



Process Failure in Conditional Cash Transfer Policies: Applying McConnell's Framework in Indonesia's Decentralized System

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Abstract:

This study analyzes process failures in implementing the Family Hope Program (PKH) by applying McConnell's policy framework in the context of Indonesian decentralization. The study focuses on four main indicators: goal and tool maintenance, legitimacy, coalition, and support for the process. Two districts were compared: North Aceh and Bantul, using a qualitative approach with NVivo thematic coding to identify patterns of failure that developed from tolerable to conflict to total failure. Findings indicate that varying levels of local governance capacity significantly influence the stability of the implementation process. North Aceh experienced significant process failure due to limited coordination, inaccurate poverty indicators, and weak institutional infrastructure.

In contrast, Bantul was more adaptive through data integration, formal cross-sector coordination, and more consistent social support. However, both regions remain vulnerable to legitimacy conflicts, coalition fragmentation, and inconsistencies in

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vertical coordination. By emphasizing the significance of local coordination capacity, the integrity of implementing actors, and data governance as critical elements for robust policy processes in decentralized systems, this study theoretically broadens McConnell's paradigm. Practically speaking, the study's findings highlight the need for better interagency coordination systems, stronger institutional integration between national and local administrations, and unified data governance. In conclusion, this study provides insightful, factual and analytical information to enhance the implementation of social protection programs in developing countries.

Keywords:

family hope program, government failure, policy failure, process failures

1. Introduction

As a country with an asymmetrical decentralized structure, Indonesia is a complex public policy laboratory for poverty alleviation programs (Kamalussin et al., 2021; Lubis et al., 2020). Since around 77% of Indonesia's population is classified as vulnerable to poverty (Sugiarti et al., 2021). Social protection instruments are crucial. One of Indonesia's main poverty alleviation programs is the Family Hope Program (PKH). PKH is a conditional cash transfer (CCT) program introduced in 2007 to reduce the financial burden on low-income households and boost human capital by providing access to healthcare and education (National Team for the Acceleration of Poverty Reduction, 2013). As such, PKH is comparable to CCT programs in Brazil (Santos et al., 2019) and Mexico (Dygart, 2017). Nevertheless, unlike the dominant literature in Latin America, which largely evaluates the impact of aid on household consumption, this study focuses on how the fragmentation of authority at the subnational level creates systemic failures in processes.

Despite its strategic objectives, the implementation of PKH was mired in "institutional process failure" (Neves et al., 2022). These include the mismatch between policy design and the conditions of poor households (Hadna & Askar, 2022) and insignificant impacts on welfare (Utami et al., 2024). The main problem was not merely the design of national policy, but rather the lack of coordination between managing agencies at the regional level (Solong & Dzulqarnain, 2022). Data inaccuracy and bureaucratic obstacles at the local level are weaknesses that hinder the effective transmission of policies from the center to the regions.

The disparity in PKH performance is evident in two provinces with special autonomy status: Aceh and DIY Yogyakarta. These two regions serve as "natural laboratories" to test how different regional capacities under an asymmetric decentralization framework affect national policy stability. In North Aceh, despite being the largest recipient of PKH in Aceh (38,327 KPM), the poverty rate remained high at

16.11% in 2024. In contrast, Bantul Regency in Yogyakarta showed a more stable downward trend in poverty from 14.55% (2015) to 11.66% (2024). This difference confirms that the determining variables are not the demographic number of recipients, but rather the functional capacity of the local bureaucracy (Cuizon & Cuizon, 2022) and the lack of governance fragmentation (Neves et al., 2022).

This research gap lies in the shift in the locus of analysis. While the majority of global CCT literature (Barham et al., 2024; de Sá e Silva, 2017; Ordóñez-Barba & Silva-Hernández, 2019). focuses on impact evaluation or targeting accuracy; it explicitly investigates why process failures arise in decentralized systems. There has been no systematic examination of how nationally designed policies experience “functional attrition” when confronted with diverse local bureaucratic capacities. Thus, this study makes a unique contribution by dissecting the institutional pathologies in CCT implementation in developing countries.

In policy studies, policy failure has attracted attention because it often leads to financial losses, public dissatisfaction, and political crises (Howlett & Giest, 2015; Scharpf & Schmidt, 2000). However, in reality, most approaches view failure only dichotomously (successful or unsuccessful) (Vince, 2015), which ignores the more complex spectrum of failure (Munda, 2021). McConnell (2010) presented an alternative analysis along three dimensions: policy as process, policy as program, and policy as politics. This approach aims to provide a more flexible and realistic assessment of policy dynamics, including the identification of tolerable, conflictual, and total-failure levels. Although this approach is very strong, its application in developing countries with decentralization, such as Indonesia, remains very limited because there are still several theoretical gaps in McConnell’s framework. First, McConnell has not integrated subnational governance capacity as a determinant of process failure in countries with decentralized government systems. Second, the framework does not capture the dynamics of data governance failure, such as data misclassification and digital system desynchronization, which are now important aspects of implementing modern social assistance. Third, McConnell has not elaborated on how cross-actor coalitions work in the context of asymmetrical central-regional relations. Thus, this study positions these three aspects as crucial theoretical gaps to be filled.

Based on this theoretical gap, the main objective of this study is to analyze the anatomy of process failure in the implementation of PKH in North Aceh Regency and Bantul Regency through McConnell’s (2010) framework. Specifically, this study aims to evaluate how four process indicators—instrument maintenance, legitimacy, coalition, and support—operate across differences in local bureaucratic capacity to determine the spectrum of failure from tolerable to total failure. These indicators are used to assess the gradation of failure from tolerable to total failure. A qualitative comparative approach is used to explore the dynamics of implementation in depth through in-depth interviews, observations, focus group discussions, and a review of official documents.

Theoretically, this study enriches McConnell’s framework by highlighting three crucial elements in the context of CCT in developing countries, namely local governance

capacity, data governance reliability, and cross-actor coalition stability, which have not been elaborated in McConnell's framework. In practical terms, the findings of this study are important for efforts to improve the implementation of large-scale social assistance programs, particularly in relation to strengthening cross-agency coordination, harmonizing data systems, increasing the capacity of facilitators as key actors, and creating a measurable space for the adaptation process to take place without compromising policy integrity.

To accomplish this goal, this article is organized into six main sections. After the introduction, the second section dissects the theoretical framework of policy failure, and the third section explains the qualitative comparative method. The fourth section presents empirical findings from both research locations, which are then discussed in depth in the fifth section from the perspective of local governance capacity. The article concludes with a synthesis of theoretical contributions and practical recommendations for improving the social assistance system.

2. Theoretical framework

2.1. Policy failure

Policy failure is defined as a condition in which a policy fails to achieve its intended objectives, does not gain public support, or encounters fatal implementation obstacles (Groff, 2022; Van Engen et al., 2018). Its scope includes failures in the dimensions of process, program, and politics that result in financial losses and a decline in public trust. Conventional evaluation approaches often fail to capture this complexity, especially when policy performance fluctuates at various stages of the process (Hill & Hupe, 2014; Howlett, 2012).

Factors contributing to policy failure, particularly in developing countries, include structural factors such as unbalanced decentralization, limited administrative capacity, institutional fragmentation, and data system instability (Nachmias & Arbel-Ganz, 2006; Seroka & Subramaniam, 2019; Vince, 2015). Therefore, the assessment of failure cannot be based solely on output indicators, but requires a multidimensional analytical framework such as the dynamic process evaluation proposed by McConnell.

2.1.1. Process dimension in policy analysis

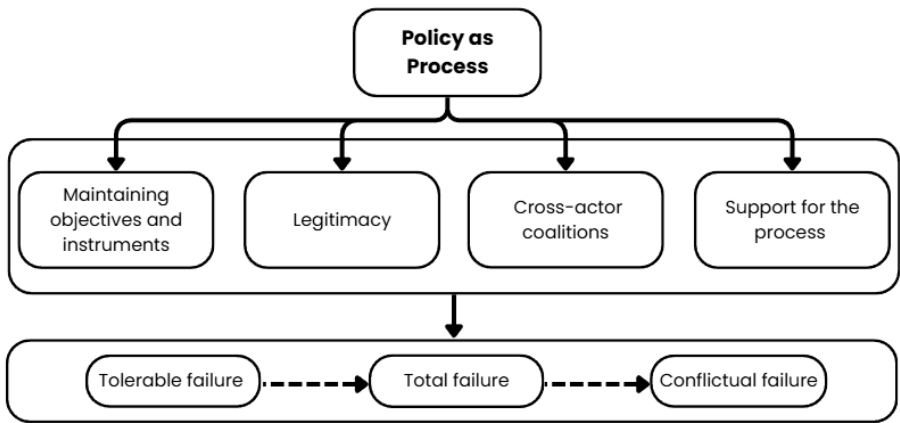
Policy as a process refers to the scope of activities that include the stages of formulation, legitimization, and technical execution in the field (McConnell, 2010). This dimension focuses on the dynamics of actor interactions, operational mechanisms, and the maintenance of policy instruments during implementation. Classical literature emphasizes that the success of this dimension is influenced by government capacity, coordination patterns, and power distribution (Lindblom, 1959). Because policy failure does not only stem from program design, but often from an implementation process

that does not run optimally (Thompson, 2000).

In the context of cash transfer programs (CCTs), McConnell’s (2010) framework requires theoretical expansion to capture the reality in developing countries. This study proposes three additional variables as prerequisites for process analysis: First, Local Governance Capacity to measure subnational administrative readiness. Second, Data Integrity to accommodate potential “digital failure” or system desynchronization. Third, the Asymmetric Coalition to dissect center-periphery relationships where local actors have different political agendas. These additions are crucial to understanding why national policies degrade functionally at the local level.

Based on a review of policy failure theory and the position of the policy as a process dimension, to assess the dynamics of PKH implementation in North Aceh and Bantul, this study attempts to elaborate on McConnell’s process indicators to produce a conceptual research framework, as shown in Figure 1:

Figure 1:
Conceptual framework



Source: Authors’ own processed from (McConnel, 2010)

The degree of policy failure is ascertained using the McConnell process indicator, as seen in Figure 1. Four indicators that serve as analytical tools comprise the process dimension. To illustrate the outcomes of interactions between parts, the results of these indicators are then divided into three categories: tolerable failure, conflictual failure, and utter failure. See Table 1 for an explanation of each indicator’s analytical function:

Table 1:

Operationalizing McConnell's process indicators in PKH analysis

Indicators	Core Meaning	Analitycal Function	Empirical Observation
Maintaining Goals and Instruments	Consistency between PKH design and implementation	Assessing whether objectives and instruments remain functional	Participation changes, relevance of poverty indicators, verification smoothness, suitability of instruments to the local context.
Process Legitimation	Public acceptance, transparency, and integrity of actors	Identification points of weakening public trust	Public perception, clarity of information, integrity of facilitators, response to complaints.
Cross-Actors Coalition	Capacity coordination and integration between levels and sectors	Assessing the strength of the implementation support network	Inter-agency coordination, the role of education and health services, contribution of local actors
Process Supports	Stability of fiscal, administrative, and political support	Measuring the sustainability of the process and regional capacity	Support budget, continuity of vertical coordination, administrative practices, space for local adaptation.

Source: Authors' own, 2025

These indicators serve as the main framework for the abductive coding process (a combination of deductive and inductive reasoning) to organize field data. Through this approach, assessments of the spectrum from success to total failure are not only based on informants' subjective narratives. However, they are also triangulated with documentary data and empirical patterns that are coherent with McConnell's (2010) paradigm. This operationalization ensures the validity of the analysis by converging multiple data sources, which is essential in comparative policy studies on decentralization.

3. Methodological outline

The research used a qualitative approach with a comparative case study design (Yin, 2018). The choice of this qualitative approach is superior because it can reveal 'shadow failures', such as internal legitimacy crises and bureaucratic resistance, which are often hidden behind seemingly positive aggregate quantitative statistics. In-depth interviews with 57 informants: 30 from Bantul Regency and 27 from North Aceh Regency, were chosen using purposive selection procedures. This study goes beyond macro figures to dissect institutional pathologies that standard surveys cannot capture. The composition of informants included 15 officials from the Ministry of Social Affairs, 2 officials from the Provincial Social Service, 4 officials from the District Social Service, 5 officials from Bappeda (Regional Planning and Development Agency), 4 executive and regional

secretariat officials, 2 members of the regional legislature, 5 village/gampong officials, and 20 PKH beneficiaries. Secondary data was obtained from official government documents, including PKH regulations, operational guidelines, program implementation reports, and statistical data from the Central Statistics Agency (BPS) and the Ministry of Social Affairs, which were used to provide context on poverty trends and PKH coverage.

Data analysis was conducted through a combination of within-case and cross-case analyses (Creswell & Creswell, 2022). This method guarantees that evaluations of acceptable, conflictual, and complete failure are grounded in empirical patterns that align with McConnell's paradigm rather than just the opinions of the actors. This operationalization strengthens the link between theory, methodology, and research results, as is necessary in comparative policy studies on decentralization. (Meydan & Akkaş, 2024).

4. Results

4.1. Overview of field findings

The research findings show that process failures in PKH implementation in the two regions manifest themselves in different ways: North Aceh Regency shows a tendency toward total failure due to bureaucratic pathology. In contrast, Bantul Regency demonstrates resilient/tolerable failure due to local adaptive capacity. Nevertheless, differences in adaptive capacity, coordination patterns, and institutional support result in varying implementation performance. To describe the dynamics of PKH implementation in a more structured manner, the empirical findings are presented based on four process indicators within the McConnell framework.

4.2. Policy goal and instrument maintenance

Analysis of the goal maintenance indicator shows significant functional degradation in North Aceh, while Bantul shows higher instrument stability. In North Aceh, there is a fundamental mismatch between national instruments and the post-tsunami reality, exacerbated by the SIKS-NG (Next Generation Social Welfare Information System) digital transition, which lacked technical readiness. This condition has caused policy instruments to lose their ability to accurately target people experiencing poverty, leading to process failures at the conflict and total levels. In contrast, Bantul Regency successfully mitigated process failures through established institutional procedures. Despite facing digital data synchronization challenges, the existence of village deliberation mechanisms and application-based reporting served as a 'safety valve' that kept policy instruments aligned with program objectives, ensuring that any failures that arose remained within the tolerable category.

North Aceh Regency also shows signs of total failure. When control over policy instruments weakens, the recipient proposal process is politicized by pressure from local

actors, thereby weakening the monitoring mechanism. The digital transition even tends to eliminate the function of compliance verification, as disbursements are automatically processed without verifying education and health requirements. In addition, the rigidity of eligibility instruments, such as income limits based on minimum wages or administrative categories, is not suitable for older adults and people with disabilities. To make matters worse, data classification errors cannot be corrected locally. The weak capacity to adjust instruments makes the implementation process less adaptive.

In contrast, Bantul District has stronger adaptive capacity. Issues of identity changes or data inaccuracies are handled through institutional procedures, including village deliberations, data updates through the Population and Civil Registration Office, and application-based reporting by assistants. Formal coordination between villages, social services, and assistants ensures the stability of program objectives. Although Bantul Regency faces obstacles in the form of data inconsistencies across systems and delays in SIKS-NG matching, its more stable administrative capacity prevents these issues from developing into systemic failures.

Nevertheless, Bantul Regency still faces the risk of total failure. In some cases, the decision to deactivate recipients cannot be changed, even if the village can demonstrate the community's eligibility to receive assistance. Furthermore, reliance on digital systems without adequate field checks also limits the ability of policy instruments to assess the conditions of vulnerable households. Thus, these dynamics reflect the limitations of regional capacity in navigating the consequences of rigid central government policies.

4.3. Legitimacy

The Legitimacy of PKH implementation in North Aceh was relatively well maintained in the early stages through direct communication between facilitators and the community regarding the criteria and process for determining recipients. The village deliberation mechanism and the appeal process helped to reduce the potential for social conflict. However, legitimacy began to weaken when local officials were unable to explain why the community did not receive assistance, since the decision was made at the central level. A village official said: *"In the village, there are 100 poor people, but only 50 are included, while the others are not, and we cannot explain why because the system is from the central government"* (Interview with RK, 20/01/25). The above shows a discrepancy between national data and actual conditions, which leads to a lack of transparency in the process.

The decrease in legitimacy is even stronger when there are local manipulation practices, as revealed by the coordinator: *"There are individuals who act as social assistance agents, and they make proposals based on agreements."* (Interview with MM, 12/02/25). In addition to undermining public trust, these practices erode facilitators' credibility as guardians of program integrity. This combination places North Aceh Regency in a shift from tolerable to conflictual failure, with indications of total failure in certain cases.

Legitimacy in Bantul Regency is supported by procedural transparency and access to digital information. The Cek Bansos application expands the scope of accountability, as explained by a coordinator: *“Cek Bansos application can be used for proposals and objections. Anyone can use it. We in the regions do not know who is objecting. The regency verifies everything.”* (Interview with YN, 02/27/25). This mechanism reduces public suspicion of local intervention and strengthens the perception of fairness. Administrative capacity also tends to be more stable, allowing administrative adjustments to be made quickly and measurably. However, the threat actually comes from ethical violations by certain assistants. A DPRD informant said: *“There are unscrupulous facilitators... when someone dies, the assistance is still taken because the facilitator takes the ATM card.”* (Interview with NT, 06/03/25). Cases like this can undermine public trust, even though they are not widespread.

A comparison of two regions reveals different patterns of legitimacy. North Aceh Regency shows a shift from tolerable to conflictual failure due to data inaccuracy and local manipulation, with indications of total failure in cases involving structural errors and social pressure. Bantul is in the tolerable failure category, with the potential for conflictual failure when there is a discrepancy in digital data and the risk of total failure in cases of ethical violations by assistants. These findings show that legitimacy does not depend solely on the system’s function, but also on the integrity of the implementers and on institutions’ ability to maintain the public’s perception of justice.

4.4. Coalition

Coalitions are an important element in maintaining the stability of the PKH process. The effectiveness of implementation is determined by the relationship between the central government, regional governments, villages, facilitators, and related sectors. Cross-actor coalitions in North Aceh are weak and not yet institutionalized, with unstable coordination patterns. When the burden of implementation increases, differences in perceptions of procedures, weak cross-agency socialization, and a reduction in complementary programs cause relationships among actors to become misaligned. Local political pressures also undermine the coalition’s harmony, especially when the recipient selection process is influenced by national and regional interests related to data. Nevertheless, there is no room for negotiation, which makes it difficult to maintain harmony between social change and administrative pressures.

Meanwhile, the coalition in Bantul Regency shows a more structured and adaptive character. Cross-sector coordination among the Social Service, Civil Registry, health services, villages, and assistants is consistent, as multiple parties address the issue of poor households. It even involves complementary networks such as zakat institutions, civil society organizations, and local media, which strengthen the coalition’s capacity to respond to specific cases. Despite procedural obstacles such as administrative burdens or data-matching issues, multi-stakeholder coordination can address these problems.

Within McConnell’s framework, North Aceh Regency shows a pattern of moving from tolerable failure to conflictual failure when informal coordination is unable to

overcome the increasing complexity of implementation. It even indicates total failure when actor interactions are hampered, and coordination functions lose control. Bantul Regency remains in the tolerable failure category, with a risk of conflictual failure when procedural obstacles or an increased workload for facilitators arise. These findings confirm that the strength of cross-actor coalitions is a major determinant of the stability of the PKH process and a reflection of implementation performance between the two regions.

4.5. Receiving procedural support

Support for implementing PKH in North Aceh is hampered by weak fiscal, administrative, and political support from the local government. At the tolerable *failure stage*, program implementation continues, but institutional support structures are not yet optimal. All aid distribution information is centralized at the bank, so the local government lacks the capacity to monitor it. An official explained, “Agencies seem to have overlooked the fact that money goes directly to recipients, making it difficult to control” (CE interview, 01/23/25). This condition makes the support process passive, as the local government only receives data and cannot conduct field supervision. This condition is categorized as conflictual failure.

Furthermore, although the central government has urged local governments to contribute around 5% to support program operations, North Aceh Regency did not meet this scheme, thereby hampering the smooth running of routine activities in the provision of operational facilities. As stated by the facilitator, “We are central government employees who are ‘hitchhiking’ at the Social Affairs Agency with minimal facilities, but the tasks must still be carried out.” (Interview with RN, 20/01/25). The lack of a socialization budget weakens the sustainability of the process, as information is not conveyed properly to the community. Consequently, process support is not aligned with implementation demands, leaving facilitators to bear the administrative burden without institutional support.

Process support shows signs of total failure when the relationship between levels of government breaks down, as evidenced by the region’s lack of fiscal and political support to sustain the process. For example, Bappeda does not integrate PKH into regional development planning. As stated by a regional official: “PKH is a central government program... the region only receives data. There is no budget for us to be involved. If there are problems, the facilitators have to deal with them themselves... we have no authority whatsoever.” (Interview FT 13/02/25). This situation shows that facilitators run the program without administrative, fiscal, or political support, thus losing the institutional structure that maintains stability.

Process support in Bantul District is more structured and sustainable. The local government provides a workspace for facilitators in the subdistrict, supports data updates through a special Civil Registry service, and links PKH with several complementary programs such as PBI-APBD, housing assistance, and Baznas scholarships. This fiscal and administrative support helps facilitate more stable work for

facilitators, as emphasized by a local official: “*We encourage our KPM children to attend college through regional and Baznas scholarships*” (AHM interview, 03/18/25). Through this support, problems in the process did not develop into a crisis. Although there were obstacles such as the need for field verification, Bantul Regency also showed structural support. When several sectors were not moving in sync, facilitators received additional support from villages or social networks, which was accompanied by relatively stable regional fiscal and political commitments. This situation only placed Bantul Regency on the spectrum of tolerable to conflictual failure.

The differences described indicate that process failure is not solely determined by central policy design but also by local governments’ adaptive capacity and the role of local networks in maintaining the continuity of implementation. To better understand the typology of process failure between North Aceh Regency and Bantul Regency within the McConnell indicator spectrum, refer to Table 2:

Table 2:
Typology of PKH Process Failures Based on McConnell Indicators

Indicators	North Aceh Regency	Bantul Regency
Maintaining Goals and Instruments	Conflictual → Total Failure	Tolerable Failure
Process Legitimation	Conflictual Failure	Tolerable Failure
Cross-Actors Coalition	Conflictual → Total Failure	Tolerable → Conflictual Failure
Process Supports	Conflictual → Total Failure	Tolerable → Conflictual Failure

Source: Authors’ own, 2025

Based on Table 2, North Aceh Regency shows a stronger process failure, as the four McConnell indicators experienced consistent structural obstacles, ranging from non-adaptive instruments to fluctuating legitimacy, weak coalitions and minimal fiscal and administrative support, which makes PKH implementation vulnerable to total failure in several aspects. Bantul Regency has a stronger adaptive capacity. Administrative improvement mechanisms run regularly, social resources are more solid, and cross-actor networks are more effective, resulting in a tolerable level of failure. There were only two instances of conflictual failure. This comparison shows that the stability of the policy process is strongly supported by subnational governance capacity and the strength of local coalitions in maintaining the continuity of implementation.

5. Discussion

5.1. Linking-findings to policy framework as a process, McConnel: Why are Bantul Regency and North Aceh Regency different?

Findings on PKH dynamics in North Aceh and Bantul districts confirm that policy failure does not exist in a dichotomous form of 'success' or 'failure.' Rather, it moves on a spectrum from tolerable to conflictual to total failure, as formulated by McConnell. Four indicators in the process dimension show interrelated patterns. In both regions, the problems generally fall into the category of tolerable failure. However, the decentralization framework and differences in local capacity lead to variations in the failure spectrum across regions. In North Aceh Regency, for example, a combination of problems has pushed the failure towards conflictual failure and even indicates total failure in several aspects. These findings reveal a lack of adaptive capacity in the region's policy process.

In contrast, Bantul shows a relatively more stable implementation pattern. The problems only include technical obstacles. Thus, it falls into the tolerable failure category or only occasionally shifts to conflictual failure. The coalition serves as an institutional buffer that helps to resist the potential shift towards a more severe failure.

The difference in the pattern of process failure between North Aceh and Bantul cannot be explained by budget size, the number of KPM, or a uniform technical design nationwide. Both districts are the largest recipients of PKH in their provinces, but their poverty-reduction trajectories differ. In terms of administrative capacity, North Aceh Regency describes a bureaucracy still affected by conflict and disaster, resulting in stagnant coordination structures and limited technical support. The Social Services Agency and the Regional Development Planning Agency have not fully integrated PKH into the regional planning and budgeting system. PKH facilitators work separately from institutions; their workspace is limited, and coordination mechanisms and budget allocation are inadequate.

In contrast, Bantul District shows more consolidated administrative capacity. Cross-sector coordination among the Social Services Agency, the Population and Civil Registration Agency, village governments, and basic service units occurs regularly; data updates and problem-solving are carried out in a structured manner; and the local government provides more consistent administrative support. These differences explain why Bantul Regency remains in the tolerable failure category, while North Aceh Regency is more likely to shift to conflictual or even total failure.

Differences are also evident in the social infrastructure and collaborative networks across regions. North Aceh shows strong community social relations, but these are often intertwined with local hierarchies and power relations. In contrast, Bantul has a more diverse social infrastructure that serves as a complementary network to address implementation problems before they escalate into a legitimacy crisis. Another distinguishing dimension is the ability to adapt to the digitization of data management.

In North Aceh Regency, limited technological infrastructure and uneven digital literacy have led to suboptimal use of systems such as SIKS-NG and their integration with population data.

Meanwhile, Bantul Regency is relatively better prepared for digitalization. The Population and Civil Registration Office actively facilitates data updates, village assistants and officials are accustomed to using population databases and social assistance applications, and the community is more familiar with digital information channels. These conditions serve as supporting capacities that prevent data governance failures from leading to total failure.

The geographical and local political contexts also reinforce the differences. North Aceh Regency has a large area with a scattered population and uneven accessibility. This results in high coordination and field supervision costs. Despite its status as a special autonomous region, local fiscal support for PKH remains inadequate. Because it is considered the responsibility of the central government, local commitment is minimal. Political attention to PKH only arises when there are complaints or issues. In contrast, Bantul Regency has a more integrated regional character, positioning PKH as a poverty alleviation strategy. There are even political incentives to maintain data consistency, strengthen coordination, and link PKH with local empowerment programs.

The differences in the spectrum of process failures found in PKH implementation in the two regencies not only confirm McConnell's framework. Nevertheless, it also shows that the stability or vulnerability of the process is greatly influenced by sub-national governance capacity, data governance quality, and the strength of cross-actor coalitions in the decentralized system. These findings also show that the main factors determining failure depend on local governance dynamics, including administrative capacity, social infrastructure, digital adaptation capabilities, and regional political and institutional structures.

5.2. Revisiting process failure in Global CCT Programs

Process failures in PKH cannot be understood solely through the general implementation framework. They must be viewed as part of the structural problems faced by various CCT programs in developing countries. This study confirms that process failures are not merely administrative anomalies, but rather logical consequences when central policy instruments interact with varying local governance capacities. The global CCT literature has tended to focus on program design and political effects, while ignoring the dynamics of subnational governance as a determinant of process stability.

International comparisons reinforce this argument. The Philippines faced problems of central-local coordination, weak verification of requirements, and bureaucratic fragmentation, leading to process inconsistencies (Cuizon & Cuizon, 2022). A similar pattern emerged in North Aceh, where the local government's administrative capacity was not commensurate with the demands of central government

policy, making failure almost inevitable. Brazil also faced challenges with data digitization and misclassifications when data updates were not fully integrated with conditions on the ground (Pontuschka et al., 2025), similar to the misalignment of PKH data between DTKS, Dukcapil, and the banking system. Prospera in Mexico shows that digitization can improve distribution speed (Mariscal & Rojas, 2020). However, it also eliminates the role of field verification, a pattern that occurred almost identically in PKH after the shift to a non-cash scheme. The similarity of these findings indicates that process failures in CCTs are a global phenomenon, but with different contextual characteristics.

This research confirms that failure characteristics in Indonesia are more complex. First, the asymmetric level of decentralization creates a much larger gap in regional governance capacity than in Latin American countries. As a result, the scope for policy adaptation varies greatly between regions. Second, the role of PKH facilitators as frontline actors is much more prominent than in other CCT programs in the Global South. In regions such as North Aceh, facilitators serve as the operational backbone, keeping the implementation process running smoothly, especially when administrative and political support at the regional level is weak. This role is very different from cases in Brazil, Mexico, and the Philippines, where implementation functions are more distributed among field actors. Third, Indonesia's socio-political dynamics add a vulnerability not found in the CCT governance of other countries. Strong community relations, local hierarchies, and the influence of informal figures in determining recipients create a hybrid form of failure: administratively, the data is incorrect; socially, acceptance needs to be reevaluated; politically, the process is vulnerable to intervention. This combination makes PKH process failures more complex than in countries operating within more formal bureaucratic structures.

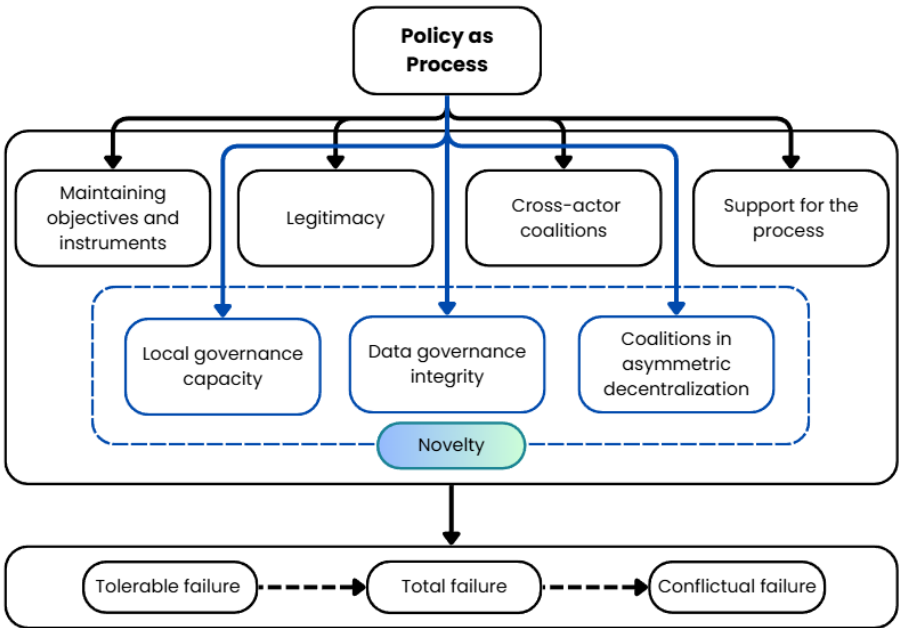
This study makes two major contributions to the global CCT literature. First, it expands the understanding of process failure by showing subnational governance capacity as a key determinant of CCT resilience and a variable that has not been explored in international studies. Second, this study introduces a new analytical framework: governance failure data in the context of decentralization have a multiplicative effect on process failure, directly affecting objectives, legitimacy, coalitions, and policy support. This perspective reinforces McConnell's framework while criticizing the CCT literature for overemphasizing central design without accounting for the regional structures that implement it.

5.3. Theoretical contribution: expanding McConnell's Framework for CCT decentralization

Research results show that McConnell's policy-as-process framework provides a strong basis for assessing the dynamics of policy success and failure. However, in the context of CCT implementation in a decentralized system such as Indonesia, this framework is not entirely adequate to explain process differences. Empirical findings from PKH in North Aceh Regency and Bantul Regency indicate that factors beyond McConnell's

analytical scope also influence the failure spectrum. These include three main theoretical contributions that broaden our understanding of the dynamics of social policy process failure in the context of developing countries. The elaboration of the findings and McConnell’s framework can be seen in Figure 2:

Figure 2:
Research novelty elaborated with the McConnel framework



Source: Authors’ own, 2025

As shown in Figure 2, this study adds new elements that McConnell’s framework does not fully capture. First, this study treats local governance capacity as a structural determinant of the stability of the policy process. McConnell assumes that the policy process takes place within a relatively stable administrative order, so that differences in implementing capacity across regions are not his focus. However, this study’s findings show that differences in administrative capacity, the quality of cross-sectoral coordination, and local governments’ ability to provide operational support affect the capacity of policies to harmonize objectives and instruments. Bantul Regency, with its more structured administrative capacity, was able to maintain the process in the tolerable failure category. Meanwhile, North Aceh Regency faces structural limitations that accelerate the shift from conflictual to total failure. Thus, regional capacity needs to be understood as a core component, not merely as an implementation context.

Second, this study identifies data governance integrity as a new indicator that

determines the form of process failure. In the era of digitalization, the effectiveness of policy instruments depends heavily on the accuracy, consistency, and synchronization of data across agencies. McConnell did not anticipate how inaccuracies in data, digital system gaps, or institutional desynchronization could shift the process from tolerable to a conflictual failure. Findings in North Aceh Regency show that inclusion errors, exclusion errors, delays in updates, and inconsistencies in population data reduce local-level adjustment capacity and weaken process legitimacy. Conversely, Bantul Regency built data integration by strengthening instrument consistency and maintaining process stability. Therefore, data governance needs to be included in the analytical framework.

Third, this study expands McConnell's coalition indicators by emphasizing the importance of coalitions in *asymmetric central-local decentralization*. McConnell only views coalitions as support between actors. He does not elaborate on how coalitions function when administrative authority and resources are not evenly distributed between the central and local governments. It appears that Bantul Regency has an institutionalized coalition through the integration of the Population and Civil Registration Office, the proactive role of villages, and the involvement of complementary actors. In contrast, the coalition in North Aceh Regency relies on informal networks that are vulnerable to local political pressures and lack a stable coordination structure. In this context, coalitions are not only a matter of support, but also an institutional order that affects the resilience of the process.

5.4. Policy implications for strengthening CCT implementation in decentralized settings

This research has confirmed that tolerable, conflictual, and total failure occur when the objectives, instruments, legitimacy, coalitions, and support for the process are not backed by adequate institutional infrastructure. Therefore, four policy implications can strengthen CCT implementation. First, strengthening sub-national capacity needs to be positioned as a structural prerequisite for CCT implementation. The central government needs to instruct local governments, as implementing partners, with clear responsibilities and to set minimum standards at the district level. For example, a special social protection team for program coordination, poverty data analysis, and integration of CCT with regional poverty alleviation programs. Capacity building is not only about the number of personnel, but also about the clarity of SOPs, the authority to coordinate, and adequate operational resource support. This way, sources of process failure can be reduced through a more explicit and measurable institutional design. Second, data governance reform is a strategic agenda that is inseparable from CCT policy design. The experiences of North Aceh and Bantul show that the lack of synchronization among data sources and slow evaluation can accelerate failures that would otherwise be tolerable, leading to conflictual or even total failures. Therefore, a faster data governance design and a clear division of authority between the central government, districts, and villages are needed. Villages need an official role as data validators so that data improvements are entered into the national system legally. An audit team is also needed

to prevent data manipulation and to strengthen the program's accuracy and accountability.

Third, a cross-actor coalition needs to be institutionalized as a pillar of CCT governance, not just an individual initiative. Bantul district appears to be relatively more successful in maintaining PKH at a tolerable failure rate due to structured collaboration at the district level, which serves not only as a means of information exchange but also as a forum for joint planning. Fourth, support for the implementation process needs to be translated into stronger fiscal and institutional commitments at the regional level. The lack of budget allocation and minimal strategic attention, as in North Aceh, has caused obstacles for facilitators. These implications emphasize that strengthening institutional governance, including regional capacity, data integration, cross-actor coalitions, and process support, is a key prerequisite for the stability of CCT programs in a decentralized system.

6. Conclusion

The research contributes to the development of social policy theory and practice in the context of developing countries with decentralized systems. Theoretically, this study expands McConnell's policy-as-process framework by showing that the stability of the policy process is influenced by three dimensions: regional governance capacity, data system vulnerability, and cross-actor coalition resilience. These three findings show that the shift from tolerable to conflictual or total failure depends not only on central policy design but also on local institutions' ability to interpret, adapt, and support policy procedures across diverse conditions. This study reinforces the understanding that implementation dynamics in multilevel systems are not random deviations but manifestations of institutional limitations that can be analyzed comparatively.

Empirically, this study enriches international research on CCT by providing evidence from two regions that show contrasting local governance. Findings from North Aceh and Bantul reveal that differences in coordination quality, digital readiness, and social network structures explain more variation in process failures than differences in resources or formal program rules. Thus, this study offers a new perspective on how the character of local governance shapes the performance of CCT implementation in developing countries.

This research also has limitations that need to be stated academically. Although conducted across two provinces, the unit of analysis covers only two districts, so the findings are not intended for statistical generalization but rather as an analytical contribution. This study is also not longitudinal, so it cannot capture the dynamic development of CCT implementation over time to reveal patterns of failure or recovery. Therefore, future research is expected to address these limitations. This research could focus on longitudinal studies, the development of regional institutional capacity models

and the complexity of digital data systems, or comparative studies across developing countries. Overall, this agenda could broaden our understanding of the resilience of social policy processes in decentralized systems and enrich the global scientific discourse on CCT implementation.

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