourism and Creative Economy in

accordance with what was presented by Pondy (1967) [12]. In addition to the conflict task, also found other forms of conflict is the conflict relations. Associated with relationship conflict, the informant gave a statement as follows: *"Often there is disappointment that occurred in the SKPD, not only the staff but also occurs in SKPD leaders, a form of disappointment that often he allow himself with a variety of ways, such as when we asked for the report, he could not submit the report on time as scheduled as specified. We have prepared the report format in BAPPEDA, stay filled only. There is no financial realization, there is a physical realization that should be reported. Actually, it was reported to the regents but through the Planning Agency. So later we summarize all the reports recently conveyed to the Regent. "*

Interview with AM on Thursday 17th October 2013.

Based on the interview excerpt, obtained information that the reporting of the use of funds in Raja Ampat has levels that make up the hierarchy. The hierarchy of tasks requiring physical delivery and financial statements of SKPD to the Agency for forwarded to the Regent. For those who do not make the PRSP physical and financial statements given a reprimand by the Regent. Reprimand that is the source of the personal conflicts that lead to relationship conflict. Based on these descriptions, the source of conflict in the relationship between BAPPEDA conflict with SKPDs derived from letters of reprimand by the Regent. However, the warning letter is a result of the presence of a tiered hierarchical structure associated with reporting the use of local funds. Thus, in principle, relationship conflicts occur due to factors that include the bureaucratic hierarchy and formalization and professionalization agencies. This is in accordance with one of the sources of conflict that hypothesized by Pondy.

b. Conflict between TAPD with the Department of Tourism and Creative Economy

Conflicts between TAPD with the Department of Tourism and Creative Economy shaped task conflict. Conflict occurs when filing tasks RKA-SKPD by the Department of Tourism and Creative Economy is considered less detail that is returned by TAPD. Matters relating to details of expenditure, both the expenditure and capital expenditure items are arranged less complete. *"There are some who do not understand about SKPDs mechanism of RKA. Sometimes during the process of planning and budgeting program, the principles of performance-based budgeting is often forgotten to be used as guidance in the preparation of RKA. In the crew, must be complete, if it is not complete then we return. "*

Interview with AM on Thursday 17th October 2013.

Less detailed proposed program of Tourism and Creative Economy by TAPD because they generally lack an understanding of the systems and mechanisms in the preparation of work plans and budgets SKPDs based on the principles of performance-based budgeting shows that. The Department of Tourism and Creative Economy said that it happens not because RKA arranged not detailed, but more due to the price ceiling set by TAPD different from the prices of goods in the market. *"Sometimes the price of goods and services provided by TAPD inaccurate. Whereas the, standard price is used when budgeting. Well, the most common problem, when they used the price is not equal to the price of goods on the market in Raja Ampat, then our difficulty in*

spending. "

Interview with YNL pada Monday, 28th October, 2013.

Based on the second quote informants, it is known that the source of conflict comes from the existence of criteria that do not work worth it. This condition is in accordance with what is proposed by Rahim (2002) [1]. He stated that that conflict can occur if certain parties have behavioral preferences, satisfaction with these preferences are often not aligned with what is implemented by other parties. Thus, the findings of this study are not in line with what is proposed by Pondy (1967) [12], but actually strengthens the hypothesis Rahim (2002) [1] of the organization's sources of conflict. The conflict that shaped relationship conflict occurs because of the program entrusted by TAPD to SKPD. The existence of the program is of course difficult SKPDs in implementing the work program. *"The proposed program in order to TAPD it must pass a long path first. Well, sometimes TAPD already have programs entrusted to us. Certainly not through a long path. we also are difficult to implement. "*

Interview with YNL on Monday, 28 October 2013.

Work program entrusted to SKPDs an authorization form to his subordinate leaders. Hotepo et al (2010) [13] states that the vertical organizational conflict that occurred one of them due to the differences in power and status. These differences lead to helplessness subordinate to the leadership instruction. The result is an increasing emphasis on functional specialization and the politicization of the promotion (Ikeda et al, 2005) [14]. If the program does not run, then the chances of displacement position is very likely to occur. Based on the above description, the study's findings do not match what is hypothesized by Pondy (1967) [12] regarding the sources of conflict. However, research findings support the hypothesis Hotepo et al (2010) [13] regarding the source of conflict stemming from differences in power and strength between leaders and subordinates. Conflict between sub-units within the Department of Tourism and Creative Economy occur in the form of relationship conflict. According to the analysis of excerpts of interviews conducted for the Department of Tourism and Creative Economy obtained the following information: *"And some of the sub-units when applying RKA (program) there are some programs that we do not agree. We prioritize programs and activities pending financing last year. So, we continue the program this year. The next sequence is a program that fits RPJMD and its important and urgent. "*

Interview with YNL on Monday, 28 October 2013.

Daft (1998) [15] broadly split into two: Intergroup conflict or conflict between groups (vertical and horizontal conflict) and interdepartmental conflict or conflicts between departments. Vertical conflict is conflict between different levels within an organization hierarchy. While the horizontal conflicts occur between groups or departments that have the same level in a hierarchical organization. Subunit is a small unit of a unit or agency owned by SKPD, so that the conflict between the subunits can be inserted into a horizontal conflict. Conflict between subunits in the Department of Tourism and Creative Economy is due to the jealousy between the subunits. In other words, horizontal conflict, which is caused by differences in perception and values. One subunit has a negative perception, because it was getting treatment that is "fair". However, finding the source of conflict between the subunits in the Department

of Tourism and Creative Economy is not in accordance with the sources of conflict described by Rahim and Pondy. So that, in principle, these findings add to simultaneously enrich Rahim and Pondy opinion related to the source of conflict in the organization.

3. Efforts Conflict Resolution in budget planning

a. Conflicts between BAPPEDA with the Department of Tourism and Creative Economy

The shape of the conflict is the conflict task and relationship conflict. Task conflict is caused by the difference in views about the goals that are considered a priority. Relationship conflict is caused by the presence of factors that include the bureaucratic hierarchy and formalization and professionalization agencies. As conflict resolution tasks, steps taken is to provide insight to SKPDs including the Department of Tourism and Creative Economy of the meaning and function of the Development Plan and the Regional RPJP and local financial conditions. The proposed program will be financed through the budget is very limited, so that the proposed program should really urgent priority programs. For SKPDs still insisted that the program should be included and budgeted in the budget, it will be handed over to the Regent and DPRD discussion. Regent through policies can delay the proposed program for the SKPD insisted. *"We often give an overview and explanation that we are always in development planning, guidance, we can not necessarily follow the wishes of SKPD. Especially in this SKPDs the frequent mutation, from one agency to another agency, continues a new entry in the new agency, direct indication duty to be involved in the planning team, so he did not know about the existing plan."*

Interview with AM on Thursday 17th October 2013.

The relationship of conflict resolution efforts carried out by providing an understanding of the importance of physical and financial reports quarterly to the government officials. By providing an understanding of the expected professional institutions, the better, so that the manufacture of physical and financial statements not be ignored anymore. If the physical and financial statements were made, then the complaint BAPPEDA to the Regent to make a warning letter does not need to happen. *"Usually we do in stages, structurally, that our correspondence, or we reported verbally to the employer, whether it is the secretary of the area or to the Regent, and then followed up with a letter of reprimand new that can not be resolved, so that can be acted upon."*

Interview with AM on Thursday 17th October 2013.

Based on the research findings and excerpts informant interviews, it is known that the conflict resolution leads to a combination of resolution and conflict management efforts. Conflict resolution efforts carried out is through prevention of conflict through exposure and RPJM explanation. Conflict management efforts undertaken by BAPPEDA with SKPDs is using a positive approach to problem solving. This approach is one approach to constructive conflict management. Conflict management efforts undertaken by BAPPEDA is to provide the full explanation of the importance of physical and financial reports on the use of the budget. BAPPEDA understand the conditions faced by SKPD, where they generally do not have adequate human resources in preparing the report. Thus, there is a relationship of mutual understanding with the

process of compromise and negotiation as an effort to overcome the conflict between them. Based on the research findings indicate that conflict resolution in line and reinforce what hypothesized by Rahim (2002) [1]. Conflict resolution efforts carried out through the efforts of resolution and conflict management.

b. Conflict between TAPD with the Department of Tourism and Creative Economy

Conflict between TAPD with the Department of Tourism and Creative Economy is a task conflict and relationship conflict. Conflicts task due to lack of understanding of the apparatus of the performance criteria that are not commensurate with the competence of bureaucrats. Relationship conflict is caused by the difference in views about the goals that are considered priority triggering personal allegations of each party. Based on the analysis of the sources of conflict, it may be possible steps to resolve the conflict. Conflict resolution efforts carried out in an integrated manner so that task conflict and relationship conflict can be resolved simultaneously. As the conflict resolution efforts made adjustments to accommodate the needs of both parties. TAPD parties should consider the proposed Department of Tourism and Creative Economy of the standard price of goods and services that are flexible in determining the price of goods and services. Because it can not be denied also that the price of goods on the market in constant turmoil, where volatility tends to raise prices. *"If the standard price is given by TAPD above market price, it will be easier for us at the time of learning. Moreover, the market here the price up and down quickly. If prices go down good, but if the price rises, we are not allowed to buy."*

Interview with YNL on Monday, 28 October 2013.

With flexible pricing standards, the issue of price volatility can be overcome. To that end, the TAPD at the time the General Budget Policy (KUA) and Priority Ceiling Provisional Budget (PPAS) was agreed by the Regional Head along Parliament in the form of a memorandum of understanding, then immediately made a decree on the preparation of RKA-SKPD guidelines and other documents such as standard price of goods and services, as a reference in the preparation of RKA-SKPD. Before the decision was delivered to all SKPDs Regent government environments Raja Ampat then the TAPD first outreach to the entire work unit area of budgeting guidelines and guidelines for the preparation of RKA-SKPD, well done to SKPDs assistance in the preparation of RKA which is expected at the time of preparation of RKA -SKPD can run properly according to applicable regulations. As for the Department of Tourism and Creative Economy also need to improve their RKA design details, as this may affect the assessment of the reports submitted to the Audit Board on the performance of the government's financial statements Raja Ampat. For that, TAPD need assistance and guidance to the Department of Tourism and Creative Economy to improve the design of RKA Department of Tourism and Creative Economy as well as other officials. Thus competence bureaucrats will rise and meet the expected performance criteria, as well as understanding of the goals of development priorities to be implemented. Conflict resolution by TAPD and BPKAD be directed to manage conflict or conflict management. In order to accommodate the needs of SKPD, the TAPD listen to input provided by the related local government offices issue price ceiling is the source of conflict. TAPD parties open to feedback

and understand the conditions faced by SKPD. In other words, a process of mutual understanding or commonly called tolerance between the two parties. Under these conditions, the research findings are consistent with the hypothesis Rahim (2002) [1] regarding conflict resolution, one of which is through conflict management. Thus these findings reinforce the hipotesis Rahim.

c. Conflict between Sub-Unit in the Department of Tourism and Creative Economy

Conflict between sub-units within the Department of Tourism and Creative Economy is a conflict relationship. Relationship conflict is caused by the difference in views and 'jealousy' between sub-units in this SKPD. As conflict resolution and prevention efforts, the selection of sub-units proposed program conducted in closed meetings attended by each sub-unit leaders. *"In the determination of the meeting approved the proposal for a program that will be run, each sub-unit leaders describing the program in detail. If it is important and urgent, they should be able to explain and convince us that it is important to implement the program."*

Interview with YNL on Monday, 28 October 2013.

In the selection process for the proposed program given the emphasis that the priority programs that will be accepted is a program that is both urgent and refers to the development plan has been drawn up by the Government of Raja Ampat. Giving the understanding that the other programs that are not approved does not mean not a priority, but it must meet two criteria mentioned above, as well as budgetary constraints provided by the local government also needs to be considered in the planning of the program, this should be the main emphasis. Based on the research findings and analysis of excerpts of interviews with informants, it was concluded that conflict resolution is done through conflict resolution approach. Efforts resolution adopted more emphasis on providing an understanding and explanation to avoid the opinions are subjective. Thus, the appropriate conflict resolution and in line with the hypothesis Rahim (2002) [1] regarding conflict resolution.

CONCLUSION

Conclusions can be drawn as follows:

1. In the budget planning are forms of task conflict and relationship conflict.
2. Sources of conflict in the budget planning is the difference in the organization's goals, criteria that do not work worth it, and the inequality of treatment between sub-units.
3. Conflict resolution is a budget planning by providing an understanding of the meaning term development plan and the area and ask for advice and input from the regent, to accommodate the pricing to be more flexible to adjust to market conditions, and the translation of the priority programs to sub-units and requested assistance to the government officials and TAPD.

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