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REFRAMING POVERTY ALLEVIATION: EXPLORING SUSTAINABILITY TRANSFORMATION IN MULTI-ACTOR GOVERNANCE NETWORKS IN INDONESIA

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ABSTRACT

Poverty represents a multifaceted public issue, frequently characterized as a wicked problem, necessitating a transformational approach through synergy across various actors and sectors. This study seeks to investigate the mechanisms and dynamics of transformation towards sustainability within the framework of multi-actor governance networks engaged in the implementation of poverty alleviation policies in Kendari City, Indonesia. Utilizing a qualitative case study methodology, data were gathered through participatory observation, in-depth interviews, focus group discussions, and document analysis. Thematic analysis yielded eight principal findings: reforms in the mechanisms for distributing social assistance; enhanced community participation; strengthened inter-agency coordination; involvement of non-governmental sectors; shifts in social norms and values; the emergence of social innovations grounded in local wisdom; challenges in establishing equitable collaboration; and the sustainability of intervention programs. Although there are indications of a shift towards more transformative approaches, field practices remain predominantly technocratic, marked by the central government's dominance and limited meaningful participation from civil society. Consequently, institutional reform, enhancement of community social capacity, and the design of more inclusive and adaptive governance systems are essential prerequisites for achieving equitable and sustainable social transformation.

KEYWORDS: Poverty, Sustainability Transformation, Multi-Actor Governance, Collaboration, Kendari City.

1. INTRODUCTION

Poverty represents a multifaceted form of deprivation, characterized by restricted access to essential services such as healthcare, education, and economic asset ownership. This complexity renders poverty an urgent global challenge, as underscored by its inclusion as a primary agenda item in the 2030 Sustainable Development Goals (SDGs), specifically the goal of "No Poverty" as a cornerstone of global sustainable development (United Nations, 2015). Achieving this objective necessitates multisectoral collaboration involving state actors, civil society, local communities, and the private sector through participatory approaches that emphasize empowerment and interconnectedness (Finidori & Tuddenham, 2017; Kuenkel & Gruen, 2018; Scharmer, 2016).

As a public policy issue, poverty is classified as a wicked problem—an issue that is complex, multidimensional, and resistant to resolution through sectoral approaches or singular technical solutions. Effective management requires the involvement of diverse actors organized through network governance mechanisms that are collaborative, participatory, and responsive to social dynamics (Rhodes, 1997; Klijn & Koppenjan, 2016). Such an approach is posited to facilitate structural changes that support systemic sustainability transformation by engaging actors from various sectors and institutional levels (Bryson *et al.*, 2015).

Sustainability transformation necessitates the comprehensive integration of economic, social, and ecological dimensions in poverty alleviation efforts (Patterson *et al.*, 2017). This requires policy innovation, institutional reform, and ongoing community capacity building. In this context, the multi-actor governance model serves as a strategic platform for fostering knowledge exchange, resource coordination, and the creation of cross-sectoral synergies to achieve inclusive and equitable development goals (Ansell & Gash, 2008; Klijn & Koppenjan, 2016).

However, in the Indonesian context, poverty alleviation policies remain predominantly sectoral and centralized, resulting in slow reductions in poverty rates. This is evident in the case of Kendari City, where the poverty rate over the past three years has shown minimal fluctuations: 4.57% in 2022, 4.59% in 2023, and 4.23% in 2024 (BPS Kota Kendari, 2025). This situation reflects the suboptimal integration of cross-sectoral and institutional approaches in the policies being implemented, which has yet to yield substantive and sustainable transformation. Therefore, this study aims to explore

the mechanisms and dynamics within multi-actor governance networks that have the potential to enhance the effectiveness and equity of poverty alleviation policies.

2. LITERATURE REVIEW

2.1. Sustainability Transformation and Poverty as a Wicked Problem

Poverty in contemporary society transcends a mere economic issue, emerging as a complex, multidimensional challenge that encompasses interrelated social, ecological, and political dimensions. Within this framework, poverty is categorized as a wicked problem, characterized by its resistance to singular definitions and the absence of a definitive, final solution (Rittel & Webber, 1973). This complexity is further compounded by its interaction with global challenges such as the climate crisis, gender inequality, and environmental degradation (Cherubini *et al.*, 2024), rendering linear technocratic approaches increasingly inadequate. Instead, a comprehensive understanding of the dynamics and mechanisms of social transformation is imperative.

Within the sustainable development paradigm, poverty is perceived as a symptom of systemic inequality, encompassing structural injustice, social exclusion, and environmental degradation. Sustainability transformation in this context signifies a profound change process towards more just, resilient, and inclusive social-ecological systems. This process necessitates a paradigm shift in development from an exploitative approach to a regenerative model that promotes active community participation, while simultaneously demanding changes in values, public policy, and institutional structures.

A fundamental principle of sustainability transformation is the transition from charitable approaches to models based on empowerment and resource redistribution. Lawson-Bulten *et al.* (2025) underscore the importance of decolonizing development relations, enabling impoverished communities to act as agents of change rather than mere objects of intervention. This process requires economic restructuring as well as democratic and inclusive reforms in local governance.

Nevertheless, the dynamics of power among stakeholders remain a significant obstacle in this transformation process. A study by Perkiss *et al.* (2025) in the cocoa sector revealed that global market dominance often perpetuates the subordinate position of smallholder farmers, even with the implementation of various sustainability-labeled programs. This underscores the importance of

transparent and accountable multi-level governance to drive equitable change.

The success of sustainability transformation is also heavily contingent on the local context. Chaudhary (2025) demonstrates that self-help community groups in rural India have developed community-based solutions that are socially, economically, and culturally integrated. This approach highlights the importance of intervention frameworks that are holistic and grounded in local realities.

Furthermore, sustainability transformation is a dynamic process that necessitates ongoing social learning. The socio-hydrological concept developed by Jampani et al. (2024) emphasizes the importance of social experimentation, collective learning, and participatory evaluation in building community resilience to external pressures. Thus, sustainability transformation in the context of poverty as a wicked problem is not merely a technical issue but a process of changing values, social structures, and institutional practices that demands multi-stakeholder engagement, strategies based on social justice, and contextualization at the local level. The synergy between bottom-up approaches and adaptive institutional systems becomes a key element in responding transformatively to the complexity of poverty.

2.2. Sustainability Transformation and Multi-Actor Governance Networks

Sustainability transformation is conceptualized as a comprehensive systemic change process within socio-ecological systems, aimed at achieving equilibrium among environmental sustainability, social justice, and economic well-being. Due to its inherent complexity, this transformation cannot be effectively executed by a single institution or actor; rather, it necessitates collective participation through multi-actor governance networks (Gale et al., 2024). These networks function as platforms for dialogue and collaboration in formulating strategies, making collective decisions, and resolving conflicts throughout the transformative change process.

A defining feature of multi-actor governance is the horizontal pattern of interaction among various actors across sectors and levels of government. This collaborative approach encompasses inter-institutional coordination, deliberative dialogue, and the distribution of roles based on each party's resource capacities. Such a structure renders the policy-making process more responsive to local needs while maintaining alignment with national and global agendas (Gava et al., 2025).

However, interactions within these networks are not entirely devoid of power tensions. In practice, relationships among actors are frequently characterized by inequalities in influence and resource ownership. Ndubuisi et al. (2025) highlight that, while ideally collaborative, conditions on the ground reveal dominance by state and market actors over civil society organizations, influencing both the direction and outcomes of transformation.

Effective coordination is a critical component in ensuring the success of multi-actor governance. This includes managing cross-actor communication, building a collective vision, and harmonizing strategic agendas. Hansel (2025) emphasizes that an adaptive coordination system not only strengthens policy responses but also fosters ongoing institutional learning. Sorge et al. (2025) further note that reflective coordination processes can enhance the resilience of governance systems in the face of uncertainty and change.

Institutional innovation is a significant aspect of this dynamic. The experimental governance framework provides space to trial various new institutional forms that are more adaptive to local contexts and dynamic sustainability challenges (Sorge et al., 2025). Nonetheless, challenges such as coordination fragmentation and disparities in access to decision-making processes remain prominent.

Therefore, although multi-actor governance networks hold substantial potential to drive sustainability transformation, issues of internal inequality and participatory exclusion must be addressed with seriousness. Contextual, participatory, and institutionally just governance designs are prerequisites for achieving substantive and long-term change.

3. RESEARCH METHOD

3.1. Location

This study was conducted in Kendari City, located in Southeast Sulawesi Province. The selection of this site was informed by the unique characteristics of Kendari City, which, despite having a relatively low poverty rate (approximately 18,200 individuals out of a total population of 355,670 in 2024, with a poverty threshold of IDR 516,809 per month), has exhibited a trend of stagnation in recent years (BPS Kota Kendari, 2025). This situation highlights structural challenges in the execution of poverty alleviation policies, rendering Kendari City a pertinent context for investigating the dynamics of sustainability transformation in poverty governance.

3.2. Research Design and Strategy

This study employs a qualitative approach to achieve a comprehensive understanding of the process of sustainability transformation in the implementation of poverty reduction policies. The research strategy utilized is the case study method, as delineated by Yin (2018), which facilitates a contextual and thorough exploration of phenomena within real-life settings.

3.3. Informants

The research subjects comprise key stakeholders directly engaged in the formulation and implementation of poverty alleviation policies. These informants include: a) Representatives from Regional Government Organizations (OPD), b) Members of the Regional Poverty Reduction Coordination Team (TKPKD), c) Activists from Non-Governmental Organizations (NGOs), d) Community groups experiencing poverty, e) Community Social Worker Communication Forum (FK-PSM), and f) Civil Society Service Institutions (LPM2).

3.4. Data Collection Techniques

Data collection was executed through a combination of the following techniques: a) Observation, concentrating on the physical conditions of the informants' living and working environments; b) In-depth interviews with key informants to obtain comprehensive individual perspectives; c) Focus Group Discussions (FGDs), particularly with impoverished community groups to capture collective dynamics; and d) Document study, encompassing reviews of official documents, policy reports, and other pertinent archives.

3.5. Data Processing Techniques

The data obtained were processed through several systematic stages as follows: a) Transcription, involving the verbatim transcription of interview results to ensure data completeness; b) Coding, by identifying issues, categories, and recurring patterns in interview, observation, FGD, and documentation data; c) Theme categorization, conducted using the thematic approach of Braun & Clarke (2006), to organize the data into main themes directly related to the research focus.

3.6. Data Analysis Technique

Data analysis was conducted using a thematic analysis approach, aimed at uncovering patterns and meanings from the collected data. The analytical procedure includes: a) Thoroughly reading and familiarizing oneself with all the data; b) Conducting

initial coding to label the raw data; c) Grouping codes into potential preliminary themes; d) Reviewing and verifying consistency among themes; e) Naming and conceptually defining each theme; and f) Compiling the findings into a coherent and integrated analytical report (Miles, Huberman, & Saldaña, 2014).

4. RESULTS AND DISCUSSION

Poverty is recognized as a multifaceted systemic issue that cannot be effectively addressed through isolated sectoral approaches; rather, it necessitates collaborative strategies involving diverse stakeholders within a multi-actor governance framework oriented towards sustainable transformation. This research seeks to elucidate how these principles are operationalized within poverty alleviation policies in Kendari City by identifying the mechanisms and dynamics of transformation occurring at the local level.

Through data analysis, eight principal themes were identified, each representing critical dimensions in the process of sustainable transformation within the multi-actor governance network:

1. Reformulation of social assistance distribution mechanisms in response to inefficiencies in the previous system;
2. Enhancement of community participation in the policy planning and implementation process;
3. Cross-institutional coordination, underscoring the strategic role of the Regional Poverty Alleviation Coordination Team (TKPKD);
4. Engagement of non-governmental actors, including NGOs and local communities, as catalysts of social innovation;
5. Transformation of social values at the community level, indicating a shift in perceptions toward poverty and empowerment;
6. Emergence of locally based social innovation as an adaptive response to region-specific challenges;
7. Collaborative barriers and imbalances in power relations, which hinder equitable and inclusive decision-making; and
8. Program sustainability and prospects for long-term transformation, encompassing evaluations of intervention effectiveness and institutional resilience.

Each theme was analyzed comprehensively to examine how transformative dynamics are established, the structural obstacles encountered, and the extent to which the configuration of the governance network supports or, conversely, impedes the sustainable implementation of poverty

alleviation policies. The results of this analysis are systematically synthesized in Table 1 below, which illustrates the relationships among actors,

coordination mechanisms, and the main dimensions of the sustainable transformation process occurring in Kendari City.

Table 1: Mechanisms And Dynamics of Sustainable Transformation in a Multi-Actor Governance Network in Kendari City, Indonesia.

No.	Main Theme	Transformation Mechanism	Dynamics of Transformation
1	Transformation of Social Assistance Mechanisms	Distribution of PKH, BLT, KIP, and basic food assistance by the Social Affairs Office, Subdistrict Head, and Village Head.	The effectiveness of aid has increased, but distribution is affected by changes in officials and data collection; it still relies on a charitable approach.
2	Community Participation in Governance	Development Planning Deliberation (Musrembang)	Participation has formally increased, but remains substantively low; citizens want more meaningful involvement, not just ceremonial.
3	Cross-Agency and TKPKD Coordination	Forum TKPKD, coordination meeting of regional government agencies (OPD), cross-agency Zoom meetings, supervision, and evaluation reports	The coordination structure is still weak and centralized in Bappeda; changes are not yet widespread; there is no dedicated secretariat; there is a lack of inclusion and cross-sector communication.
4	The Role of Non-Governmental Actors	The involvement of NGOs, local communities, MSMEs, universities, Baznas, and banking institutions in TKPKD	The role of non-government actors remains marginal and lacks bargaining power; involvement is not yet structural; there is criticism of the dominance of government agencies and the exclusion of NGOs/communities.
5	Transformation of Social Values	Transparency through annual reports, community cooperation, accountable fund management at the Community Health Center	A new collective value has emerged in the implementation of the program; residents help each other, but this value has not yet been integrated into the formal institutional system.
6	Local Social Innovation	AMAN Program (anti-loan sharking), affordable food movement, decent housing, involvement of SMEs in economic activities	Innovation is largely driven by the government, with the community's role being very limited; innovation is hindered by bureaucratic structures and low local autonomy.
7	Collaboration Challenges and Power Imbalances	Formation of a TKPKD collaborative network, drafting of an MoU or joint work structure, analysis of actors' roles and incentives	Power imbalance, government domination, minimal incentives for communities; collaboration is still unequal, and there is no strong consensus among stakeholders yet.
8	Program Sustainability & Transformation Prospects	Long-term RPJMD plan, regular coordination, P3KE success indicators, changes in TKPKD institutional policy	High hopes for sustainability exist, but they are influenced by political cycles, the short tenure of the team, and the lack of structural reforms to ensure sustainability.

Source: Data Reduction, 2025

Based on the table above, eight principal themes or dimensions of Sustainability Transformation in Multi-Actor Governance Networks are delineated through the ongoing transformation mechanisms and the dynamics of actors within that transformation, as elucidated below.

4.1. Mechanisms And Dynamics of Social Assistance Transformation

The mechanism for distributing social assistance in Indonesia predominantly adheres to a hierarchical model, wherein policy formulation is conducted at the central level and executed through bureaucratic structures at the regional level, such as the social

affairs office, subdistricts, and urban villages. In Kendari City, the implementation of national programs such as the Family Hope Program (PKH), Direct Cash Assistance (BLT), and the Indonesia Smart Card (KIP) continues to rely on this vertical distribution scheme. This centralized and technocratic model of governance, as described by Hadji (2019), tends to impede local innovation and substantive community participation.

Although these assistance programs have quantitatively reached the majority of impoverished groups, their effectiveness in fostering sustainable social change remains questionable. From the perspective of sustainability transformation, social

assistance should not merely be regarded as an economic intervention but also as an instrument to fortify social cohesion, build new social capital, and enhance the collective capacity of local communities. The paradigm shift from a charitable approach to empowerment constitutes the primary foundation of this change.

However, in practice, the implementation of assistance programs at the local level encounters various structural obstacles. Among these are inaccuracies and delays in updating beneficiary data, as well as a high dependence on local public officials who are susceptible to job rotation. Such personal dependency engenders disruptions in service continuity and gives rise to institutional vulnerability. The World Bank (2020) report underscores the importance of updating social information systems to be more adaptive and automated.

Another significant issue is mistargeting and weak data integration between agencies. This indicates limited flexibility and responsiveness of the social assistance governance system to local dynamics. As emphasized by Kabeer (2000), social transformation not only necessitates access to resources but also the right to participate in decision-making processes. Therefore, the presence of systems that provide greater space for participatory engagement is crucial.

In addition to these challenges, positive dynamics have also emerged, particularly in the form of social solidarity that develops at the grassroots level. In some areas, residents who do not receive assistance support their neighbors who are more in need. This phenomenon reflects the potential for building social capital (Putnam, 1993), which can strengthen community resilience if facilitated by inclusive and adaptive institutions.

Sustainability transformation in social assistance governance thus necessitates a more collaborative and responsive approach. The distribution of assistance needs to be redesigned to allow for contextual adaptation as well as active community involvement throughout the policy cycle, from planning to evaluation. The concept of reflexive governance proposed by Loorbach (2010) emphasizes the need for systems that provide critical reflection space for local actors to adjust policy strategies to ever-changing socio-economic conditions.

4.2. Community Participation in Governance

Public participation constitutes a fundamental component of development governance aimed at

sustainability, particularly in efforts to alleviate poverty and enhance social inclusion. In Indonesia, including Kendari City, community engagement is formally facilitated through various institutional mechanisms such as Development Planning Deliberation (Musrebang), neighborhood forums (RT/RW), subdistrict meetings, and public consultation sessions. These forums are normatively designed to facilitate communication between the government and society, thereby strengthening policy legitimacy and accountability (Fung, 2006).

However, in practice, community participation often remains symbolic and procedural. Residents' attendance at various forums does not yet translate into meaningful influence in the policy decision-making process. This phenomenon reflects what Arnstein (1969) criticized in the Ladder of Citizen Participation, namely that pseudo-participation often serves merely as a tool for government legitimacy rather than as a means to empower citizens.

At the operational level, subdistricts and urban villages function as intermediaries between residents and the local government. Nonetheless, the low institutional capacity at this level, in terms of both human resources and funding, poses a barrier to managing meaningful participation. Furthermore, community aspirations have not been fully integrated into strategic planning documents such as the Regional Government Work Plan (RKPD) and the Regional Medium-Term Development Plan (RPJMD). Cornwall (2008) emphasizes that effective participation requires safe deliberative spaces, independent facilitators, and equitable access to information.

Socio-cultural factors also influence patterns of community participation. Values of patronage, hierarchical culture, and inequality in information access led citizens to be reluctant to openly express criticism or ideas. Consequently, empowered participation is challenging to achieve. Gaventa (2004) asserts that strengthening citizen agency is crucial for creating transformative and empowered participation.

Nevertheless, there are indications of increased public awareness in demanding transparency, openness of beneficiary information, and oversight of public budgets. This dynamic reflects a shift from passive to active participation. Nabatchi and Leighninger (2015) note that the sustainability of public participation greatly depends on the system's ability to make citizens co-producers of policy, rather than merely beneficiaries.

In general, although participatory structures are available in Kendari City, implementation dynamics

still do not fully reflect the principles of genuine collaboration. To promote inclusive sustainability transformation, it is necessary to reconstruct participatory spaces to be more deliberative, enhance public capacity through civic education, and provide incentives and protection for critical expression. Within the framework of sustainability governance, as explained by Loorbach (2010), meaningful participation is an absolute prerequisite for building a socio-political system that is adaptive and resilient to long-term change.

4.3. Cross-Institutional Coordination and the Role of TKPKD In Transformational Governance

Cross-institutional coordination is a critical component in the governance of sustainable poverty alleviation policies. This mechanism facilitates policy harmonization across sectors, optimizes resource utilization, and integrates program implementation at various governmental levels. In Kendari City, the Regional Poverty Reduction Coordination Team (TKPKD) exemplifies the institutionalization of collaboration between Regional Apparatus Organizations (OPD) and non-governmental entities, including NGOs, Baznas, and the private sector. Normatively, the TKPKD is conceived as an integrative forum for the planning, implementation, and evaluation of poverty reduction initiatives. This model aligns with the principles of collaborative governance, as articulated by Emerson, Nabatchi, and Balogh (2012), which emphasize the significance of coordinative structures among actors in addressing complex public issues.

Operationally, TKPKD conducts regular meetings, engages in cross-agency supervision, and utilizes digital communication platforms such as Zoom. The coordinating function is primarily executed by Bappeda, while other OPDs contribute their respective sectoral programs. However, the effectiveness of this coordination is impeded by the absence of a permanent secretariat, reliance on specific actors, and inadequate data integration systems across sectors. According to Provan and Kenis (2008), a network structure overly dependent on central figures risks creating power imbalances and may hinder collaborative innovation.

Additional challenges stem from divergent perceptions and priorities among OPDs. Not all agencies perceive poverty alleviation as part of their institutional mandate, resulting in nominal and non-strategic participation in the TKPKD. The lack of incentive systems and cross-sector performance evaluation mechanisms diminishes the motivation

for active collaboration. As noted by Ansell and Gash (2008), the success of cross-sectoral collaboration is heavily contingent upon facilitative leadership, mutual trust among actors, and a shared vision—dimensions not yet fully realized in Kendari.

The prevailing coordination model tends to be top-down and formalistic, with communication patterns predominantly one-way. This reflects a compliance-based governance approach, prioritizing bureaucratic adherence over joint learning (learning-based governance). Indeed, as Loorbach (2010) suggests, the process of institutional transformation necessitates collective learning spaces among actors as part of adaptive governance.

Nevertheless, there is potential for improvement through the optimization of digital technology, enhancement of reporting systems, and development of human resource capacity to facilitate more dynamic coordination. Several OPDs have independently begun integrating their programs with the TKPKD framework, albeit not yet systematically. Klijn and Koppenjan (2016) argue that effective network management requires strategic efforts to build trust and align interests among actors.

Thus, the success of sustainable transformation is significantly influenced by the quality of cross-institutional coordination. TKPKD has the potential to serve as a catalyst for sectoral policy integration if strengthened through institutional reforms, such as the establishment of a permanent secretariat, standardization of reporting mechanisms, and increased engagement of non-governmental partners. In this context, coordination must be positioned as the foundational element in transformational governance, rather than merely an administrative instrument.

4.4. The Role of Non-Governmental Actors in Governance Transformation

Non-governmental actors are pivotal in advancing inclusive and sustainable governance transformation. Entities such as non-governmental organizations, universities, local communities, micro, small, and medium enterprises (MSMEs), and religious organizations serve as crucial partners to the state in poverty alleviation efforts. In Kendari City, the engagement of these actors within the TKPKD forum signifies a formal endeavor to fortify the framework for cross-sectoral collaboration. This strategy is consistent with the principle of polycentric governance (Ostrom, 2010), which underscores the significance of distributing authority and power within governance systems.

However, the participation of non-governmental

actors in decision-making processes has yet to achieve parity. The structural dominance of local government agencies (OPD) within the TKPKD results in contributions from non-state partners being predominantly consultative and lacking substantive influence over policy direction. According to Gaventa (2004), participation confined to invited spaces without genuine influence is unlikely to effectuate authentic institutional transformation.

Generally, the involvement of non-state partners is restricted to attending coordination meetings, providing data or research findings, and engaging in technical collaboration for specific program implementation. Nonetheless, there is an absence of long-term institutional mechanisms, such as collaborative contracts, formal role-sharing, or structural recognition of their contributions. Ansell and Gash (2008) highlight the necessity of institutional design that ensures equitable power distribution and creates incentives for sustained engagement.

In practice, many initiatives undertaken by NGOs and local communities are reactive to government programs and have yet to be integrated into the policy-making (co-creation) process. Limited resources, exclusion from planning structures, and the lack of regulations safeguarding their position further perpetuate the vertical relationship pattern. Smith (2003) cautions that without institutionalizing the role of civil society, collaboration tends to be superficial and exclusive.

Nevertheless, there are positive developments, such as the increased participation of universities in providing databases, social mapping, and enhancing local economic capacity. This indicates transformative potential if the state offers a broader deliberative space and opens channels for social innovation from outside the formal bureaucracy. Edelenbos and Klijn (2005) assert that civil society involvement can enrich decision-making processes through a diversity of perspectives and knowledge.

To facilitate genuine transformation, the involvement of non-governmental actors must be expanded beyond the implementation phase to include the formulation of visions, monitoring, and evaluation of policies. This necessitates a paradigm shift from state-centric governance to networked governance, which is founded on mutual trust, functional interdependence, and collaborative capacity (Klijn & Koppenjan, 2016). Absent these structural and cultural changes, the contributions of non-state partners will remain marginal and unable to expedite systemic change toward more equitable and sustainable governance.

4.5. Transformation Of Social Values in Sustainable Governance

The transformation of social values is crucial in strengthening the cultural foundation of sustainable governance, particularly in the areas of poverty alleviation and social development. Core values such as transparency, solidarity, accountability, and social justice serve as normative elements that enhance trust among stakeholders and bolster the legitimacy of public policy. In Kendari, the internalization of these values is evident through the implementation of open reporting, increased community participation in social activities, and the reinforcement of collective spirit at the community level. This aligns with Putnam's (1993) assertion that robust social capital can enhance the effectiveness of democratic institutions in executing public policies.

The cultivation of social values is facilitated through institutional mechanisms, such as transparent budget reporting by Puskesmas, participatory monitoring by citizens, and the organization of activities based on mutual cooperation (*gotong royong*). Consequently, social values are not solely shaped by informal norms but can also be intentionally developed through public policies that create opportunities for substantive participation. March and Olsen (2006) argue that public institutions can serve as arenas for value learning, provided they are capable of shaping collective identities and shared norms among policy actors.

However, the process of transforming social values does not proceed in a linear manner. Such transformations often encounter structural challenges, including bureaucratic rigidity, resistance to the principle of openness, and the prevalence of patronage practices by local elites. The low level of citizens' literacy regarding their social rights further impedes the internalization of sustainability values. This is consistent with Dryzek's (2000) perspective on the significance of discourse-based institutional reform (discursive institutionalism), which involves changes in the mindsets and behaviors of policy actors.

Furthermore, the transformation of values is evident in the evolving social relations between the state and society. In practice, citizen solidarity frequently arises spontaneously outside formal program frameworks, such as in the distribution of aid tailored to the actual needs of communities. This phenomenon signifies the emergence of new value systems that are contextual and adaptive (Moulaert *et al.*, 2005), even if they have not been fully integrated into official public policy.

Changes in values also contribute to the development of the community's collective identity as active and responsible citizens. Public discourse concerning the right to welfare and collective responsibility is beginning to surface in various citizen forums, indicating a cultural shift from a passive to a participatory political orientation. Inglehart and Welzel (2005) assert that self-expression values positively correlate with increased democratic participation and the strengthening of social institutional resilience.

Overall, the process of transforming social values within the governance networks in Kendari indicates a constructive cultural shift towards more inclusive and adaptive governance. Practices of mutual cooperation, open reporting at the community level, and community involvement in the evaluation of social programs reflect progressive value dynamics, although they have not yet been fully institutionalized. Moving forward, policy design needs to be not only administrative but also normatively oriented, to support value-based governance capable of adapting to structural challenges and the dynamics of local politics.

4.6. Local Social Innovation in Sustainable Governance

Local social innovation constitutes a strategic element in facilitating the transformation of governance towards sustainability, particularly within the framework of multi-stakeholder collaboration. Social innovation is defined as the development of novel solutions that are more effective, equitable, and sustainable in addressing social challenges, while simultaneously generating additional societal value (Murray et al., 2010). In Kendari City, these innovations manifest in various programs, such as AMAN (Anti-Loan Shark), the affordable food movement, the construction of adequate housing, and the empowerment of MSMEs as catalysts of the local economy. These initiatives have emerged as alternatives to charitable approaches, which are often deemed inadequate in addressing the root causes of poverty.

In Kendari City, most social innovations are predominantly driven by local government initiatives through sectoral programs, with community participation serving as a supplementary component. This suggests that the innovation model implemented tends to be top-down. However, as Mulgan et al. (2007) emphasize, the success of sustainable social innovation necessitates a horizontal relationship pattern between state and non-state actors within a collaborative innovation

ecosystem.

Challenges in enhancing community-based innovation include limited local autonomy, constrained institutional capacity, and a lack of opportunities for social experimentation. Many local initiatives have stagnated due to the absence of regulatory support or institutional incentives. Nicholls and Murdock (2012) highlight that institutional capacity and the presence of collaborative platforms are essential prerequisites for the growth of sustainable innovation.

Nonetheless, there are positive indications of adaptive capacity and creativity from local communities in addressing challenges. The participation of MSMEs in the affordable food program, for instance, not only bolsters the local economy but also improves the distribution patterns of basic necessities based on the actual needs of the community. This phenomenon can be understood as a form of niche innovation within the social transition framework (Geels, 2002), which has the potential to trigger systemic change if supported by a responsive and flexible governance system.

Innovation-based transformation also necessitates a redefinition of the relationship between the state and society. The government needs to expand the scope of autonomy for communities in designing, implementing, and evaluating public policy. The co-production model between citizens and government, as described by Brandsen and Pestoff (2006), can yield more contextual innovations because they are built upon real needs and local knowledge.

In essence, the practice of local social innovation in Kendari demonstrates significant potential in promoting governance that is inclusive, adaptive, and based on community needs. For this transformation to be systemically entrenched, institutional reform is required to support decentralized innovation, strengthen community capacity, and create a conducive collaborative ecosystem. With such an approach, social innovation becomes not merely a technical solution, but also an integral part of a transformative strategy that enhances social resilience and the legitimacy of public governance at the local level.

4.7. Power Imbalances and Collaborative Challenges in Sustainable Governance

Collaboration among stakeholders is a fundamental component in achieving inclusive and adaptive governance to support the sustainability agenda. However, such collaboration is often confronted with challenges arising from power imbalances, particularly between state and non-state

actors. In Kendari City, the establishment of forums such as the Regional Poverty Alleviation Coordination Team (TKPKD) and the drafting of cross-institutional Memorandums of Understanding (MoUs) are intended to integrate poverty alleviation efforts. Although these structures are formally designed to support joint decision-making, in reality, the government still dominates, which means the principle of equitable power distribution is not yet fully reflected (Ansell & Gash, 2008).

Technically, collaboration is shaped through coordination forums, role allocation in planning documents, and cross-agency supervisory systems. However, in implementation, government institutions continue to control resources and administrative authority, while the position of non-state actors such as NGOs, local communities, and the private sector is often marginalized in strategic policy processes. Emerson *et al.* (2012) emphasize that effective collaboration must be supported by balanced power distribution, mutual trust, and constructive interdependent relationships.

Furthermore, collaborative agendas are often unilaterally determined by the government without providing adequate deliberative space for other actors. Forums that should serve as arenas for discussion and co-creation instead become mere policy socialization platforms. In this context, community involvement tends to be symbolic participation, as criticized by Gaventa (2006) in the concept of invited spaces, which highlights the limited influence of society within a framework controlled by the state.

In addition, inequality is exacerbated by the absence of institutional incentives, limited access to information, and lack of formal recognition of the contributions of non-governmental actors. Smith (2009) reminds us that symbolic participation without meaningful roles can actually lead to demotivation and apathy within society towards public governance. Nevertheless, there are opportunities to redesign collaboration towards greater inclusiveness. Approaches such as stakeholder interest and incentive mapping, as well as the implementation of inclusive, participatory monitoring systems, can strengthen stakeholder integration. Klijn and Koppenjan (2016) suggest the need for strategic network management to balance interest dynamics and strengthen inter-actor linkages.

The transformation of governance towards sustainability cannot be separated from efforts to reduce power imbalances. A paradigm shift is needed—from governance based on administrative

control to one that is facilitative, where the state serves as a mediator and enabler in the collaborative process. Collaboration grounded in trust, transparency, and collective learning must become the main pillars in creating a robust governance system responsive to social complexity (Bryson, Crosby, & Stone, 2015).

4.8. Program Sustainability and Prospects for Governance Reform

The sustainability of programs is a fundamental component in facilitating enduring institutional transformation. In Kendari City, several initiatives have been implemented to ensure the continuity of poverty alleviation programs, including the integration of planning documents such as the RPJMD, the application of P3KE indicators, and the enhancement of the institutional capacity of the TKPKD. These efforts aim to prevent reliance on short-term projects or specific political figures, striving to embed the program within the formal governance framework. In this regard, Sabatier (2007) underscores the necessity of a stable policy system that is adaptable to social change to ensure policy sustainability.

However, the execution of sustainability strategies encounters various challenges, including political fluctuations, inadequate cross-sectoral coordination, and the lack of incentive mechanisms to secure the long-term engagement of local actors. Numerous initiatives lose their sustainability following leadership transitions due to insufficient institutionalization. Peters (2015) highlights that policy institutionalization necessitates regulatory support, long-term funding allocation, and systematic multi-actor engagement.

Furthermore, sustainability is contingent upon the adaptive capacity of local governments in addressing social, economic, and environmental dynamics. While some programs in Kendari have assessed indicators and refined their designs, they have yet to establish this as a consistent institutional practice. True transformation necessitates transformative learning, which involves learning that fosters changes in cognitive frameworks and institutional structures (Mezirow, 1991).

The aspect of sustainability is also intricately linked to the degree of program ownership by the community. Many programs do not persist after the government intervention phase concludes, due to weak transition strategies and the absence of an effective exit strategy. Pretty (1995) emphasizes that citizen participation from the planning to the evaluation stages is a critical requirement for

cultivating a sense of ownership and responsibility towards program sustainability.

Looking forward, the prospects for transformative governance are largely contingent upon the capacity to develop collaborative systems oriented toward cross-sectoral learning, data integration, and the utilization of digital technology for monitoring and evaluation. The concept of collaborative adaptive governance proposed by Emerson et al. (2012) offers an adaptive and innovative governance approach, capable of navigating complexity through reflective and participatory mechanisms.

Therefore, program sustainability and the potential for governance transformation cannot rely solely on procedural or administrative approaches. Systemic restructuring of organizational culture, redistribution of power, and the institutionalization of genuine collaborative practices are imperative. Without these strategic interventions, poverty alleviation policies risk becoming ensnared in a cycle of short-term projects that fail to achieve sustainable transformational impact.

5. CONCLUSION

This study endeavors to comprehensively examine the mechanisms and dynamics of sustainability transformation within multi-actor

governance networks, specifically in the context of implementing poverty alleviation policies in Kendari City. Employing a qualitative approach with a case study design, data were gathered through field observations, in-depth interviews, focused group discussions (FGDs), and document reviews, subsequently analyzed using thematic analysis methods. The research identified eight principal themes that constitute critical dimensions in the process of sustainability transformation: reform of social assistance distribution; enhanced community participation; effectiveness of cross-institutional coordination; the role of non-government actors; shifts in social values; the emergence of local social innovation; challenges in collaboration and power imbalances; and the sustainability of programs and prospects for governance reform. These findings suggest that the governance practices of poverty alleviation policies in Kendari continue to encounter significant structural, coordinative, and cultural challenges. Consequently, to foster a more profound and sustainable transformation, inclusive institutional reform, increased participation of non-state actors, strengthening the capacity of local communities, as well as the development of collaborative and innovative mechanisms, are essential to enhance both the effectiveness and continuity of policies in the long term.

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