

Government Credit Card in State Financial Management: Public Sector Innovation in Indonesia

Authors : Paramita Nur Kurniati, Stanislaus Riyanta

Abstract : In the midst of the heightened usage of electronic money (e-money), Indonesian government expenditure is yet governed through cash-basis transactions. This conventional system brings about a number of potential risks and obstacles to operational conduct, including state financial liquidity issue. Consequently, Ministry of Finance is currently establishing the cashless payment methods for State Budget (APBN). Included in those advance methods is credit card facility as a government expenditure payment scheme. This policy is one of the innovations within the public sector learned from other countries' best practices. Moreover, this particular method is already prominent within the private-sector realm. Qualitative descriptive analysis technique is implemented to evaluate the contemporary innovation of using government credit card in the path towards cashless society. This approach is expected to generate several benefits for the government, particularly in minimizing corruption within the state financial management. Effective coordination among policy makers and policy implementers is essential for the success of this policy's exercise, without neglecting prudence and public transparency aspects. Government credit card usage shall be the potent resolution for enhancing the government's overall public service performance.

Keywords : cashless basis, cashless society, government credit card, public sector innovation

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