

Organizational Performance at the Sungai Pinang Police Sector, Samarinda: Does Whistleblowing System influence Good Corporate Governance?

Ramadana Sugeng Widodo¹, Irwansyah², Zaki Fakhroni³

^{1,2,3}*Accounting, Mulawarman University, Samarinda, Indonesia*

ABSTRACT : This study aims to provide empirical evidence on the influence of good corporate governance on organizational performance. Additionally, this study offers empirical evidence on the ability of whistleblowing system to moderate the impact of good corporate governance on organizational performance at the Sungai Pinang Police Sector Samarinda. The sample for this study was selected using purposive sampling and comprised 130 respondents who are individuals aged 18 years and older, in good physical health without any history of mental illness, and have reported or are currently reporting an issue at the Sungai Pinang Police Sector Samarinda. This study employs a quantitative research design, with primary data obtained directly from respondents through questionnaires. The data analysis method used in this research is Partial Least Square (PLS). This research finds that good corporate governance with the principles of transparency, accountability, responsibility, independence, and fairness, has a positive effect on performance. This research also found that the whistleblowing system strengthens the influence of good corporate governance on performance.

KEYWORDS - *Good Corporate Governance, Organization Performance, Whistleblowing System*

I. INTRODUCTION

The introduction of the paper should explain the nature of the problem, previous work, purpose, and the contribution of the paper. The contents of each section may be provided to understand easily about the paper. The Sungai Pinang Police Sector (Polsek Sungai Pinang) is a law enforcement institution with jurisdiction over the Sungai Pinang area and parts of North Samarinda in Samarinda City. Its primary responsibilities include maintaining public security and order, enforcing the law, and providing protection, guidance, and services to the community in accordance with prevailing laws and regulations. In its implementation, the Sungai Pinang Police Sector delivers services 24 hours a day without holidays and upholds the principle of transparency by not charging any fees for its services. Nevertheless, negative perceptions persist within the community, where police services are often assumed to require certain fees, indicating a gap between the actual service practices and public perception.

One case that reflects this gap in perception occurred in 2023, when a misunderstanding arose regarding the handling of a reported loss with a value below IDR 2,500,000. Based on Supreme Court Regulation Number 2 of 2012, such a case falls under the category of a minor criminal offense (*tindak pidana ringan* or *tipiring*), which is subject to specific handling procedures, including the absence of detention and the use of expedited examination processes. However, the public's limited understanding of this regulation triggered misinterpretations that subsequently went viral on social media. This situation highlights the importance of effective communication and information transparency in enhancing public understanding of applicable legal procedures.

To improve service quality and address public perceptions, the implementation of sound organizational governance, commonly referred to as Good Corporate Governance (GCG), is essential. The application of GCG at the Sungai Pinang Police Sector encompasses the principles of transparency, accountability, responsibility, independence, and fairness. These principles are manifested through the publication of service-related information, the execution of duties in accordance with standard operating procedures, the imposition of sanctions for violations, objective decision-making processes, and the provision of opportunities for personnel to convey feedback to leadership. Through the optimal implementation of GCG, it is expected that a transparent and professional system of organizational governance can be achieved.

In addition, the implementation of a whistleblowing system constitutes an important mechanism in supporting the application of Good Corporate Governance (GCG). This system enables both the public and internal members of the organization to report alleged misconduct committed by police personnel, with assurances of confidentiality and clear follow-up procedures. Through this mechanism, oversight of law enforcement

performance can be enhanced, thereby promoting integrity and accountability in public service delivery. Accordingly, the whistleblowing system functions not only as a control instrument but also as a preventive measure against potential violations.

Based on prior studies, the implementation of Good Corporate Governance (GCG) principles has been shown to influence organizational performance, although not all principles exert the same level of impact. Therefore, this study aims to analyze the effect of Good Corporate Governance implementation on the performance of the Sungai Pinang Police Sector under the Samarinda City Police (Polresta Samarinda), with the whistleblowing system serving as a moderating variable. This research is also expected to contribute to enhancing public understanding of police services and strengthening public trust in law enforcement institutions through improvements in organizational performance.

II. LITERATUR RIVIEW AND HYPHOTESIS DEVELOPMENT

2.1 *Contingency Theory*

According to Fisher (1998), contingency theory explains that control systems within an organization depend on the context in which such controls are implemented. Zainuddin (2003) further states that a Management Control System (MCS) based on a contingency approach aims to assess the alignment or fit between the management control system, contextual variables, and outcome variables that function as dependent variables. Meanwhile, Nuzulia (2018) argues that contingency theory in management control occupies a position between two extreme perspectives.

2.2 *Good Corporate Governance*

The Forum for Corporate Governance in Indonesia (FCGI) defines Good Corporate Governance (GCG) as a system that regulates the relationships among internal and external parties, including investors, corporate management, creditors, the government, employees, and other stakeholders. Similarly, the Organisation for Economic Co-operation and Development (OECD) describes Good Corporate Governance as a system that governs the relationships between company management, the board of directors, shareholders, and other parties with an interest in the organization. These relationships aim to ensure that the company is managed in a transparent and accountable manner, in alignment with the interests of its stakeholders. Furthermore, William et al. (2013) state that the effective implementation of Good Corporate Governance can encourage both the board of directors and management to perform more optimally in achieving organizational objectives.

The implementation of Good Corporate Governance (GCG) within an organization requires adherence to specific principles to ensure its effective execution and the optimization of organizational performance. The National Committee on Governance Policy (Komite Nasional Kebijakan Governance or KNKG) identifies five core principles of GCG as follows (William et al., 2013): Transparency, Accountability, Responsibility, Independency, and Fairness.

2.3 *Organizational Performance*

Organizational performance refers to the outcomes achieved by an organization at a particular level or unit of analysis. According to Rummier and Brache (1995) as cited in Sudarmanto (2009), organizational performance is associated with the results attained by an organization in relation to its objectives, organizational design, and management processes. Meanwhile, Etzioni (1985) as cited in Keban (2008) states that organizational performance can be assessed based on the extent to which an organization is able to achieve its predetermined goals. On the other hand, Bastian (2005) as cited in Tangkilisan (2007) explains that organizational performance reflects the level of success in the execution of tasks within an organization in order to achieve its targets, goals, vision, and mission.

2.4 *Whistleblowing System*

The Whistleblowing System is a program designed to receive and manage reports of fraudulent or unethical behavior. Wardani and Sulhani (2017) explain that such reporting is best conducted confidentially to protect whistleblowers from potential risks, such as threats or workplace intimidation. The theoretical framework used to measure the whistleblowing system is derived from the National Committee on Governance Policy (*Komite Nasional Kebijakan Governance*) (2008:4), which identifies three key indicators of a whistleblowing system: structural aspects, operational aspects, and maintenance aspects.

2.5 Hypothesis Development

Contingency theory, introduced by Fred Fiedler (1967), emphasizes that leadership effectiveness depends on the alignment between leadership style and organizational context. In the Sungai Pinang Police Sector, the implementation of Good Corporate Governance (GCG) reflects this alignment by supporting professional and accountable public services. The principles of transparency, accountability, responsibility, independence, and fairness contribute to improving service performance and strengthening public trust. These findings are consistent with Ramadhanti and Fitriah (2022) and Ritonga (2023), who found that GCG positively influences organizational performance.

Furthermore, contingency theory explains the whistleblowing system as a moderating variable that strengthens the relationship between GCG and performance. The system, implemented by the provost unit, functions as a confidential reporting and oversight mechanism, encouraging personnel to act cautiously and adhere to procedures. This finding aligns with Wulandari and Kadarmantha (2024), who argue that whistleblowing systems enhance performance through stronger organizational ethics. However, Yasir and Sulhani (2025) suggest that such systems may not always significantly reduce fraud, indicating the need for further development to optimize their effectiveness.

H1: Good Corporate Governance positively and significantly affects performance.

H2: The whistleblowing system strengthens the effect of Good Corporate Governance on organizational performance.

III. RESEARCH METHOD

The population of this study consists of residents of the Sungai Pinang District and the North Samarinda District. According to BPS data for 2024, the number of population in Sungai Pinang is 112.823. In this study, we used the Taro Yamane formula to determine the minimum sample size, which resulted in 100 population. Sampling was conducted using purposive sampling with the following criteria: Individuals who have previously reported or are currently reporting cases to the Sungai Pinang Police Sector, adult individuals aged 18 years and above, and individuals who are in good mental health and do not have any mental disorders. The questionnaire was distributed at Polsek Sungai Pinang A total of 120 questionnaires were received during the distribution period.

This study employs the Partial Least Squares (PLS) data analysis method using SmartPLS 4 software. PLS analysis must meet two criteria: outer model testing and inner model testing. Outer model testing concerns the validity and reliability of research indicators. Convergent validity is assessed using AVE (Average Variance Extracted) and factor loading values. Discriminant validity is evaluated through cross-loading values, while reliability testing is conducted using Cronbach's Alpha and composite reliability values. The results of the validity and reliability tests indicate that the questionnaire is valid and reliable.

IV. RESULT AND DISCUSSION

Based on the results of the analysis using the Partial Least Squares-based Structural Equation Modelling (SEM-PLS) approach, the model evaluation was carried out in two main stages, namely the measurement model evaluation (outer model) and the structural model evaluation (inner model).

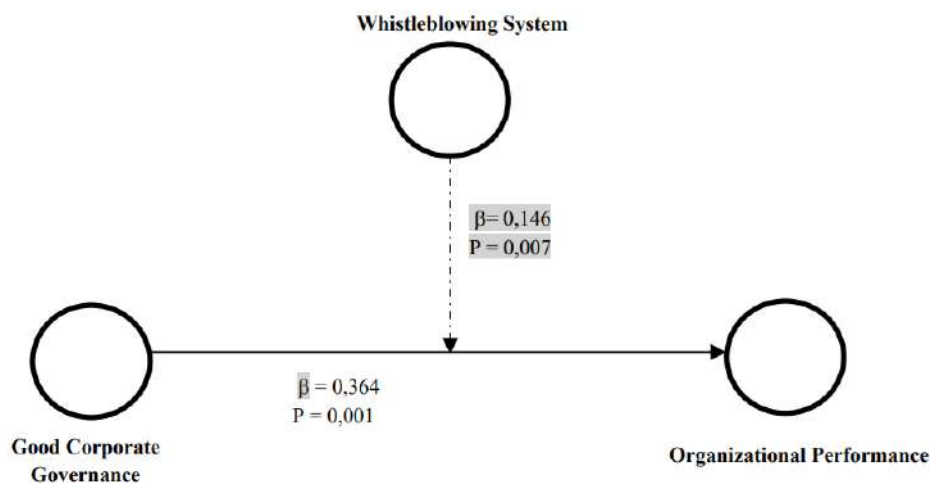


Figure 1 Test Result

This study provides empirical evidence that the first hypothesis is supported, indicating that the better the implementation of Good Corporate Governance (GCG) at the Sungai Pinang Police Sector, the higher the level of police performance in delivering public services. The principle of transparency is realized through the provision of clear and easily accessible information regarding service procedures in accordance with standard operating procedures (SOPs), enabling the public to better understand reporting processes and minimizing potential misunderstandings. The principle of accountability is reflected in services delivered in compliance with established regulations, as well as in the ability of personnel to follow up on public reports in a timely, accurate, and comprehensive manner. Furthermore, the principle of responsibility is demonstrated through the commitment to completing service tasks promptly, while the principle of independence is evident in the ability of personnel to provide objective services without external interference. The principle of fairness is manifested through equal treatment of all members of the public without discrimination, which ultimately enhances public trust in the police institution.

These findings are consistent with contingency theory, which posits that the effectiveness of governance depends on its alignment with organizational conditions. In the context of the Sungai Pinang Police Sector, the implementation of GCG principles is considered relevant to the institution's need to deliver professional and accountable public services, thereby improving service effectiveness and organizational performance. The results of this study are also consistent with prior research, such as Ramadhanti and Fitriah (2022), who found that GCG has a positive effect on performance, and Abdurrahman and Novita (2021), who demonstrated that the implementation of GCG enhances organizational performance. Therefore, the implementation of GCG constitutes a critical factor in driving organizational performance improvement, particularly within the context of public service delivery at the Sungai Pinang Police Sector.

This study provides empirical evidence that the second hypothesis is supported, indicating that the whistleblowing system strengthens the effect of Good Corporate Governance (GCG) on organizational performance. The implementation of the whistleblowing system by the provost unit of the Sungai Pinang Police Sector serves as a mechanism for reporting alleged misconduct by personnel, as well as an oversight instrument that promotes caution, discipline, and compliance with standard operating procedures (SOPs). These findings are consistent with contingency theory, which posits that the effectiveness of a system depends on its alignment with organizational conditions. In the context of a law enforcement organization characterized by potential risks of misconduct and external pressures, the presence of a whistleblowing system acts as a contextual factor that enhances the effectiveness of GCG implementation, thereby generating a more significant impact on performance improvement.

The results of this study are in line with prior research, such as Trijayanti et al. (2021), which found that a whistleblowing system contributes to reducing fraudulent behavior, and Akhyaar et al. (2022), which demonstrated that the system strengthens internal control through monitoring mechanisms. Furthermore, Simbolon and Kuntadi (2022) emphasized that a whistleblowing system functions not only as a reporting channel but also as an organizational oversight instrument. Therefore, the whistleblowing system constitutes an essential component of GCG practices that promotes transparency, accountability, and overall organizational performance, particularly within the context of public service delivery at the Sungai Pinang Police Sector.

V. CONCLUSION

The test results demonstrate that the Sungai Pinang Police Sector has implemented Good Corporate Governance (GCG) through the principles of transparency, accountability, responsibility, independence, and fairness in order to enhance service effectiveness, strengthen public trust, and improve organizational performance. Accordingly, strong organizational performance will support the Sungai Pinang Police Sector in achieving its institutional objectives as a protector, guardian, and public service provider, as well as a law enforcement agency. Furthermore, the moderating effect analysis indicates that the whistleblowing system strengthens the influence of Good Corporate Governance on the performance of the Sungai Pinang Police Sector. This is because the whistleblowing system, functioning as an oversight mechanism implemented by the internal provost unit, fosters a sense of caution and awareness among personnel in carrying out their duties, thereby contributing to improved organizational performance.

REFERENCES

This heading is not assigned a number.

A reference list **MUST** be included using the following information as a guide. Only *cited* text references are included. Each reference is referred to in the text by a number enclosed in a square bracket (i.e., [3]). References **must be numbered and ordered according to where they are first mentioned in the paper, NOT** alphabetically.

- [1] Abdurrahman, A., dan Novita. (2021). Implementasi Pengendalian Internal Berdasarkan Cocco Framework Dan Good Corporate Governance Terhadap Kinerja Perusahaan : Studi Kasus Pada PT. Reasuransi Syariah Indonesia. *Jurnal Ilmiah Mahasiswa Akuntansi*, 10(1), 1-10. <https://doi.org/10.33508/jima.v10i1.2779>.
- [2] Akhyaar, K., Purwantini, A.H., Afif, W., Prasetya, W.A. (2022). Pengaruh Kepatuhan Pelaporan Keuangan, Sistem Pengendalian Internal Dan Whistleblowing System Terhadap Pencegahan Fraud Pengelolaan Dana Desa. *Jurnal Krisna: Kumpulan Riset Akuntansi*, 13(22),202-217. <https://doi.org/10.22225/kr.13.2.2022.202-217>
- [3] Fisher, G. J. (1998). Contingency Theory, Management Control System and Firm Outcomes: Past Results and Future Directions. *Behavioural Research in Accounting*.
- [4] Nuzulia, A. (2018). Teori Kontinjensi, Sistem Pengendalian Manajemen Dan Outcomes Perusahaan. *Angewandte Chemie International Edition*, 6(11), 951–952., 4, 5–24.
- [5] Ramadhanti A., dan Fitriah E. (2022). Pengaruh Penerapan Good Corporate Governance Terhadap Kinerja Karyawan. *Bandung Conference Series: Accountancy*
- [6] Ritonga, Pardomuan. (2023). Penerapan Good Corporate Governance Terhadap Kecepatan Kinerja Perusahaan. *Journal of Comprehensive Science*, 2(3), 820-824.
- [7] Sudarmanto. (2009). *Kinerja dan Pengembangan Kompetensi SDM*. Yogyakarta : Pustaka Pelajar.
- [8] T. Keban, Y. (2008). *Enam Dimensi Strategi Administrasi Publik Konsep, Teori dan Isu*. Yogyakarta: Gava Media
- [9] Tangkilisan, H. N. S. (2005). *Manajemen Publik*. Jakarta: PT. GramediaTrijayanti, I., Hendri, N., Sari, G.P. (2021). Pengaruh Komite Audit, Audit Internal, dan Whistleblowing System Terhadap Pencegahan Fraud. *The 4th FEBENEFECIUM: Business and Economics Conference in Utilization of Modern Technology*. Magelang
- [10] Wardani, C. A., & Sulhani. (2017). Analisis Faktor-Faktor Yang Mempengaruhi Penerapan Whistleblowing. *Jurnal Aset (Akuntansi Riset)*, 9(1), 29–44. [Http://Ejournal.Upi.Edu/Index.Php/Aset](http://Ejournal.Upi.Edu/Index.Php/Aset)
- [11] William, L., Mustamu, R. H., Bisnis, P. M., Manajemen, P. S., & Petra, U. K. (2013). Penerapan Prinsip-Prinsip Good Corporate Governance Pada Perusahaan Keluarga : Studi Deskriptif Pada Distributor Makanan. 1(1).
- [12] Wulandari, E. V., & Kadarmanta, R. A. (2024). Penerapan Kode Etik Perusahaan Melalui Whistle Blower Dalam Meningkatkan Kinerja Perusahaan (Studi Kasus Pada Pt. Sreeya Sewu Indonesia, Tbk). *Jurnal Ekonomi Dan Bisnis Digital*, 2(1), 494–499.
- [13] Yasir, M., & Sulhani. (2025) Analisis Penerapan Whistleblowing System dan Dampaknya pada Pencegahan Kecurangan Karyawan. *Jurnal Riset Akuntansi Aksioma*, 24 (1), 140-149. <https://doi.org/10.29303/aksioma.v24i1.478>