

Strategy for Mapping of Regional Priority Programs through SWOT Balanced Scorecard Analysis in Regional Development Planning of Kediri Regency

Strategi Pemetaan Program Prioritas Daerah melalui Analisis SWOT Balanced Scorecard dalam Perencanaan Pembangunan Daerah Kabupaten Kediri

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Abstrak

Kajian ini bertujuan untuk merumuskan program strategis pembangunan daerah melalui pendekatan SWOT Balanced Scorecard. Fokus penelitian ini pada Badan Perencanaan Pembangunan Daerah Kabupaten Kediri. Pemetaan program ini bertujuan untuk menjadi bahan rekomendasi penyusunan dokumen Rencana Pembangunan Daerah Kabupaten Kediri (RPJMD) periode tahun 2021-2025. Data penelitian ini merupakan data primer dari hasil observasi dan survei para pemangku kepentingan yang terlibat dalam penyusunan rencana strategis RPJMD. Sedangkan data sekunder diperoleh dari hasil analisis dokumen perencanaan dan laporan tahun-tahun sebelumnya. Teknik analisis yang digunakan adalah diagram SWOT, untuk mencari posisi kuadran, yang kemudian diolah menjadi berbagai alternatif strategi. Hasil penelitian menunjukkan bahwa posisi kuadran Kabupaten Kediri berada pada posisi S-T, sehingga strategi yang dipilih adalah diversifikasi. Dari hasil tersebut, peneliti membuat 4 (empat) alternatif strategi. Keempat alternatif strategi tersebut diturunkan menjadi prioritas program dan target per tahun menggunakan pendekatan Balanced Scorecard.

Kata kunci: *SWOT, Balanced Scorecard, Program Prioritas Daerah, Perencanaan Pembangunan.*

Abstract

This study aims to formulate a strategic regional development program through the SWOT Balanced scorecard approach. The focus of this research is on the Regional Development Planning Agency of Kediri Regency. The mapping of this program intending to become a recommendation material for the preparation of the Kediri District Development Plan (RPJMD) document for the period 2021 to 2025. This study's data were primary data from observations and surveys of stakeholders involved in preparing the RPJMD strategic plan. Meanwhile, secondary data was obtained from the analysis of planning documents and reports from previous years. The analysis technique used was the SWOT diagram, which aimed to find the quadrants' position, which processing into various alternative strategies. The results showed that the quadrant position of Kediri Regency was in the S-T position, so the strategy chosen was

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diversification. From these results, the researcher created 4 (four) alternative strategies. The four alternative strategies were reduced to priority programs and targets per year using the balanced scorecard approach.

Keywords: SWOT, Balanced Scorecard, Regional Priority Programs, Development Planning.

1. INTRODUCTION

The basic concept of decentralization in the strengthening of local democracy is an important instrument for achieving the welfare of society. This is related to achieving the values of a national community, creating democratic government, community independence, and increasing the efficiency of development administration in the social and economic fields. Decentralization itself is an embodiment of Regional Autonomy that has been embedded in Indonesia since 1999. The regional autonomy system has also been included in *Undang-Undang Nomor 32 Tahun 2004* and *Undang-Undang Nomor 23 Tahun 2014*. When viewed from the two regulations, it concludes the role of the Central Government to delegate authority to local governments to prosper their people in a sustainable manner.

The implementation of regional autonomy must be implemented in many countries beside Indonesia. Because regional government is considered to be more familiar with their respective regions, so that it is easier to develop them through the given authority. The implication of this principal is development more focused on local areas to accelerate regional growth, especially the economic sector. The developed regional autonomy system can allow people to improve their welfare, alleviate poverty, and reduce economic inequality in their regions (Marwanto, 2019).

The existence of regional autonomy has resulted in the birth of specific policies applied to certain regions, including planning regional development. Regional development is currently a global challenge, but the approach will reflect theories and ideologies that continue to shift depending on how the government mediates through its structure and governance to create various policy interventions (Pike *et al.*, 2017). As a manifestation of regional autonomy implementation, the Regent/mayor's role must be able to delegate regional policies in the form of a Regional Medium-Term Development Plan (it is abbreviated into RPJMD in Bahasa Indonesia) document. However, it needs to be considered and becomes a challenge for a planner to effectively formulate regional development planning in a policy directly connecting to the central government's vision and mission (Adu-Ampong, 2018).

This study analyzes the external and internal factors in Kediri Regency to produce unique and targeted priority programs. Kediri Regency is a region in Indonesia that has great economic potential from the agricultural sector. The local government of Kediri Regency has a vision and development direction in increasing the farm industry and making it a leading industry. The small and medium industrial sectors will later support the main sectors in improving the regional economy. This vision is explicitly stated in the 2016-2021 RPJMD Document (previous period). So, that it can be used as a reference for the next development direction. The industrial and MSME sectors in Kediri Regency for the last five years (2016-2020) have experienced a positive trend. This can be seen from the increasing GRDP statistical data. However, the increase did not affect economic growth because the industrial sector experienced a hard-hit impact due to the Covid-19 pandemic. The data can be seen in the image below.

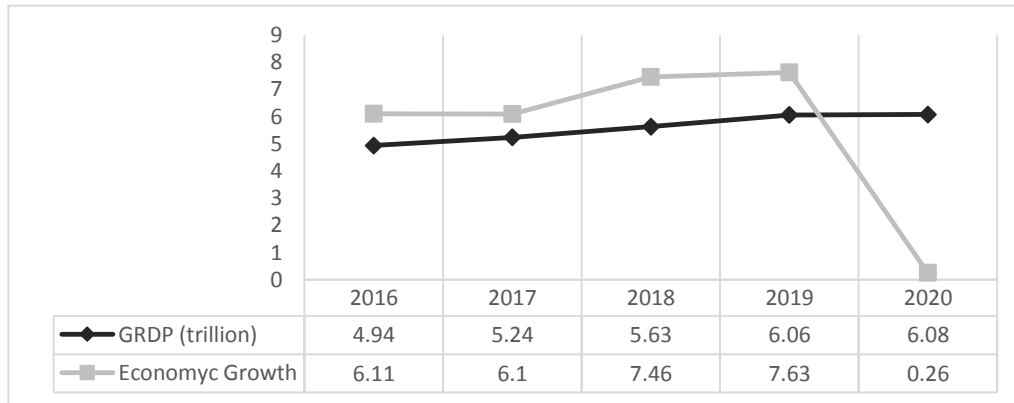


Figure 1. Economic Growth of Industrial Sector

Source: BPS Kediri Regency, 2021.

Similar to the industrial and MSME sectors, the trading sector is also experiencing a positive trend. Due to the Covid-19 pandemic, the trade sector has also experienced a decrease in contribution. When viewed in terms of its contribution, the trade sector contributes greatly to the GRDP of Kediri Regency. In the period 2016-2020, the average contribution of this sector reached 19.52% (see Figure 2). In 2020, the sector's contribution decreased by 18.96%. Nevertheless, the trade sector still contributed to the GRDP of Kediri Regency and ranks third after the agricultural and industrial sectors.

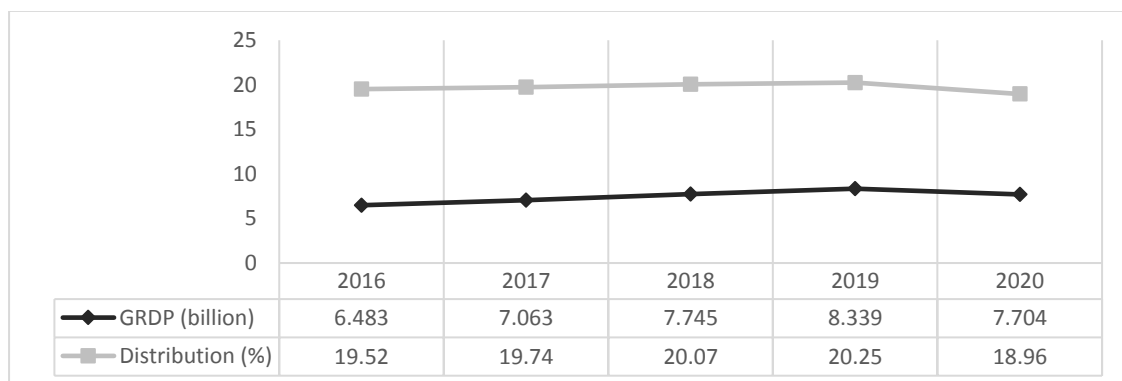


Figure 2. Trade Sector Distribution

Source: BPS Kediri Regency, 2021.

In terms of the GRDP structure, the economy and development in Kediri Regency are still dominated by the agricultural sector with a share of 23.56%, other sectors that follow are industry (22.62%) and trade (18.96%) as shown on Figure 3 (BPS Kediri Regency, 2021).

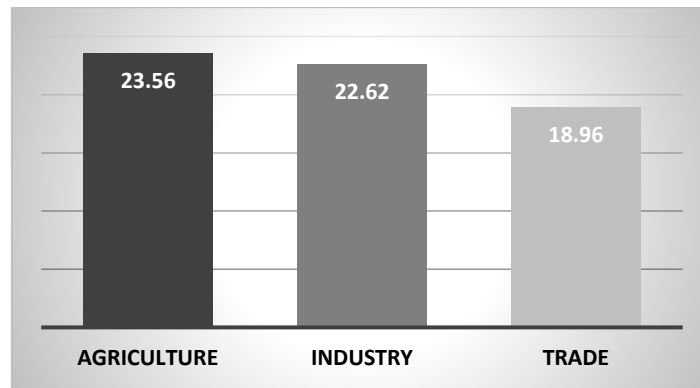


Figure 3. The Three Highest Sectors of GRDP

Source: BPS Kediri Regency, 2021

Referring to the previous development planning document, this paper was adjusted a lot from the evaluation of the 2016-2021 RPJMD development. This was done to obtain important instruments in planning development using the SWOT method. This analysis also produced strategic issues for the future development of Kediri. During this period, Kediri Regency had a new regency head, which will compile a Regional Medium Development Plan (RPJMD) document for the next five years. It is necessary to have a strategic method to determine the direction of development of Kediri. Researchers chose the SWOT method because this method is widely used in development planning and is always on target. With thoroughness and application of the correct method, planners expected to find strategic issues in Kediri Regency, which later would be mapped into priority regional programs. Of course, this priority program had performance indicators and measurable targets, so that the output of the program implementation was right on target and benefits the community.

Meanwhile, based on data from the Kediri Regency Program Achievements contained in the 2022 Regional Development Performance Plan (RKPD) Document, the strategic bill that will be determined in the RKPD is "Economic Recovery and Structural Reform". This has been aligned with the theme of the Regional Government Work Plan (RKPD) of East Java Province, namely "Economic Recovery and Basic Service Reform supported by Sustainable Infrastructure Development in East Java". By paying attention to strategic issues and development problems in East Java Province, the problems of Kediri Regency are divided into four things, namely: Governance, Increasing Competitiveness, Welfare, and Environmental Management (Bappeda Kabupaten Kediri, 2021).

Governance problems are evidenced by the governance of *Kabupaten* Kediri which still has a "B" predicate in East Java, while regional indicators that have compiled a report on the achievement of the Minimum Service Standard (SPM) in accordance with applicable regulations are still estimated at 93.75%, which means that regional governance in Kediri Regency still does not fully provide standard services from the aspect of Competitiveness, in the last three years, the economic growth pattern of Kediri Regency has slowed down. In 2019 economic growth was 5.06, in 2020 the economic growth of Kediri Regency experienced a sharp decline of -2.41 percent. This is inseparable from the impact of the Covid-19 pandemic which indirectly puts pressure on the economy of Kediri Regency. From the welfare aspect, it has also decreased due to Covid-19.

From the aspect of environment management, the achievements of the program also did not show significant results, especially the Land Cover Index (see Figure 4). The Land Cover Index in Kediri Regency tends to decline every year. This is due to the large number of industries that continue to grow, the volume of motorized vehicles to increase and the amount of land converted into settlements or widening roads.

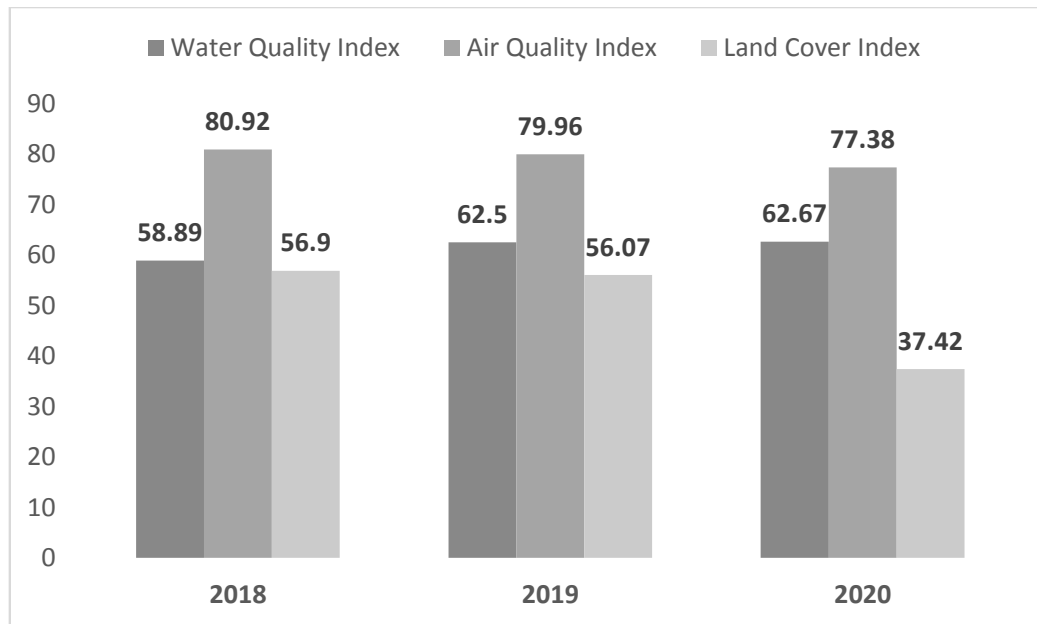


Figure 4. Environment Quality Development of Kediri Regency

Source: BPS Kediri Regency, 2021.

From these strategic issues and problems, Kediri Regency should carry out program mapping to determine the priorities of development programs. This is urgent to be carried out because these 4 problems have become development priorities in Kediri Regency. By mapping the program, it is hoped that Kediri Regency Planning can be more accurate and measurable to overcome these problems. Therefore, this study is titled: **Strategy for Mapping of Regional Priority Programs through SWOT Balanced Scorecard Analysis in Regional Development Planning of Kediri Regency.**

2. LITERATURE REVIEW

2.1 National Development Planning System

The Indonesian state regulates national development planning in a National Development Planning System (SPPN) written in Law (UU) Number 25 of 2004. The National Development Planning System (SPPN) is a unit of development planning procedures to produce long-term, medium-term (RPJM), or short-term development plans within a period of 1 (one) year (RKP) carried out by elements of state and community organizers at the central and regional levels. The development plan in Indonesia has a hierarchy, which can be intended to have a higher level of government plan in the eyes of the law, and the position as described in the hierarchy of development planning below.

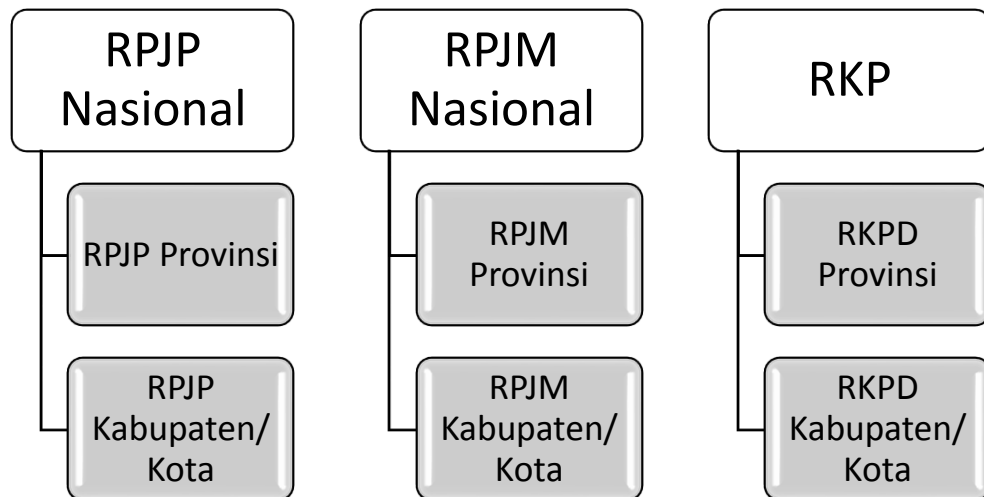


Figure 5. National Development Planning System
Source: Law (UU) Number 25 of 2004

After knowing the National Development Planning System (SPPN) as shown on Figure 5, next, understand how the strategic steps of the development planning team are in a strategic planning. Meanwhile theoretically, strategic planning in public organizations according to (Bryson, 2018) is a strategic planning model in public organizations should apply the step model systematically: The step of the step in question is; (1) identification of organizational value values, (2) identification of organizational problems (3) Analysis of the causes of problems (problem trees) (4) Formulate strategies with solutions to manage the problem Identify the value of strategic issues faced (5) Analysis of stakeholders involved (6) preparation of a 5-year project planning matrix. Bryson's opinion is often used as a reference for the development planning drafting team in every elected leader in Indonesia. The output of strategic planning will be used as a guide for an organization to compile short-term planning, although some argue that strategic planning is the same as long-term planning, but there are actually several kinds of differences, these differences according to (Poister, 2010) as follow :

1. Strategic planning focuses more on solving strategic issues whereas long-term planning focuses on environmental assessment
2. Strategic planning places more emphasis on assessing the external environment and internal capabilities than long-term planning
3. Strategic planning reflects qualitative changes, strategic planning
4. Tend to be more likely to get a vision of success than long-term planning
5. Strategic planning is more action-oriented

While according to (Tjokroamidjojo, 2002) Strategic planning is a briefing on the use of development resources (including economic resources) whose availability is limited, in order to achieve the goals of a better socioeconomic state effectively and efficiently.

2.2 SWOT Analysis

Strength, Weakness, Opportunity, and Threats stand for SWOT which is the name of a method in strategy management. SWOT stands for company factors that are analyzed to evaluate the company's internal condition and the company's external condition, so it is often known as the name of a method, namely SWOT Analysis. Internal conditions are evaluated

based on the strength and slowness of the organization or company while external conditions cover a broader environment of opportunities and threats from outside the company. Internal factors are important to evaluate and can be better controlled by the company, but external factors are also no less important to evaluate because they can affect the condition of the company (Oreski, 2012)

Basically, SWOT is not a strategy but can only help in the formulation of strategies by analyzing each factor in the SWOT. The basic objective of a SWOT analysis is to identify strategies that are appropriate and aligned with the resources and capabilities that a company has to meet the needs of the industrial environment in which the company competes (Chigudu, 2020). According to (Rangkuti, 2013) this method is based on the logic of maximizing the combination of the company's internal strengths and opportunities outside the company that may be taken as well as minimizing the company's internal weaknesses and external threats that may affect the company. This method utilizes information in the company's environment and separates between internal and external factors, then with a SWOT matrix framework can help formulate strategies to see what can help the company achieve its goals and overcome or minimize the obstacles encountered (Fennell *et al.*, 2018).

SWOT analysis is an analytical tool when planning actors define a strategy. In it, there are strengths and weaknesses, which are the internal conditions of an organization. While external conditions include opportunities and challenges or unique competence in the organization, it results in the organizational unit's ownership of comparative advantage. (Teoli & An, 2019) (Puyt *et al.*, 2020). This SWOT analysis is based on logical thinking to maximize strengths and opportunities and minimize weaknesses and threats (Nazarko *et al.*, 2017). Making strategic decisions is related to developing the mission, objectives, strategies, and policy priorities. Therefore, strategic planning must be able to analyze internal and external conditions in current actual conditions.

2.3 Balanced Scorecard

The Balance Scorecard is a method that has been used for a long time since the 1990s and continues to be developed by researchers around the world. The term balanced scorecard is taken from the word balanced, which means balanced and scorecard which means scorecard. The word balanced is used to indicate performance measured from two sides, namely the financial and non-financial sides, involving internal and external factors, and covering the short and long term. Meanwhile, the word scorecard indicates something that is used to record performance results scores, both current and future planning results.

In simple terms, the definition of a balanced scorecard is a performance measurement using a scorecard by paying attention to the balance between financial and non-financial aspects, involving internal and external factors and between the short and long term (Rangkuti, 2013). Balanced Scorecard is one of the contemporary management tools that can be used to improve organizational capabilities and multiply the company's financial performance (Mulyadi, 2016). Meanwhile, according to (Kaplan & Norton, 2015), this method is a tool for translating an organization's mission and strategy into a comprehensive set of performance measurements that produce a framework of measurement systems and strategy management. The Balanced Scorecard allows companies to track financial performance results while simultaneously monitoring progress in building company capabilities and obtaining the assets needed for the company's future growth.

Initially, a balanced scorecard concept created a bureaucratic performance measurement system that focused only on the budget side. The impact is that the focus of bureaucratic attention is more on realizing financial performance and ignoring non-financial performance such as public service satisfaction, productivity, and apparatus commitment.

Next, the balanced scorecard has developed a function that focuses not only on financial performance but also on preparing strategic planning. In strategic planning, the bureaucracy was faced with 4 (four) components: a financial perspective, a customer perspective, an internal business perspective, and a learning and growth perspective. (Nørreklit *et al.*, 2018).

2.4 SWOT-BSC Integration

The measurement indicators in the SWOT balanced scorecard are derived from the company's vision and strategy. The derivatives of these indicators are divided into four important perspectives, namely: finance, customers, internal business processes, and growth and learning. The indicators are balanced between outcome indicators and indicators that trigger future performance. There are two types of indicators in the balanced scorecard method, namely (Hannabarger *et al.*, 2007):

1. Financial Perspective

The main perspective that is very important to pay attention to, especially in private companies that aim and prioritize to company's profits. Financial measurement has traditionally been carried out for a long time to measure the success of a company, namely those that involve profitability, sales growth, gross income for each period, and others (Ilyasin & Zamroni, 2017).

2. Customer Perspective

Indicators in this perspective are more leading indicators that help companies evaluate their performance in relation to their customers. These measurements are very important to ensure customer loyalty while also increasing new customers.

3. Business Process Perspectives

As with any other perspective, each type of company may have different detailed indicators. In this perspective, it can be explained how the value chain or the so-called value chain in internal business processes.

4. Growth and Learning Perspectives

This perspective is the driving factor of the previous three factors. This improvement in perspective allows companies to get the most out of previous perspectives. In internal business processes there is a measure of process innovation that attaches importance to the needs of R&D (Research and Development), but this is not enough. To be able to further develop, companies need to invest part of the funds for the improvement of infrastructure, human resources, systems, and procedures.

2.5 Previous Research

There have been several previous studies related to SWOT-BSC in the public sector to contribute to this paper. As in the study (Fabac, 2022) with the title Digital Balanced Scorecard System as a Supporting Strategy for Digital Transformation the assumption is that a customized version of the Balanced Scorecard can ensure the better overall success of digital transformation projects. The qualitative analysis methodology was applied to previous research, and this study identified critical issues and challenges related to the strategy and overall endeavor of digital transformation. Based on the methodology of the traditional Balanced Scorecard, a draft version of the Digital Balanced Scorecard was formulated. The Digital Balanced Scorecard is a comprehensive, primarily prescriptive model that is focused directly on the challenges, opportunities, and obstacles of transformation. The Digital BSC provides the projection of financial results and improvements in sustainability after transformation. The proposed solution to support digital transformation can accelerate a

public organization's development, improve efficiency, and strengthen efforts to achieve an organization's sustainability goals. This research contributes as of theoretical enrichment in the application of BSC.

Further research from (Mendes *et al.*, 2012) with the title The balanced scorecard as an integrated model applied to the Portuguese public service: a case study in the waste sector concluded that Overall, in the Portuguese PA service, the BSC is able to: 1) contribute to the precepts of modern public waste management; 2) focus on the strategic management of the client customer relationship; 3) guarantee the best combination of improvement in service, through monitoring and a follow-up process; and 4) achieve management objectives.

More research from (Fooladvand *et al.*, 2015) with the title The application strategic planning and balanced scorecard modelling in enhance of higher education. The study concluded that Balanced Scorecard is introduced and developed to perform the strategies and reach practical results and successful achievements and also translate the strategy into action. Nowadays, it was turned into an efficient strategy formulation and management tool. BSC provides an appropriate framework to facilitate strategy implementation. Balanced evaluation model follows the top to bottom logic i.e., it begins from identifying and defining strategic components and desirable achievements and then it moves to appropriate values of the internal processes and creating substructure. The relationship between the establishing performance factors and optimal achievements forms a hypothesis that specifies the strategy. In other words, strategic hypothesis requires identification of activities which are the factors of establishing desirable achievements in that regard. Strategic plans formulation, in fact, is a prerequisite for balanced scorecard assessment. It is necessary that the leaders, managers, and planners of revolution in the combined approach organizations integrate the strategic planning with the balanced assessment model and gets benefit from its countless results and outcomes, and in the meantime, it provides an opportunity for testing and assessing this combined model and help in developing the management knowledge and leadership in the universities.

Further research from (Grigoroudis *et al.*, 2012) with the title Strategic Performance Measurement in a health care organization: A multiple criteria approach based on balanced scorecard This approach is able to take into account the preferences of the management of the organization regarding the achievement of the defined strategic objectives. The main results of the proposed approach refer to the evaluation of the overall scores for each one of the main dimensions of the BSC methodology (ie. financial, customer, internal business process, and innovation-learning). These results can help the organization to evaluate and revise its strategy, and generally to adopt modern management approaches in every day practice.

Research from (Ekmekçi, 2014) can also be used as a reference for this research with the title Implementing of balanced scorecard: sample of Turkish Republic Ministry of Youth and Sport. With the method of balanced scorecard, institutions can perform measurements of material assets as well as nonmaterial assets. These measurements are performed in four dimensions defined as financial perspective, customer perspective, internal process perspective, and learning and growth perspective. In contemporary management, sport needs to be managed autonomously like developed countries. Turkey is one of the three countries that sport is managed by government. Sport is a state-run institution, but a widespread sector with profit and non-profit organizations in Turkey. For this reason, in this study, the balanced scorecard method is applied to The Ministry of Youth and Sport as a strategic management tool.

3. RESEARCH METHOD

The analytical method used in determining priority policies or programs is the primary key because it determines future policy outputs. The theory and practice of mapping priority programs have developed significantly in the last few decades and develop methods and applications (Brown & Kyttä, 2018). Also, something that needs to be done before determining priority programs is to define strategic issues first. Strategic problems are obtained through a SWOT analysis because they link strengths and opportunities, compensate for weaknesses and predict threats (Nazarko *et al.*, 2017). SWOT analysis techniques can analyze the current situation (internal and external factors) that supports public policies to developing into a solid and learnable system. (Kumar *et al.*, 2018). Therefore, to determine strategic regional issues, it starts with the SWOT analysis method first.

The findings from the SWOT analysis are followed by the application of a scorecard to determine priority programs. According to the results of the analysis, the phasing represents the regional internal and external conditions—the scorecard conducting to find alternative strategies based on the findings of SWOT strategic issues. Balanced scorecard (BSC) is an efficient framework in helping public organizations determine program indicators and achieve targets without increasing costs (Moullin, 2017). The approach taken in the SWOT-BSC will be more innovative and integrative to create optimization in the organization. They are also interrelated with strategic objectives, pay attention to all parties involved, and make public satisfaction. (Korableva & Kalimullina, 2016).

The main thing in implementing a scorecard in an organization is to create a more measurable framework that helps stakeholders ensure the quality of outputs without sacrificing public services and emphasizes a culture of performance management and learning innovation. (Anjomshoe *et al.*, 2017). However, in public organizations, it is often found that the focus of reporting and performance measurement is a problem in itself. This condition is due to a lack of more profound exploration of the Balanced scorecard analysis (Mendes *et al.*, 2012). It can be said that the main thing that hinders the Balanced Scorecard and becomes a challenge arises from the bureaucracy itself, which focuses more on political practice (Northcott & Taulapapa, 2012).

This study was designed with four stages: data collection, data processing, analysis and discussion, and conclusions. Meanwhile, the conceptual framework used to analyze conditions in Kediri Regency used the SWOT method (see Figure 6). Using the SWOT method emphasizes finding alternative strategies driven by ideas sourced from the strengths, weaknesses, opportunities, and threats of a case (Puyt *et al.*, 2020).

The types of data used were qualitative (interviews, observations, and documentation) and quantitative (surveys). Qualitative data was carried out to obtain the SWOT indicator, while quantitative data was to determine weighing when determining the strategy through BSC. In determining the dominant factor of S.W.O.T, researchers did so in two stages. First, was conducting qualitative methods (interviews, observations, documentation) then the results of the interviews were weighed according to the objectivity of the researcher so that seven indicators "S" and "W" were selected as well as 6 indicators "O" and "T". Furthermore, the researcher conducted the validity of the S.W.O.T indicator with quantitative methods to respondents (surveys) consisting of BAPPEDA, and related stakeholders related to development planning. The number of respondents in this study were 62 people and the data collection time was 2 weeks assuming obtaining valid data. Researchers mixed this research method to produce the validity of the data as well as the validity of the data. Before conducting the survey, the researcher weighed the value of the S.W.O.T. indicator.

After obtaining information about Kediri Regency's condition, the researcher weighed several alternative strategies to know the map of internal and external states of Kediri Regency. Furthermore, the researcher distributed the questionnaire to the sample, which was

the study's object to obtain data on the scorecard value and the level of importance of the questionnaire that had been distributed. The scorecard value was then processing into a strategy developed by calculating the Internal Factors (I.F.A.S.), where this factor arises from within an organization consisting of strengths and weakness indicators. This internal factor was usually about the picture of the potential and budget of an organization. Meanwhile, external factors (E.F.A.S.) which consists of Opportunities and Threats come from outside the organization. These factors usually include natural geographical conditions, support from outside organizations or natural disasters, and so on. The balanced scorecard concept map can provide the most focused information for planners to determine the program. The strategy implementation obtained from the balanced scorecard planning impacts positive changes because it includes human resource management, conceptual innovation, and technology (Hu *et al.*, 2017).

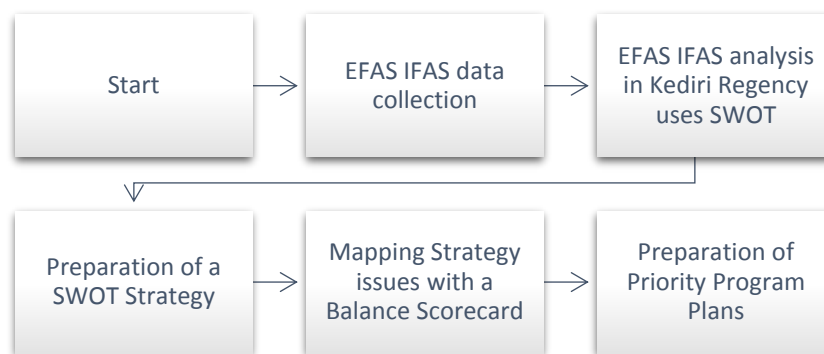


Figure 6. Conceptual Framework

Source: Research findings, 2021.

4. RESULT AND DISCUSSION

4.1 Analysis of Internal and External Conditions in Kediri Regency

Internal conditions include strengths and weaknesses, while external conditions consist of opportunities and challenges. This section will describe the current conditions in the Kediri Regency in terms of internal and external conditions as shown on Table 1. This study's results obtained from collecting primary data (interviews and questionnaires) and secondary data (literature study).

Table 1. S.W.O.T

No	Strengths	Most Scores				Average value
		4	3	2	1	
1	Open Unemployment is decreasing, and Labor Force Participation is increasing			√		2.225
2	S.A.R.A.'s safety and tolerance are increasing	√				3.000
3	People's purchasing power has increased			√		2.348
4	The economic growth of the agricultural sector is increasing	√				2.813
5	Educational support facilities in the village have increased		√			2.674
6	Fishery production and fish consumption are increasing consistently every year		√			2.441

7	The food stock for the community is sufficient and even abundant	√	2.767
Total Score			18.268

No	Weaknesses	Most Scores				Average value
		4	3	2	1	
1	The HDI of Kediri Regency is still below the surrounding area		√			2.651
2	The percentage of teachers certified has a declining trend			√		2.325
3	Lack of gender-responsive awareness			√		2.279
4	Unarranged green open space (urban forest, green plants, big trees, etc.)			√		2.255
5	No waste processing system utilizes appropriate technology	√				2.767
6	Growth centers such as markets, tourist attractions, and other centers of activity have not been well managed			√		2.627
7	The ratio of regional revenue to the G.R.D.P. sector as a whole decreased 0.12%			√		2.534
Total Score						17.438

No	Opportunities	Most Scores				Average value
		4	3	2	1	
1	Poor community health service program from Central Government	√				2.930
2	Community participation around Kediri Regency increases in the prevention of disasters and infectious diseases		√			2.674
3	Central government support in the construction of international airports and other supporting infrastructure	√				2.720
4	Central government support in empowering creative industries and MSMEs		√			2.813
5	One of the areas that have natural and cultural reserves, so that has the potential to become the tourism	√				2.744
6	To be the focus of central government development in the extensive livestock, poultry, and freshwater cultivation sectors	√				2.720
Total Scores						16.601

No	Treats	Most Scores				Average value
		4	3	2	1	
1	The Covid-19 Pandemic	√				3.232
2	Central government gender-responsive policies		√			2.720
3	Inflation that continues to increase	√				2.906
4	Electronic-based government system policy	√				2.837
5	Industrial revolution 4.0	√				3.255
6	The incoming foreign investors began to threaten MSMEs	√				3.093
Total Scores						18.046

X-Axis		Y-Axis	
= Total Scores (S) - Total Scores (W)		= Total Scores (O) - Total Scores (T)	
= 18.268 - 17.438		= 16.601 - 18.046	
= 0.83 / (S)		= -1.45 / (T)	

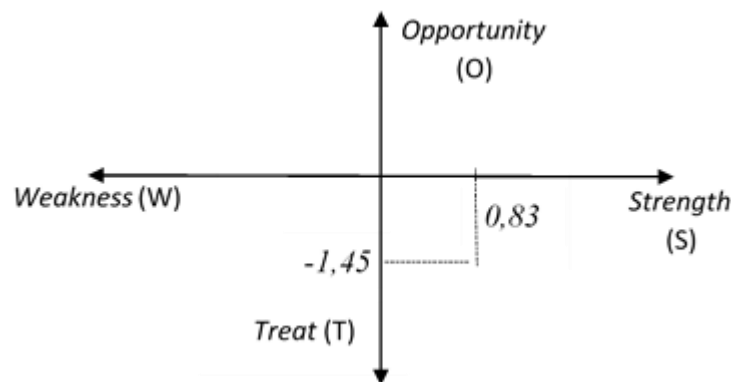


Figure 7. SWOT Quadrant of Kediri Regency

Source: Research findings, 2021.

After collecting data through surveys and questionnaires to 62 respondents, the results obtained were as follow (see Figure 7). First, the internal quadrant (S) and (W) are more dominant (S) with a difference of 0.83. Second, the external (O) and (T) quadrants are more prevalent (T) by the difference (-1.45). Therefore, based on Figure 1, the SWOT quadrant position of Kediri Regency is in quadrant (3), which means that the most suitable strategy to use is the S.T. strategy. This strategy must optimize strength and avoid or minimize the obstacles that will be faced. Second, the external (O) and (T) quadrants are more dominant (T) by the difference (-1.45). Therefore, based on Figure 1, it is obtained that the SWOT quadrant position of Kediri Regency in quadrant (3) meaning that the most suitable strategy to use is S.T. This strategy must optimize strength and avoid or minimize the obstacles that will be faced (Kumar *et al.*, 2018), (Korableva & Kalimullina, 2016).

4.4 Mapping Strategy with Balanced Scorecard

The quadrant three SWOT diagram illustrates an organization/company's condition in a position of diversification strategy – this strategy carried by to diversify several regional policy products. Diversification is the creation of new policy products to enter new market segments (Mendes *et al.*, 2012). If described in the internal and external conditions in Kediri Regency, the direction of development must be changed from previous development themes to face the challenges that will come.

From the theory, program/ policy diversification is an effort made by the government to develop regions and pursue growth, increase regional income, community satisfaction, and good service indicators. Diversification will force regional heads to produce innovations in the policy context. The community is also encouraged to adapt to these innovative policies. So, if the main objectives of development achieving, it will increase the quality of public service satisfaction. Keep in mind that these results must be finalized through a political process where the results of this study must obtain the approval of stakeholders (DPRD, Bureaucrats and the public), Based on these conditions, the alternative S-T strategies that local governments can carry out are as follows on Table 2:

Table 2. Balanced Scorecard Alternative Strategies

No	S-T Strategies	Type of Strategies
1	Realize the quality of life through the prevention of disasters and infectious diseases, as well as being gender-responsive	Diversification
2	Increase economic growth through agriculture, fisheries, and the M.S.M.E. sectors	Diversification
3	Improve the quality of bureaucratic services based on e-governance by prioritizing accountability, efficiency, and effectiveness	Diversification
4	Improve the quality of human resources based on quality education and a competent workforce	Diversification

Source: Research findings, 2021.

4.5 Mapping of Priority Programs Using B.S.C. Perspective

Every perspective in the Balanced Scorecard is related and can be presented in map form. The strategy map provides an overview of the relationship between one philosophy and another and has a causal relationship. In implementing this strategy, decision makers can communicate it to all sectors involved in the development plan. There are two types of measurement in the balanced scorecard: outcome lagging and performance-leading size. (Korableva & Kalimullina, 2016). Alternative strategies that have been founding will be measuring through four balanced scorecard perspectives: financial, customer, internal process, and growth learning perspectives. (Pearce & Robinson, 2011).

As for the steps in determining regional priority programs, we use the Balanced Scorecard Perspective. Of the four alternative strategies that have been found, we had reduced them into priority programs based on the previous evaluation of the development of Kediri Regency. Evaluation measuring instruments through IFAS and EFAS SWOT. Development evaluation was obtained from secondary data in the form of LKPJ, Regional LAKIP, and other Accountability Reports as well as primary data through Focus Group Discussion (FGD) with the Kediri Regency RPJMD planning team and consultants. So that the priority program of Kediri Regency can be determined from the evaluation. In addition, the target was viewed from the benchmark data of the previous five years so that we could confidently forecast the performance target of the previous five-year program.

Kediri Regency policy actors must also consider synchronizing Kediri Regency's priority programs with East Java Province. The results of the Provincial deliberations determined that East Java has seven priority programs. The seven priorities for East Java development in 2023 are people's economic recovery through increasing the added value of the secondary sector and tourism, strengthening connectivity between regions in an effort to equalize development results and improve infrastructure services. Then the improvement of education, health, productivity, and competitiveness services of employment as well as poverty alleviation, increasing social awareness and preserving local cultural values. Furthermore, increasing food independence and energy resource management, increasing disaster resilience and environmental quality, and finally increasing peace and public order as well as improving the quality of public services for the people of East Java.

The final step of the specified priority program will be associated with the four perspectives of the Balanced Scorecard. Mapping Strategy of Kediri Regency Priority Program can be seen in the following Table 3:

Table 3. Mapping of Priority Programs and Targets for Kediri Regency

Strategies	Priority Programs	Indicators	Target				
			2021	2022	2023	2024	2025
Financial perspective							
Increase economic growth through agriculture, fisheries, and the M.S.M.E. sectors	Increase the capacity of science and technology for agricultural and fishery production systems	The percentage of increasing agricultural and fishery production	5.24	6.24	7.24	8.24	9.24
	Mastery of creative economy technology-based industries	The percentage of M.S.M.E.s that have increased the level	50	55	60	65	70
Customer Perspective							
Realize the quality of life through the prevention of disasters and infectious diseases, as well as being gender-responsive	Development of national insight	The percentage of decrease in conflict with racial background	100	100	100	100	100
	Resilient village for disasters and infectious diseases	The percentage of villages resilient to disasters and infectious diseases	74	78	83	88	92
	Increased gender participation and equality in development	Gender empowerment index	87.2	89.2	91.2	93.2	95.2
The Organizational Process and Capacity Perspective							
Improve the quality of bureaucratic services based on e-governance by prioritizing accountability, efficiency, and effectiveness	Apparatus capacity building through digital government	Digital government maturity index	71.4	72.4	73.4	75.4	76.4
	Electronic-based monitoring of accountability systems	Government accountability system index	B	B	B	A	A
Learning and Growth Perspective							
Improve the quality of human resources based on quality education and a competent workforce	Improve education management and supporting facilities	Education index	76.5	77.5	78.5	79.5	80.5
	Independence of a competitive and professional workforce	The percentage of unemployment reduction	7.22	6.22	5.22	4.22	3.22

Source: Research findings, 2021.

5. CONCLUSION

Based on calculations from the SWOT analysis, it can be concluded that the current condition of Kediri Regency is in the S-T quadrant. Strategies that can be carried out are diversification, meaning that planning actors must seek new policy innovations to minimize

the future development plan's obstacles. There are 4 (four) strategies that can be implemented, including realizing the community's quality of life through community participation in preventing disasters and infectious diseases and being gender responsive. Second, increasing economic growth through strengthening the sectors of Agriculture, Fisheries, and M.S.M.E.s. Third, improve the quality of bureaucratic services based on e-governance by promoting accountability, efficiency, and effectiveness. Fourth, improving the quality of human resources based on quality education and a competent workforce. The four strategies have been mapped into priority programs that can be outlining in the Kediri Regency R.P.J.M.D. Document.

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