

Building Investment Compliance Through LKPM Development: Analysis of The Performance DPMPTSP of Palembang

Angga Afriansyah, Januar Eko Aryansah

Department of Public Administration, Sriwijaya University

email: anggaafriansyah2018@gmail.com

Abstract

This study aims to analyze employee performance in fostering the reporting of Investment Activity Reports (LKPM) for business actors at the Palembang City Investment and One-Stop Integrated Services Agency (DPMPTSP). The UKPM is an important instrument for monitoring investment realization and business actors' compliance with regulations. This study used qualitative methods using interview, observation, and document analysis techniques. The results show that coaching activities are influenced by employee work quality, adherence to deadlines, and information technology support. Although the level of business actors' compliance in reporting LKPM has increased, obstacles such as lack of socialization and limited staff remain. Therefore, strategies are needed to increase employee capacity, optimize technology utilization, and improve coordination with business actors to ensure smooth and transparent investment reporting.

Keywords: Employee Performance, LKPM, Development, Investment, DPMPTSP Palembang City

INTRODUCTION

Investment is a crucial factor in driving regional and national economic growth. Through investment, the government can increase production capacity, create jobs, and encourage sustainable development. To support effective investment monitoring and evaluation, the government requires every business actor to submit a periodic Investment Activity Report (LKPM) through the Online Single Submission Risk-Based Approach (OSS-RBA) system. The LKPM serves as a tool for monitoring investment realization, business development, employment, and various obstacles faced by business actors in carrying out their activities.

In practice, the level of compliance of business actors in submitting LKPM remains a challenge for local governments. Therefore, the role of the Investment and One-Stop Integrated Services Agency (DPMPTSP) is crucial in providing guidance, mentoring, and outreach to business actors so they are able to prepare and report LKPM in accordance with applicable regulations. Employee performance is a key factor in determining the success of this guidance, as the quality of service, responsiveness, productivity, and innovation capabilities of employees will influence the level of compliance of business actors in LKPM reporting.

The Palembang City DPMPTSP is an agency tasked with providing licensing and investment services, including providing guidance to business actors regarding LKPM reporting obligations. Various guidance efforts have been implemented through outreach, technical assistance, direct consultations, and the use of digital systems to help business actors understand LKPM reporting procedures. However, various obstacles remain, such as low levels of understanding among business actors, limited human resources, and technical obstacles in the use of electronic reporting systems.

Data from the Palembang City DPMPTSP shows that the LKPM performance percentage increased from 52.68% in 2020 to 115.27% in 2023. However, it decreased to 92.44% in 2024. This indicates that although the coaching provided has yielded positive results, there are still factors that need to be evaluated to maintain consistent levels of business compliance in LKPM reporting. Furthermore, the number of businesses registered in LKPM reporting also

fluctuates, indicating the need to improve the effectiveness of coaching and services to business actors.

Employee performance in public organizations can be measured through several indicators, including the quality and quantity of work output, adherence to deadlines, productivity targets, and the level of innovation and contribution to organizational goals. The application of these indicators is crucial in assessing the extent to which Palembang City DPMPTSP employees are able to effectively carry out their LKPM reporting development function.

Based on the above description, this study aims to analyze the performance of Palembang City DPMPTSP employees in fostering LKPM reporting for business actors. The results are expected to contribute to the development of public administration studies, particularly regarding the performance of apparatus in service and investment development, as well as serve as evaluation material for Palembang City DPMPTSP in improving the quality of service to business actors.

METHOD

This study uses a qualitative research method with a descriptive approach to analyze employee performance in efforts to foster reporting of Investment Activity Reports (LKPM) for business actors at the Palembang City Investment and One-Stop Integrated Service Office (DPMPTSP). The research data consists of primary data obtained through interviews and observations and secondary data obtained from relevant documents, reports, and literature. Research informants were selected using a purposive sampling technique, namely based on the consideration that informants have knowledge and direct involvement in the implementation of LKPM reporting guidance. Data collection techniques were carried out through observation, interviews, and documentation, while data analysis used an interactive model that includes data collection, data reduction, data presentation, and drawing conclusions. The focus of the research refers to the performance theory of Suryani et al. (2020) which includes the quality and quantity of work results, adherence to deadlines, productivity in accordance with targets, as well as the level of innovation and contribution to organizational goals.

RESULTS AND DISCUSSION

Research Results Based on Employee Performance Indicators

Indicator	Research result
Quality and Quantity of Work Results	Palembang City DPMPTSP staff have provided guidance and assistance to business actors through outreach, consultations, and technical assistance on LKPM reporting. The information provided is clear enough to help improve business actors' understanding.
Compliance with Deadlines	Employees actively remind businesses of the LKPM reporting schedule. However, some businesses still report late due to technical issues and a lack of understanding of the OSS-RBA system.
Productivity on Target	The coaching carried out was able to increase the number of business actors submitting LKPM and support the achievement of investment control targets in Palembang City.
Level of Innovation and Contribution Organizational Goals	Utilization of the OSS-RBA system and digital communication media simplifies the LKPM coaching and reporting process, thereby supporting increased business actor compliance.

Source: *Researcher Analysis Results, 2025*

1. Quality and Quantity of Work Results

Based on the research results, the quality and quantity of the work of the Palembang City Investment and One-Stop Integrated Services Agency (DPMPTSP) employees in fostering the reporting of Investment Activity Reports (LKPM) showed quite good achievements. Employees actively carry out various coaching activities through socialization, consultation, technical assistance, and information services to business actors who are required to submit LKPM. These activities are carried out both directly and through digital media integrated with the Online Single Submission Risk Based Approach (OSS-RBA) system. The clarity of information provided by employees helps business actors understand the procedures, schedules, and methods of LKPM reporting, thereby increasing the level of compliance in investment reporting.

An interview with the Head of the Investment Implementation Control Division of the Palembang City DPMPTSP revealed that LKPM guidance is conducted periodically through outreach activities for business actors, technical guidance, and direct consultations for companies experiencing difficulties in completing reports. The informant stated that employees strive to provide responsive service and assist business actors in resolving various administrative and technical obstacles in the OSS-RBA system. Meanwhile, interviews with several business actors indicated that the service provided by employees was considered quite good because officers were able to explain reporting procedures in detail and provide solutions when obstacles arose in inputting LKPM data.

These findings are reinforced by the researchers' observations, which indicate that Palembang City DPMPTSP employees actively provide assistance to business owners who consult regarding LKPM reporting. During the observations, consultations were observed, both in person and through digital communication channels such as telephone and instant messaging. Employees also demonstrated a good grasp of the OSS-RBA system, enabling them to provide appropriate guidance to business owners. However, several obstacles were still identified, such as the limited number of employees compared to the number of business owners to be assisted, resulting in overcrowding during certain periods.

In terms of work quantity, data from the Palembang City DPMPTSP shows an increase in LKPM reporting performance in recent years. The LKPM performance achievement percentage increased from 52.68% in 2020 to 115.27% in 2023. This condition indicates that employee guidance is able to increase the number of business actors submitting reports on time. However, in 2024, this achievement decreased to 92.44%. This decrease was influenced by the increase in the number of business actors required to report LKPM, changes in investment regulations, and the persistence of business actors who do not understand the use of electronic-based reporting systems. Nevertheless, this achievement still indicates that employee performance in LKPM guidance is in the fairly good category. The results of this study align with research by Monica and Putri (2023), who found that technical guidance activities for OSS-RBA and LKPM can improve business actors' understanding of investment reporting obligations, thereby impacting investment realization. Furthermore, research by Rosidi and Kusbandrijo (2024) also concluded that implementing an OSS-based LKPM can improve the effectiveness of investment services and facilitate business actors in fulfilling their administrative obligations. These research findings strengthen the argument that service quality, employee competence, and the intensity of coaching are important factors in improving business actor compliance with LKPM reporting.

2. Compliance with Deadlines

Based on the research results, the performance of Palembang City DPMPTSP employees in terms of compliance with the LKPM reporting deadlines showed quite good results. Employees actively undertake various efforts to ensure that business actors submit LKPM according to the schedule set by the Ministry of Investment/BKPM. These efforts are carried out through direct notification, regular outreach, dissemination of information through digital communication media, and consultations with business actors experiencing difficulties in the reporting process. These reminder activities are important because the timeliness of LKPM reporting is one indicator of the success of investment control and business actors' compliance with investment regulations.

Interviews with employees of the Investment Implementation Control Division of the Palembang City DPMPTSP revealed that before the reporting deadline, officers routinely contacted business owners via telephone, email, WhatsApp groups, and other communication media to remind them of their LKPM reporting obligations. According to informants, most business owners who actively communicate with the DPMPTSP tend to be more compliant in submitting reports on time. However, some business owners still report late in reporting their LKPM due to a lack of understanding of the reporting procedures through the OSS-RBA system, particularly small and medium-sized businesses with limited human resources for company administration. These findings were reinforced by observations conducted by researchers at the Palembang City DPMPTSP. During the observation process, it was observed that employees actively provided assistance to business owners who encountered difficulties in entering data and uploading reports through the OSS-RBA system. Several business owners who came for consultations admitted to experiencing difficulties in understanding system features, changes in reporting formats, and technical obstacles such as network disruptions and data input errors. These conditions led to delays in submitting LKPMs even though business owners were aware of their obligations. Apart from technical factors, there are still business actors who do not pay attention to the reporting schedule, so officers need to provide repeated reminders.

The results of this study align with those of Kharimah and Isyuniandri (2022), who stated that business actors' understanding of the use of the OSS system significantly influences compliance levels in fulfilling licensing and reporting obligations. Research by Monica and Putri (2023) also showed that the ongoing implementation of OSS-RBA and LKPM technical guidance can improve reporting timeliness because business actors gain a better understanding of applicable procedures and deadlines. Therefore, the success of LKPM reporting is not only determined by business actors' awareness but also by the effectiveness of coaching and mentoring provided by government officials.

Based on interviews, observations, and analysis of previous research, it can be concluded that Palembang City DPMPTSP employees have demonstrated a strong commitment to improving business compliance with LKPM reporting deadlines. However, increased outreach, strengthening of the digital reminder system, and more extensive technical assistance are still needed to minimize obstacles to OSS-RBA use. With these steps, it is hoped that the level of timeliness of LKPM reporting by businesses in Palembang City will continue to improve and support the optimization of regional investment control.

3. Productivity on Target

Based on the research results, the productivity of Palembang City DPMPTSP employees in fostering the reporting of Investment Activity Reports (LKPM) shows quite good achievements and contributes to the achievement of regional investment control targets. This

productivity is evident in the ability of employees to carry out various coaching activities, socialization, consultation, and technical assistance to business actors on an ongoing basis. These efforts have resulted in an increase in the number of business actors submitting LKPM and an increase in investment reporting performance in Palembang City. Data from Palembang City DPMPTSP shows that the percentage of LKPM performance achievement has increased from 52.68% in 2020 to 115.27% in 2023. This increase indicates that the coaching activities carried out have been able to encourage business actors' compliance in carrying out investment reporting obligations. However, in 2024, this achievement decreased to 92.44%, but still in the fairly good category in supporting regional investment control.

Interviews with the Head of the Investment Implementation Control Division of the Palembang City Investment and Investment Supervisory Agency (DPMPTSP) indicated that increased employee productivity was inseparable from the intensive coaching strategies implemented for business actors. The informant explained that employees routinely conduct outreach, technical guidance, monitoring, and consultations, both in person and through digital media. Furthermore, employees also map out business actors who have not yet submitted their LKPM and then provide them with specific mentoring. According to the informant, this approach is quite effective in increasing the number of reports received and helping achieve performance targets in the investment control sector. Meanwhile, several business actors interviewed stated that the mentoring provided by DPMPTSP employees made it easier for them to understand the reporting mechanism, allowing for faster and more accurate LKPM submission. These findings were reinforced by the researcher's observations, which showed that DPMPTSP employees in Palembang City have a fairly high work activity in providing coaching services to business actors. During the observations, it was seen that employees not only provide consultations in the office but also coordinate via telephone, messaging applications, and socialization activities involving various business groups. The use of information technology through the OSS-RBA system also helps employees monitor business compliance levels and identify companies that have not yet submitted their LKPM (Financial Statement Reports). However, researchers also found that the increasing number of businesses required to report annually increases employee workloads. This situation is one of the factors contributing to the decline in performance in 2024, even though employee productivity continues to show a positive trend.

The results of this study align with those of Barsei, Firmansyah, Kustanto, and Alita (2024), who stated that an effective investment service strategy can support the achievement of regional investment targets by improving the quality of guidance and supervision of business actors. Research by Farozi and Alfatah (2024) also shows that the success of controlling investment implementation is significantly influenced by the productivity of the apparatus in monitoring, evaluating, and providing guidance to investors. Furthermore, research by Monica and Putri (2023) found that the continuous implementation of OSS-RBA and LKPM technical guidance can increase the number of business actors submitting investment reports, thereby supporting increased regional investment realization. These research findings reinforce the importance of employee productivity as a critical factor in achieving investment control targets and improving business actors' compliance with LKPM reporting obligations.

Based on interviews, observations, and analysis of previous research, it can be concluded that the productivity of Palembang City DPMPTSP employees has significantly contributed to achieving the LKPM reporting targets and regional investment control. Despite a decline in performance in 2024, overall employee productivity still demonstrates good performance through consistent and responsive coaching. Therefore, strengthening human

resource capacity, optimizing the use of information technology, and increasing the number of coaching staff is necessary to ensure continued improvement in LKPM reporting targets in the future.

4. Innovation and Contribution to Organizational Goals

Based on the research results, aspects of innovation and contribution to organizational goals are evident in the use of information technology in the implementation of guidance and reporting of Investment Activity Reports (LKPM) at the Palembang City DPMPTSP. The most prominent innovation is the use of the Online Single Submission Risk-Based Approach (OSS-RBA) system as the primary platform for reporting investment activities. Furthermore, employees also utilize various digital communication media such as WhatsApp, electronic mail (e-mail), social media, and online consultation services to provide information and assistance to business actors. The use of this technology has helped accelerate the service process, expand the reach of guidance, and increase the accessibility of business actors in obtaining information related to LKPM reporting obligations. With this innovation, the investment control process has become more effective and aligned with the organization's goal of improving business actor compliance with investment regulations.

Interviews with the Head of the Investment Implementation Control Division of the Palembang City Investment and Investment Supervisory Agency (DPMPTSP) revealed that the implementation of the OSS-RBA (Investment Control and Investment Supervisory Agency) significantly improved the reporting process, which was largely manual. The informant explained that the system allows businesses to report their investment activities independently, quickly, and transparently without having to visit the DPMPTSP office in person. Furthermore, employees can monitor reporting status, identify businesses that have not yet submitted their LKPM reports, and take follow-up actions more quickly. The informant also stated that the use of WhatsApp groups and other digital communication platforms significantly assisted in disseminating information regarding reporting schedules, regulatory changes, and resolving technical issues faced by businesses. These findings were reinforced by observations made by researchers during the research process. Researchers found that most LKPM-related consulting services were supported by digital technology, facilitating communication between employees and businesses. Employees actively provided guidance on the use of the OSS-RBA online and responded quickly to business inquiries. Furthermore, the OSS-RBA system enabled employees to obtain reporting data in real time, enabling more efficient monitoring and evaluation. However, observations also indicate that some businesses still experience difficulties operating digital systems, particularly those with limited information technology skills. Therefore, direct assistance remains necessary to complement the digital innovations already implemented.

The results of this study align with those of Kharimah and Isyuniandri (2022), who concluded that implementing a risk-based OSS system can improve the effectiveness of licensing services and facilitate business actors in fulfilling their administrative obligations. Furthermore, research by Monica and Putri (2023) showed that digital implementation of OSS-RBA and LKPM technical guidance contributed to improving business actors' understanding and encouraging increased regional investment realization. These findings are also supported by research by AK and Indartuti (2024), who stated that digitalizing reporting through LKPM has a positive impact on investment data management and supports the advancement of the business licensing system in the digital era. Thus, information technology-based innovation has proven to be a crucial factor in improving the effectiveness of guidance and the quality of investment services.

Based on the results of interviews, observations, and analysis of previous research, it can be concluded that the innovations implemented by the Palembang City DPMPTSP through the use of OSS-RBA and digital communication media have made a significant contribution to achieving organizational goals. These innovations not only increase the efficiency and effectiveness of LKPM reporting guidance but also support transparency, accountability, and increased compliance of business actors in submitting investment reports. Therefore, continuous development of employee digital capacity, improvement of information systems, and expansion of technology education for business actors are necessary to support the optimization of investment control and improve the quality of public services in Palembang City.

CONCLUSION

Based on the research results, it can be concluded that the performance of employees of the Palembang City Investment and One-Stop Integrated Services Agency (DPMPTSP) in fostering the reporting of Investment Activity Reports (LKPM) for business actors has been quite good. This is evident in the ability of employees to provide socialization, mentoring, and consultation to business actors, thereby helping to improve understanding and compliance in submitting LKPM. In terms of the quality and quantity of work results, employees are able to carry out coaching effectively. In terms of compliance with deadlines, employees have made efforts to remind and assist business actors to submit reports on time, although several technical and administrative obstacles remain. In addition, employee productivity in carrying out coaching activities and utilizing the OSS-RBA system and digital communication media indicates innovation that supports the achievement of organizational goals. Therefore, continuous improvement in the quality of coaching, technology utilization, and mentoring is necessary to improve business actor compliance in LKPM reporting and support the optimization of investment control in Palembang City.

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