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Abstract

The management of fines (penalties in the form of money) resulting from corruption cases is a critical issue at Indonesia's Corruption Eradication Commission (KPK), due to a decline in asset recovery achievements from 2017 to 2019, which has hindered the effective recovery of state financial losses. As an independent institution mandated to encounter corruption, KPK is responsible for enforcing court-ordered fines and compensation payments. However, administrative and execution challenges have prevented the KPK from meeting its asset recovery targets, highlighting the need for more effective and efficient fine management strategies. This study employs a qualitative methodology with an exploratory and normative juridical approach. Data were collected through observation and in-depth interviews with KPK policymakers directly involved in asset recovery and document analysis. The findings identify six key strategies to improve fines management: developing an integrated application system, optimizing the authority of execution prosecutors, incorporating fine execution performance into key performance indicators, seizing assets held by third parties, revising standard operating procedures, and strengthening asset blocking mechanisms. Implementing these strategies is expected to enhance KPK's effectiveness in recovering state assets through improved management of corruption-related fines.

Kata Kunci:

Korupsi;
Denda;
Pemulihan
Aset;
Koruptor;
KPK

Abstrak

Pengelolaan denda (denda dalam bentuk uang) akibat kasus korupsi menjadi isu kritis di Komisi Pemberantasan Korupsi (KPK) Indonesia, karena penurunan capaian pemulihan aset dari tahun 2017 hingga 2019, yang menghambat pemulihan kerugian keuangan negara yang efektif. Sebagai lembaga independen yang diberi mandat untuk menghadapi korupsi, KPK bertanggung jawab untuk menegakkan denda dan pembayaran kompensasi yang diperintahkan pengadilan. Namun, tantangan administrasi dan eksekusi telah menghalangi KPK untuk memenuhi target pemulihan aset, menyoroti perlunya strategi pengelolaan denda yang lebih efektif dan efisien. Penelitian ini menggunakan metodologi kualitatif dengan pendekatan yuridis eksplorasi dan normatif. Data dikumpulkan melalui observasi dan wawancara mendalam dengan pembuat kebijakan KPK yang terlibat

langsung dalam pemulihan aset dan analisis dokumen. Temuan ini mengidentifikasi enam strategi utama untuk meningkatkan manajemen denda: mengembangkan sistem aplikasi terintegrasi, mengoptimalkan otoritas jaksa eksekusi, memasukkan kinerja eksekusi denda ke dalam indikator kinerja utama, menyita aset yang dimiliki oleh pihak ketiga, merevisi prosedur operasi standar, dan memperkuat aset mekanisme pemblokiran. Penerapan strategi ini diharapkan dapat meningkatkan efektivitas KPK dalam memulihkan aset negara melalui pengelolaan denda terkait korupsi yang lebih baik.

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INTRODUCTION

Background of the Problem

The Corruption Eradication Commission (KPK) was established in 2003 as an independent institution with the purpose of making anti-corruption efforts in Indonesia more effective and efficient. In carrying out its duties, KPK adheres to five core principles: upholding the rule of law, transparency, accountability, public interest, and proportionality. The KPK holds the responsibility to the public and regularly submits transparent reports of its activities to the House of Representatives (DPR) and the Audit Board of Indonesia (BPK). The establishment of KPK was not merely intended to take over the anti-corruption responsibilities of existing government institutions, but as stated in Law Number 30 of 2002 on Corruption, KPK functions as a *trigger mechanism*—in other words, it serves to encourage and stimulate other law enforcement agencies to conduct corruption eradication efforts more effectively and efficiently (Law Number 30 of 2002).

The payment of compensation is mandated by Law Number 31 of 1999, which provides that the amount must be equivalent to the assets obtained through corruption. The primary objective of the Corruption Law is not merely to impose imprisonment as a deterrent for corruptors, but rather to ensure that criminal punishment contributes to reducing the financial losses suffered by the state due to acts of corruption. Accordingly, the recovery of state losses through the execution of fines becomes part of the Non-Tax State Revenue (PNBP) for the Indonesian government. If implemented seriously, the execution of both fines and compensation payments as part of criminal sanctions can contribute to national development and the welfare of Indonesian society (Khando et al., 2023). The recovery of state financial losses through criminal proceedings, particularly through the imposition of fines and compensation, aims to bankrupt the convicted corruptors—since they are required to repay the total amount of the state losses they caused, especially when combined with a fine that depletes not only their corrupt assets but also their wealth (Hidayat et al., 2024).

Indonesia's Corruption Perception Index (CPI) in 2022 scored 34, a decline from the previous year's score of 38 (International Transparency, 2022). The Corruption Perception Index (CPI) is a ranking that reflects the perceived level of corruption within a country; the lower the score, the higher the perceived level of corruption. In Indonesia's case, the CPI score has shown a declining trend from 2019 to 2021, indicating a worsening perception of corruption during that period.

Problem Identification

In response to this phenomenon, the author seeks to analyze one of the anti-corruption efforts by the Corruption Eradication Commission (KPK), specifically focusing on identifying issues in the management of fines by KPK and exploring strategies that could be implemented to improve state financial recovery, thus increasing the percentage of asset recovery by KPK. One of KPK's responsibilities is to carry out actions based on court rulings that have been finalized. To achieve this objective, KPK has established a dedicated unit, the Asset Tracing, Evidence Management, and Execution Unit (Labuksi), which is tasked with managing the execution of fines and compensation payments from convicted corruptors (Dwiono et al., 2023). However, the execution of fine payments by the Execution Prosecutors within the Labuksi Unit of KPK is not an easy task. This is reflected in the asset recovery performance of KPK from 2016 to 2019, where the achievement of asset recovery continuously declined, as shown in the following matrix (Komisi Pemberantasan Korupsi, 2019):

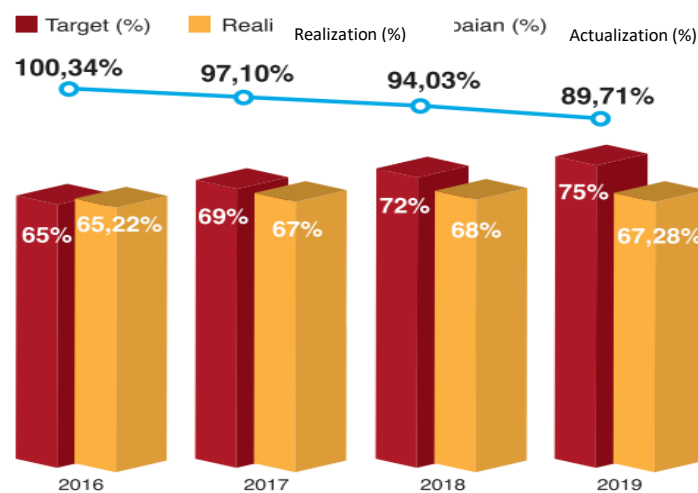


Figure 1. KPK's Asset Recovery Achievement 2016 – 2019

Source: Lakip KPK 2019

As shown in Figure 1, from 2017 to 2019, KPK did not meet the targets that were set. One of the reasons for this is the failure to achieve the maximum amount of fines and compensation for Corruption Crimes. KPK faces numerous challenges in effectively managing these fines, including issues such as the suboptimal administrative management system, the inefficient execution of fines by the Execution Prosecutors, and other related factors. Based on this phenomenon, the author identifies two key issues: (1) KPK has not been able to manage fines effectively, and (2) the execution of fines has not been maximized, resulting in suboptimal asset recovery for the state.

Problem Formulation

Based on previous research, the first article examines the relationship between local government fiscal pressure and Chinese court decisions on financial sanctions. Using data from corruption criminal rulings involving officials and local government expenditures, the study finds that Chinese judges are more likely to impose financial penalties, particularly fines when judicial expenditures in a region are low. The conclusion remains unchanged even after addressing the issue of endogeneity by using the age of the local party secretary and per capita financial expenditure during a period as instrumental variables. Finally, prison sentences without income increases were used to test the placebo, and no effect of fiscal pressure on prison sentences was found (Hongli

Chu, 2023).

Another study discusses that, according to Article 1, paragraph (3) of the 1945 Constitution, Indonesia is a rule-of-law state, meaning that all practices in executing due process of law must be based on laws and regulations. The accountability of state finances, whether it results in a loss or not, from the perspective of criminal law, must adhere to the principles of legality, legal certainty, utility, justice, and the theory of proof. It aims to protect state finances from perpetrators, ensuring that state losses can be recovered through effective legal means, specifically through fines and compensation without imprisonment. The researcher concludes: *First*, the regulation of responsibility for fines is only found in Articles 10, 30, and 31 of the Criminal Code, while in corruption cases, fines are not regulated in detail. Meanwhile, compensation for convicted corruptors is regulated in Articles 18, paragraphs (1), (2), and (3) of Law No. 31 of 1999 as amended by Law No. 20 of 2001 on Corruption Eradication. *Second*, there is a need for policy formulation in legislation regarding fines and compensation in the corruption law, particularly concerning fines and compensation, so that they are not substituted with imprisonment, but instead can be paid in installments based on an agreed-upon time frame, and not replaced with prison sentences as stipulated by the regulations (Rahmat, 2020).

From the studies mentioned above, most of the research focuses primarily on the legal and legitimacy aspects, examining how fines can be maximized to recover state financial losses through a juridical analysis approach. However, there has been no research that specifically addresses the management of fines from a managerial or practical perspective, as well as its business process. Therefore, the study conducted by the author differs from the previous ones, as the author incorporates managerial elements, practical approaches, and business processes in the management of fines to maximize asset recovery efforts carried out by KPK. This research, therefore, has high originality and novelty.

Research Objectives and Benefits

Based on the research problem formulation, the purpose of this study is to find solutions to the research issues by utilizing and developing existing theories, as well as to identify strategies that will enable the Corruption Eradication Commission (KPK) to: 1) manage fines resulting from corruption cases more effectively and efficiently, and 2) determine the actions that KPK can take to increase the asset recovery percentage from corruption cases.

To achieve this objective, the author conducts research using a qualitative method with an exploratory study technique, aimed at understanding the nature of the problem (Wati, 2018). A normative juridical method is also used, which involves research with primary, secondary, and tertiary sources, such as regulations, journals, and books. The research process includes stages of observation, interviews, and data analysis, with interviews conducted with relevant stakeholders in KPK who are authorized to implement strategic policies, particularly those related to asset recovery in KPK, which has not been explored in previous research. The data analysis uses a qualitative descriptive method, focusing solely on data and information that are directly relevant to the research problem. From the interview sessions, the author maps out the issues faced by KPK in managing fines, which has led to a decline in asset recovery. The researcher then examines what strategies could be effectively implemented by KPK to address the problems related to the management of fines.

While this study primarily focuses on the managerial and practical aspects of fine management within KPK, the broader impact of these challenges on public services

remains underexplored. Effective asset recovery and fine execution not only restore state finances but also play a crucial role in enhancing public trust in government institutions. Delays or inefficiencies in managing fines can erode confidence in the anti-corruption system and diminish the perceived legitimacy of KPK's efforts. Moreover, bureaucratic inefficiencies in the execution process may hamper overall governmental effectiveness, leading to slower public service delivery and weakening the institutional capacity to enforce laws transparently and accountable. Future research could further investigate how improved fine management at KPK contributes to strengthening public trust and bureaucratic efficiency, thereby supporting more effective governance and reinforcing anti-corruption efforts in Indonesia.

THEORITICAL REVIEW

Corruption remains a continual and damaging issue in Indonesia, with significant legal, economic, and institutional implications. The term “corruption” originates from the Latin corruption, meaning decay or bribery, and has evolved to denote the abuse of public office for private gain (Bryan A. Garner, 2019; Kurniawan, 2019). According to Law No. 31 of 1999, corruption is defined as an act committed unlawfully to enrich oneself or others, causing losses to state finances or the national economy. The law also outlines the corresponding sanctions, including imprisonment, fines, asset confiscation, and restitution (Republik Indonesia, 2020).

The critical role of public service performance in the effective enforcement of anti-corruption measures, including fine management and asset recovery (Sativa & Daskalakis, 2018). Improving public service delivery through digital governance reforms enhances transparency and accountability, which are fundamental to minimizing corruption risks in Indonesia's public institutions (Sari, 2023). They argue that streamlined administrative processes and better citizen engagement are key drivers for increasing trust in public services, thereby supporting anti-corruption efforts (Herawati et al., 2024).

Furthermore, the integration of performance management systems within Indonesian law enforcement agencies highlights the importance of aligning institutional objectives with measurable outcomes (Riwayati & Handayani, 2023). Their findings suggest that the adoption of balanced scorecards and key performance indicators (KPIs) in public agencies, including the Corruption Eradication Commission (KPK), significantly improves operational efficiency and supports the enforcement of legal sanctions such as fines. Additionally, the impact of public service quality on citizens' perceptions of corruption and government legitimacy. They find that higher quality public services correlate with lower perceived corruption levels, reinforcing the importance of continuous performance improvements in public sector institutions to support broader anti-corruption frameworks (Frinaldi et al., 2024).

Fines are one of the primary penalties imposed in corruption cases. As stipulated in Article 10 of the Indonesian Criminal Code (KUHP), fines are categorized as principal punishments alongside imprisonment and other sanctions (Kitab Undang-Undang Hukum Pidana Indonesia, 1918). Fines as financial penalties that serve both punitive and deterrent functions. Interestingly, Andi Hamzah (1993) notes that fines are unique among criminal penalties in that they may be paid by third parties, adding a distinctive element to their enforcement in practice (Budivaja & Bandrio, 2019).

Performance management is crucial in the administration of justice, particularly within law enforcement institutions tasked with combating corruption. Performance management involves the strategic planning, implementation, evaluation, and improvement of institutional processes. (Siti, 2021). Terry's POAC framework (Planning,

Organizing, Actuating, and Controlling) provides a foundational model for institutional efficiency (Siswanto, 2007). while Schermerhorn emphasizes the importance of aligning resources and actions toward achieving organizational goals) (Hasibuan, 2005).

The cost-benefit analysis (CBA) framework is widely used to evaluate the efficiency of public programs, including judicial processes, CBA is a tool for comparing the expected benefits and costs of a decision or program to determine its economic feasibility. In the context of corruption case management, this framework is essential to ensure that the enforcement of fines and asset recovery efforts are cost-effective and provide net positive outcomes for the state.

Asset recovery is another critical element in corruption eradication. According to the United Nations Convention against Corruption (2021), asset recovery includes locating, freezing, confiscating, and returning assets derived from corrupt activities. It is a process that involves multiple jurisdictions and legal complexities, aiming to restore public losses caused by corruption. The financial and symbolic significance of asset recovery as a form of justice Restoration Law enforcement institutions play a central role in executing anti-corruption measures.

In Indonesia, key institutions include the Police, the Prosecutor's Office, the Judiciary, and the Corruption Eradication Commission (KPK). As noted by (Syafrudin, 2014) the KPK is distinguished by its specialized mandate, independent status, and comprehensive functions, including prevention, investigation, prosecution, and education. Law No. 19 of 2019 reaffirms KPK's authority and vision, which includes reducing corruption through prevention, systemic reforms, legal enforcement, and public participation.

The measures taken to reduce the level of corruption involve several steps, namely prevention and eradication efforts through coordination, supervision, monitoring, investigation, inquiry, prosecution, and examination in court proceedings, with public participation by Article 1 paragraph 4 of Law Number 19 of 2019 (UU Republik Indonesia, 2019). The steps taken by the Corruption Eradication Commission (KPK) to reduce the level of corruption include various actions in the form of prevention and eradication efforts through coordination and supervision, monitoring, investigation, prosecution, and examination in court proceedings, with the involvement of public participation by Article 1 paragraph 4 of Law Number 19 of 2019 (Komisi Pemberantasan Korupsi, 2021).

This study offers a novel contribution by examining the management of fines in corruption cases specifically from the perspective of their effectiveness in asset recovery, with a focused analysis of the Corruption Eradication Commission (KPK). While previous studies have explored corruption, asset recovery, and performance management independently, this research uniquely integrates these themes through a cost-benefit analysis framework to evaluate the actual value and impact of fine enforcement. Furthermore, it fills a gap in the literature by investigating whether fines—often overlooked in favor of asset seizure—are being managed strategically to maximize state recovery efforts. By highlighting institutional performance and enforcement challenges, this study provides actionable insights for enhancing legal and financial accountability in Indonesia's anti-corruption efforts.

METHODOLOGY

The qualitative approach is employed in this study because the subject of this thesis focuses on the management of fines from corruption cases to improve asset recovery within the KPK, explored through narratives involving related work units. This research is exploratory and uses qualitative analysis. Exploratory descriptive research aims to

provide a picture of a particular phenomenon. It does not seek to test specific hypotheses but rather to describe variables, symptoms, and conditions (Creswel, 2013; Robert C. Bogdan, 2022).

The analysis process in this study employed a thematic analysis approach to systematically identify, analyze, and report patterns within the qualitative data collected from interviews and observations (Rustamana et al., 2024). After transcribing the interviews, the researcher engaged in coding, which involved assigning labels to meaningful segments of text related to the research questions. These initial codes were then grouped into broader themes that reflected key issues, challenges, and strategies regarding fine management and asset recovery at the KPK. The thematic analysis allowed for an in-depth exploration of recurring concepts and provided a structured framework to interpret complex data, ensuring that findings were grounded in the participants' perspectives and contextual realities (Creswell & Creswell, 2018).

To ensure the validity and reliability of the qualitative data, the study employed triangulation as a key data validation technique. This involved cross-verifying information obtained from multiple sources, including interviews with different officials, field observations, and document reviews such as KPK reports and relevant legal frameworks. Triangulation helped to minimize bias and enhance the credibility of the findings by confirming consistency across diverse data points. Additionally, the use of open-ended questions encouraged participants to elaborate freely, further enriching the data and allowing the researcher to capture nuanced insights. By combining thematic analysis with rigorous triangulation, the study ensured that the results accurately reflect the real conditions and complexities of fine management within the KPK.

Observations and interviews with multiple sources are essential to gain a thorough and accurate understanding of the phenomenon under study and to enrich knowledge by developing further theoretical insights. The interviewees, or participants, must be capable of providing information in the form of ideas, thoughts, and actions related to the research subject. In this study, the researcher explores the condition of fine management practices within the KPK and identifies the factors causing issues in order to determine the right strategies for improving the effectiveness of fine execution. This, in turn, is expected to enhance asset recovery in the state. The research methods include a literature review, field observations, and interviews with relevant sources. (Laili, 2024)

RESULT AND DISCUSSION

Result

The author conducted interviews with seven informants, all of whom are officials with strategic roles and decision-making authority at the Corruption Eradication Commission (KPK). These interviews are vital, as the participants have strategic responsibilities in directing KPK policies, especially in the areas of enforcement and execution. They also provide valuable insights into the challenges faced by KPK and the potential strategies to improve fine management. By incorporating diverse perspectives from strategically positioned officials, this research can comprehensively address the studied phenomenon, thereby enhancing the validity of its findings and conclusions.

The results of the observations and interviews are considered reliable, as they come from trustworthy individuals with the highest level of authority within KPK—those who play a key role in decision-making processes. Interviews were conducted with respondents to uncover the real conditions of the studied subject, allowing the researcher to identify the core issues. The first step in understanding the issues in this research was gathering actual data from the field. Open-ended questions were posed to the informants to obtain

broadier insights from their perspectives while remaining within the scope of the research.

Table 1. List of Interviewees at the KPK

No	Position	Gender	Work Unit
1	Chair of the Supervisory Board	Male	Supervisory Board
2	Deputy for Enforcement and Execution	Male	Deputy for Enforcement and Execution
3	Director of Gratification	Male	Deputy for Prevention
4	Head of the Supervisory Board Secretariat	Male	Supervisory Board Secretariat
5	Public Prosecutor	Male	Deputy for Enforcement and Execution
6	Director of Evidence and Execution Management	Male	Deputy for Enforcement and Execution
7	Head of Public Prosecutor Task Force	Female	Deputy for Enforcement and Execution

Source: Researcher Field Data

The findings from Table 1, observations, and interviews consist of qualitative data rather than numerical values, making qualitative analysis the most appropriate approach for this thesis. In this context, the researcher aims to examine the objective conditions surrounding the management of fines in corruption cases and its contribution to enhancing asset recovery for the state. This examination focuses on strategies, managerial practices, and driving factors, using a combination of literature review, field observation, and interviews with key informants.

Interviews were conducted with seven informants, all of whom hold strategic roles and decision-making authority within the Corruption Eradication Commission (KPK), particularly in matters related to enforcement and asset recovery. These informants were selected for their expertise and relevance to the study's focus. The following open-ended questions guided the interviews: *First*, what challenges does the KPK face that have contributed to the continuous decline in asset recovery performance over four years (2016–2019), as indicated in the KPK's 2019 Annual Report? *Second*, how is the current fine management process structured at the KPK? What systems or applications are utilized in this process? *Third*, in what ways can the management of fines at the KPK deliver greater social and economic benefits to the state compared to the costs incurred by the institution? *Fourth*, how is performance management implemented at the KPK to ensure an effective and efficient approach to fine management in corruption cases? Is there a need for a specific performance measurement system within the KPK to improve this process? *Fifth*, what policies and strategies are in place to encourage KPK prosecutors to enforce financial compensation payments effectively, particularly in cases where corruptors demonstrate moral hazard and intentionally avoid fulfilling their obligations?

Based on the interview results, the researcher categorized the responses into key problem areas and proposed strategies aligned with the research objectives. This categorization process was consistent with the study's analytical framework. The use of targeted interview questions helped to identify core issues, underlying phenomena, and potential strategic approaches for resolving the challenges. As a result, the researcher was able to formulate appropriate and contextually relevant strategies to improve fine management at the KPK. It is therefore concluded that the chosen qualitative analytical instruments are well-suited to both the research goals and their practical application within this study.

Discussion

The findings from interviews with strategic officials within the Corruption Eradication Commission (KPK) revealed critical weaknesses in the current fine management system. These weaknesses have directly impacted the agency's ability to effectively recover state assets from corruption cases. Specifically, two main problems were identified: *First*, the suboptimal management of fines related to corruption convictions. *Second*, the persistently high number of unexecuted fines contributes to declining asset recovery performance, particularly between 2017 and 2019.

Fragmented and Manual Fine Management System

The study found that fine management at KPK still relies heavily on manual processes, particularly Excel spreadsheets that are neither synchronized across departments nor updated in real time. This lack of integration creates inconsistencies in data, delays in execution, and miscommunication among internal units. It prevents executing prosecutors from accessing timely, valid information needed to carry out their duties effectively. From a public service theory perspective, this illustrates a gap in bureaucratic efficiency (Weber, 1947), where inefficient systems hinder an institution's ability to perform its functions with rational order and technical competence. According to Laudon & Laudon (2022), the use of integrated management information systems can significantly improve decision-making, operational coordination, and accountability in public institutions.

Asset Concealment and Execution Challenges

A recurring theme in the interviews was the difficulty prosecutors face in tracing and seizing assets that have been deliberately transferred to third parties. Corrupt actors frequently register their wealth under the names of family members or associates, using formal legal documents such as powers of attorney or sale-purchase deeds. These practices present serious legal barriers, as they require advanced investigative techniques and forensic accounting skills to invalidate. This challenge highlights the importance of strengthening institutional capacity and providing prosecutors with specialized training in asset tracing, legal analysis, and digital evidence recovery. It also underscores the need for SOP reform to guide prosecutors through complex asset recovery procedures, thus enhancing procedural accountability and consistency.

Limited Adoption of the Sinergi Application

Although the KPK has launched a digital platform—SINERGI—to streamline internal processes, the application is still underutilized due to its technical limitations (slow processing, bugs) and lack of user-friendliness. Interviewees reported reverting to manual systems, further compounding data fragmentation and workflow inefficiencies. From the standpoint of change management and institutional modernization, mandatory adoption and continued system refinement are necessary. Internal policies must compel units to use the system, while ongoing technical support and user training are critical to ensure a smooth transition to digital governance.

Lack of Performance Incentives

The current performance appraisal system for prosecutors does not formally include success in fine execution as a measurable key performance indicator (KPI). This

demotivates prosecutors from prioritizing fine enforcement, as their contributions in this area are neither recognized nor rewarded. Introducing results-based management (RBM) principles would incentivize better performance by linking individual outcomes to organizational goals. In doing so, KPK can drive a more performance-oriented culture, which is essential for improving institutional outcomes in asset recovery.

Inadequate and General SOPs

Another significant finding was that the existing SOPs related to fine execution are overly general, failing to provide clear, step-by-step guidance on operational procedures. This leaves room for inconsistent implementation and excessive discretion by individual officers. In line with administrative law theory, the absence of detailed SOPs undermines procedural accountability, making enforcement less predictable and less transparent. Reforming SOPs to include detailed, case-based scenarios would not only strengthen internal consistency but also improve public trust in the institution's fairness and competence.

Underutilized Asset Blocking Powers

Interviewees emphasized that early asset blocking during the investigation phase is underutilized. While KPK investigators have the authority to block and seize assets once a suspect is named, this is not consistently practiced. Consequently, offenders often have time to hide or transfer assets, making later execution more difficult. Asset blocking is a preventive enforcement strategy, which, when used effectively, ensures that assets are secured in advance of conviction. Institutionalizing this as a standard operating requirement would ensure that prosecutors have greater access to resources when it comes time to execute fines, thereby improving recovery outcomes.

Synthesis with Public Service Theories

The challenges and solutions identified in this study illustrate the interconnectedness between organizational behavior, public management theory, and law enforcement effectiveness. Strategies such as implementing performance-based metrics, integrating digital systems, and revising SOPs are not just technical fixes—they represent a shift toward a more accountable, efficient, and citizen-responsive public institution. By aligning internal reforms with theoretical principles of accountability (Bovens, 2007) and new public management, KPK can improve its capacity to fulfill its public mandate and recover assets for the benefit of society. The improvements in fine management also contribute to broader public values such as justice, fairness, and economic restitution, which are central to the mission of any anti-corruption body.

Strategic Response to Challenges in Fine Management: Issues, Solutions, and Public Service Perspective

To address the key challenges in fine execution identified through interviews and analysis, a strategic response must be formulated with a focus on improving institutional performance, accountability, and public value delivery. The table below presents a summary of the major issues identified and the corresponding strategic measures proposed by informants, framed within relevant public service theories.

Table 2. Issues vs. Strategies in Fine Management at KPK

Key Issue	Proposed Strategy	Related Public Service Theory	Theoretical Application
Manual and unintegrated data system impedes timely execution	Develop an integrated, user-friendly digital system	Bureaucratic Efficiency (Weber); Management Information Systems	Enhances internal coordination, reduces data inconsistencies, and promotes real-time decision-making
Suboptimal performance of executing prosecutors	Link fine execution success to prosecutors' performance indicators	Results-Based Management (RBM); New Public Management (NPM)	Encourages outcome-oriented behavior through measurable targets and performance rewards
Concealment of assets by corrupt actors via third parties	Empower prosecutors to confiscate third-party assets and improve forensic skills	Accountability and Legal Rational Authority	Reinforces prosecutors' legitimacy and capability to pursue concealed assets under legal protection
Incomplete and general SOPs	Revise and detail SOPs for all fine management processes	Rule of Law and Procedural Accountability	Establishes clear guidelines, reducing discretion and promoting consistent enforcement
Lack of early intervention to block assets	Optimize asset blocking during investigations	Preventive Enforcement Strategy; Risk Management	Strengthens proactive recovery by minimizing asset flight risk
Ineffective use and adoption of SINERGI system	Enforce mandatory adoption of digital systems through internal policy	Institutional Compliance and Change Management	Ensures system adoption through regulation and accountability mechanisms

Integrating Strategic Responses with Public Service Theory

These strategic measures align with foundational principles in public administration. For instance:

1. **Bureaucratic Efficiency (Weber):** Calls for the rationalization of processes through structured systems. An integrated digital fine management platform not only improves efficiency but also supports *transparency* and *data accuracy*, essential traits for a modern bureaucracy.
2. **Accountability:** By linking performance appraisals of executing prosecutors to fine execution success, the KPK adopts a *results-oriented approach* consistent with modern public service accountability frameworks. This increases individual responsibility and ensures alignment between organizational goals and employee outcomes.
3. **New Public Management (NPM):** Emphasizing efficiency, performance measurement, and managerial flexibility, NPM advocates reforms like incentivizing performance and developing detailed operational procedures. Strategies such as SOP revisions and digital integration exemplify the application of NPM principles within the KPK's context.
4. **Rule of Law and Procedural Fairness:** The emphasis on revising and enforcing detailed SOPs reflects the principle that enforcement actions must be guided by

transparent, consistent, and codified procedures. This enhances the public's trust in institutional fairness and legal integrity.

5. **Capacity Building and Institutional Resilience:** Developing prosecutorial competence—especially in handling third-party asset concealment—reinforces long-term institutional capacity. In public service theory, this is critical for enabling institutions to respond adaptively to complex challenges. These improvements in fine management are not only organizational enhancements but also public service reforms. They demonstrate how anti-corruption enforcement can be modernized through strategic alignment with public service theories. When KPK's internal systems are efficient, transparent, and outcome-driven, the broader public benefits through increased asset recovery, stronger governance, and greater trust in institutions. Implementing these reforms would allow KPK to serve not just as a law enforcement body, but also as a model for institutional excellence in public administration—contributing to a more accountable and effective government in Indonesia.

Limitation

This study's findings are subject to several limitations. The research relies exclusively on qualitative data gathered from a small sample of seven high-level officials within the Corruption Eradication Commission (KPK). While these informants provide valuable strategic insights due to their positions, their perspectives may not fully represent the experiences of other staff involved in fine management, such as front-line investigators or administrative personnel. Furthermore, the analysis is confined to the period between 2016 and 2019, as highlighted in the KPK's 2019 Annual Report, which may not reflect more recent developments or changes in the institution's performance or policies. The study also focuses specifically on the management of fines and may not fully account for other factors that contribute to overall asset recovery performance, such as the legal framework, judicial decisions, or external political influences.

Novelty

The novelty of this research lies in its holistic approach to analyzing the challenges of fine management at the Corruption Eradication Commission (KPK) by integrating empirical findings from strategic-level officials with a theoretical framework of public service. While previous studies may have addressed asset recovery challenges, this research specifically connects operational weaknesses—such as a reliance on manual systems and a lack of performance incentives—to core theoretical principles like Bureaucratic Efficiency (Weber), Results-Based Management (RBM), and Procedural Accountability. By doing so, the study not only identifies problems but also offers strategic solutions grounded in a strong theoretical foundation, positioning the improvement of fine management as an integral part of broader public administration reform within the KPK.

CONCLUSION AND SUGGESTION

Conclusion

The findings from this study highlight critical implications for improving public service delivery within Indonesia's anti-corruption framework, particularly through enhanced management of fines by the Corruption Eradication Commission (KPK). Efficient fine management is not merely a procedural matter but a vital component of upholding public trust, accountability, and fiscal responsibility in governance. Optimizing the

collection and execution of fines can significantly increase asset recovery, thereby directly contributing to the state treasury and enabling reinvestment in public services and development programs. This creates a positive feedback loop where the enforcement of anti-corruption laws strengthens the government's capacity to deliver public goods effectively.

The proposed strategies—including the development of integrated management systems, strengthening prosecutorial authority, and revising operational procedures—underscore the importance of institutional capacity-building and modernization as core drivers of public service excellence. These approaches align with contemporary public administration principles emphasizing transparency, performance measurement, and inter-agency coordination. By making fine execution success a measurable performance indicator, the KPK can foster a culture of accountability and incentivize more diligent enforcement efforts, thus enhancing institutional responsiveness to public expectations.

The focus on asset freezing at early investigation stages and targeting third-party assets reflects a proactive, comprehensive public service approach that seeks to minimize resource leakage and ensure that recovered assets serve the broader public interest. This demonstrates how legal enforcement when coupled with strategic management, can improve outcomes not only for the justice system but also for society at large. Finally, the study's recommendation for comparative research involving other law enforcement bodies points to the need for systemic reforms beyond a single institution, advocating for a unified, integrated public service framework. Such reforms can facilitate knowledge sharing, policy harmonization, and best practice dissemination, ultimately strengthening Indonesia's overall capacity to combat corruption and safeguard public resources.

Effective fine management and enhanced asset recovery serve as critical mechanisms for reinforcing good governance and public service delivery. These improvements ensure that anti-corruption efforts translate into tangible benefits for the community by restoring public assets, bolstering state revenues, and promoting trust in government institutions.

Suggestion

Based on the article's findings, the primary recommendations are to modernize and reform the KPK's fine management system through several strategic steps. First, the KPK must develop an integrated digital system and enforce its mandatory use to overcome data fragmentation and manual inefficiencies. Second, a revision and a more detailed approach to Standard Operating Procedures (SOPs) are crucial to provide clear, step-by-step guidance for prosecutors, reducing individual discretion and ensuring consistency in execution. Third, the prosecutor performance system should be reformed to include fine execution success as a key performance indicator (KPI), supported by specialized training to enhance asset tracing skills. Finally, strengthening collaboration with external institutions is also recommended to streamline asset tracking and seizure. Collectively, these recommendations aim to transform the KPK into a more efficient, transparent, and results-driven institution in fulfilling its mandate.

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