



ARTICLE

Tools of Government Analysis

A Local Economy Policy Perspective

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Abstract: Government analytical tools encompass various methodologies and strategies for evaluating, planning, and implementing public policies. This study investigates the various analytical tools local governments utilize and how these tools can be optimized to support local economic development. The literature review method was applied to identify related sources of information about the government's analytical tools. The literature search was conducted across several indexed journal databases, including SCOPUS, WoS (Web of Science), EconPapers, and SINTA 2, to exclude journals with a negative reputation (predatory journals). This study identified 14 relevant articles using a predetermined method. The findings of this study indicate that there are obstacles, including limited human resources and bureaucratic pathology, which hinder the application of analysis tools by local governments. Comprehensive and diverse strategies are crucial for understanding the success of utilizing analytical tools in local economic development. This study is expected to attract the interest of government officials because the application of technological tools (such as applications) allows data to be extracted quickly and accurately, thereby expanding the scope of analysis. Additionally, utilizing government analytical tools can enhance transparency and accountability, providing deeper insight into the importance of high-quality data. Furthermore, future researchers can consider other analysis tools useful for local governments to visualize data as a guide for local economic development, such as the application of artificial intelligence (AI) and machine learning for predictive analytics development.

Keywords: Tools Analysis; Government; Economy Policy; Economy Development.

1. Introduction

Local economic development contributes to improving individual development and well-being. Every location has its unique methods for enhancing economic progress. Geographical variables and local economic foundations are key determinants of economic development, influencing the level of economic activity (Zhang & Tian, 2024). A significant local economic issue is the regional disparity in development. Java regions exhibit greater advancement in infrastructure, industry, and educational access relative to regions outside Java, including Papua, Nusa Tenggara, and parts of Kalimantan. This disparity limits the potential of local economies in underdeveloped regions and exacerbates urbanization trends towards large cities, thereby intensifying social and economic pressures in urban centers.

The role of policy is crucial for sustaining economic development, and it will determine how much the government can enhance worker development and promotion (Petrakis et al., 2020). Moreover, augmented government expenditure on particular industries either diminishes or amplifies economic development in adjacent regions (Solihin et al., 2021). Some regions in Indonesia continue to depend significantly on basic sectors, including agriculture, plantations, and mining. Despite significant labour absorption, these sectors possess poor value attributable to restricted technology, diminished productivity, and volatility in global commodity prices. The income of individuals in regions heavily reliant on the primary sector often stagnates and is vulnerable to external shocks. The absence of economic diversity in these regions hinders the development of micro, small, and medium enterprises (MSMEs), which possess significant potential to stimulate the local economy (Fathurrahman & Fitri, 2024). On the other hand, the private sector plays a crucial role in enhancing local economic development. To effectively plan and develop local economic policies, it is essential to have access to appropriate analytical tools. Analytical tools effectively explain and forecast the expected economic expansion. Typically, statistical data obtained from official government entities serves as a primary source for planning and developing policies.

The Regional Autonomy Law and Presidential Regulation Number 32/2011 are among the government's policies and measures aimed at increasing economic growth in Indonesia's Economic Development Plan for 2011-2025. Autonomy empowers areas to govern the planning, execution, and strategies for enhancing economic growth. Regional economic policy must be attuned to local demands and features. Areas vary in their economic structures, making a universal approach unproductive. The significance of local governments in developing contextual policies is evident here. For example, local governments can support the tourism sector in areas with high tourism potential or boost the agricultural sector in rural areas. Consequently, the developed programs effectively address the issues and empower society based on actual circumstances.

Furthermore, the local level is crucial in formulating and executing national policies and programs (Smith-Merry, 2020). Local governments must depend on precise and current data to formulate successful and targeted programs. Data-driven policies facilitate more logical, quantifiable decision-making and circumvent trial-and-error methodologies. Data regarding poverty rates, unemployment, or sector productivity can serve as the foundation for establishing budget priorities and economic development initiatives. Moreover, employing information technology for data collection and analysis, including geographic information systems (GIS) and regional economic dashboards.

According to data from Statistics Indonesia, economic growth in different regions of Indonesia varied in 2023. The North Maluku Province had the highest economic growth rate (20.49%), while the West Nusa Tenggara Province had the lowest (1.8%). Thus, local governments must possess the necessary resources to sustain robust economic growth, particularly in regions grappling with poor economic growth and striving to enhance it. These analytical methods are crucial in identifying optimal strategies and resource allocation (Petrakis et al., 2020). Furthermore, some research suggests that these analytical techniques are essential for achieving a wide range of goals. According to Lu (2022) study, economic growth has the potential to improve individuals' income and socioeconomic conditions by utilizing cryptocurrency technologies. However, regions with elevated inflation rates primarily employ these tools. The Regional Input-Output Modeling System (RIMS) is an analytical tool that comprehensively represents the production, consumption of products and services across different industries (BEA, 2020). Most people recognize the Gross Domestic Product (GDP) as the primary indicator for measuring economic growth (Banerjee & Duflo, 2019).

Studies analyze economic policy information from multiple perspectives, including the industrial sector (Nuraini & Hariyani, 2019); population and labor force (Lianos et al., 2022); education (Apostu et al., 2022); and regional geography (Albalade et al., 2022). Unfortunately, researchers have provided limited information regarding the specific instrument for local governments employ to develop regional economic growth programs based on economic studies. Enhancing economic growth is crucial for augmenting regional revenue and fostering development. From the social studies perspective, human rights encompass concepts such as justice, welfare, and entitlement to fundamental necessities (Capeheart & Milovanovic, 2020).

Regions with limited human resources and technological infrastructure often cannot analyse comprehensive economic data. As a result, development planning and economic policies that are designed are usually normative rather than evidence-based. This phenomenon has garnered the national government's attention, facilitating policy advocacy through education and training, which enables the realization of national objectives in the economic sector. Government analytical instruments encompass several methodologies and strategies employed to assess, strategize, and execute public policies. Local governments often tailor these instruments to specific circumstances, taking into account distinct demographic characteristics, available resources, and local economic conditions. Consequently, research examining governmental analytical instruments from a local economic viewpoint is not only pertinent but also essential for formulating policies that are more efficient and attuned to community needs.

A primary problem in this research is the lack of extensive data and information on the utilization of government analytical tools at the local level. Numerous current studies predominantly emphasize macro analysis, frequently overlooking the subtleties and intricacies present at the local level. Despite the acknowledged significance of data and analytical tools in development planning, research about their application by local governments to enhance the local economy in Indonesia remains relatively scarce. Many studies examine the effectiveness of economic policies and the role of MSMEs in local development. However, they have not fully explored how the skills of government analytical tools, like access to data, human resources expertise, bureaucratic pathology, or technology use, affect the quality of economic decisions made locally. Additionally, very few studies examine the structural and institutional barriers that lead to different uses of economic analytical tools across various regions, including issues with coordination between agencies, budget constraints, and a bureaucratic culture that hinders decisions based on data. These factors are crucial

for devising a strategy to holistically and sustainably enhance local governments' capabilities.

This study examines the various analytical tools employed by local governments and how these tools can be optimized to promote local economic growth. Furthermore, this study will examine how government analytical tools can be used to address complex social and economic issues. In this context, it is important to consider how policies taken can contribute to achieving objectives and are evidence-based at the local level. Thus, this study focuses not only on the analytical tools but also on the impacts generated by the policies resulting from the analysis.

It is essential to point out that governmental analytical methods are not universally applicable. A range of external and internal factors can impact the effectiveness of these tools, including global economic conditions, changes in national policy, and social dynamics. Consequently, a comprehensive and multifaceted approach is essential to understand the successful application of analytical tools within local economies. This research is expected to make a significant contribution to the existing literature on government and local economic analysis. The results of this study can be a reference for policymakers, academics, and practitioners interested in local economic development. In addition, the results of this study are expected to encourage further discussion on the importance of analytical tools in creating more responsive, adaptive, and evidence-based policies at the local level. Finally, it is essential to address the primary question of this study: What analytical tools can the government utilize to enhance the local economy? The following section will discuss the research method, and discussion, and the conclusions.

2. Methods

This study employs a literature review analysis to identify related sources regarding the analytical tools used by the government. A literature review must clarify prior studies based on the objectives, thoroughly explain and summarize them, and objectively evaluate the findings (Paul & Barari, 2022). Moreover, meticulous criterion selection can enhance the precision of the systematic review. The selection of this method as preliminary research to understand the analytical tools local governments can use to formulate economic development programmes. To examine the relevant literature, the researcher follows several specific steps:

2.1. Literature Search Strategies

Research on government analysis tools to support local economic development was gathered from trusted journal databases, including SCOPUS, WoS (Web of Science), EconPapers, and SINTA 2, to exclude journals with unreliable (predatory) publications. The search technique employed the terms "tools of government analysis", "tools of government analysis for local economic development", and "tools of government analysis for developing economies at the local level". The keywords encompass the primary title, abstract, and key terms. The researcher may not have located all the relevant literature for the chosen research topic, and may explore official government portals to acquire more comprehensive information using the same methodology.

2.2. Search Limitations

This research article limits the search to related literature published in the last 15 years (2009–2024).

2.3. Selection of Literature for Assessment

The literature search identified 14 articles on government analysis tools to enhance local economic development, as illustrated in Table 1.

Table 1. Literature Identify

Tools	Authors	Sources	Total
Regional Input-Output Modeling System (RIMS)	Bess (2011); BEA (2020)	Econ Papers; https://www.bea.gov/resources/methodologies/RIMSII-user-guide	2
Statistical Software Analysis	Ryten (2015)	Scopus	1
Econometric Model	Kato (2023)	Scopus	1
Cost and Benefit Analysis	Joseph et al. (2020)	Scopus	1
Break Even Analysis	Choudhry (2015)	Scopus	1
Economic Indicator	Nuraini and Hariyani (2019); Wang (2022)	SINTA 2; Web of Science	2
Simulation Model	Kumari and Devadas (2016); Patraakeeva (2018); Boyko et al. (2019)	Scopus; Scopus; Scopus	3
Game Theory	Sakir (2016); Samuelson (2016); AlOmari (2024)	Scopus; Scopus, Scopus	3

Source: Elaborate by Author (2024).

3. Results and Discussion

3.1. Economy Public Policy

Analyze the public policy process by examining the policy cycle and policy style. Policymakers typically adhere to the standard protocols of the public policy process, which include the stages of agenda setting, policy creation, policy legitimacy, policy implementation, policy evaluation, policy maintenance, and either succession or termination (Cairney, 2023). Multiple interconnected processes allow for the comprehension and analysis of the policy process. However, it remains a unique element that shapes government actions. The new policy will establish a fresh area for implementation and reassessment. Multiple pressure elements are necessary prerequisites for policy implementation, and policies are often imperative obligations. Acting as a government regulation, Law 13/2022 pertains to establishing laws and regulations. The process's formation involves several critical steps, including (1) the planning, (2) the preparation, (3) the discussion, (4) the ratification or determination, (5) the promulgation, and (6) the stage of diffusion.

The stages or processes of public policy are intricate and encompass a multitude of participants, including government officials, civil society, business entities, and other interest groups. It is crucial to consider diverse interests and viewpoints throughout the various stages of the process to ensure that the final public policies adequately and efficiently address the needs and expectations of the community. An investigation conducted by Jackson et al. (2020) on policymaking in Indonesia found that irregular and inconsistent methods often characterize policymaking. Various branches of government develop policies, and policymaking discussions between the executive and the legislature are a process and pattern for deciding on policies.

Similar to the establishment of other municipal legislation, the policy cycle is a complex and multifaceted process. It encompasses multiple facets that require meticulous deliberation and examination to ensure optimal and streamlined outcomes. Backed by empirical evidence and thorough examination, each decision can evolve into policies that have either beneficial or detrimental effects on individuals and society (Sager et al., 2023). The primary objective of the policy process is to effectively

tackle social issues and generate solutions that promote the well-being of society and have a significant broader effects.

The national government continues to encourage the creation of evidence-based local government policies through tools provided or scientifically verified. These tools help decision-makers to set more effective and evidence-based goals and policies. Aside from conventional evidence, scientific evidence is significant as a reference when starting the policy formulation process. The study by [Wijayanti & Jannah \(2019\)](#) claims that getting results from a policy is greatly influenced by the context of the policy itself. In the economic context, policies provide certainty to investors ([Sofie & Rachmawati, 2024](#)), ease of investment, and as an effort to reduce local poverty levels ([Handoyo et al., 2021](#)). In some cases, implementing economic policies based on evidence must be the norm, and evidence with various arguments through appropriate analytical tools ([Phillips et al., 2020](#)). For this reason, data, evidence, and evaluation are the resources needed to start making evidence-based policies.

Conversely, policy failure indicates a lack of capacity to implement policies effectively. There is an increasing recognition that policies cannot achieve success or failure in isolation. Moreover, [Leong & Howlett \(2021\)](#) have observed that the government is conscious of the need to examine the reasons behind policy failures and is more practical to focus on finding solutions. The presence of technical education and modern case studies provides hope for resolving policy issues. Instead of allowing policies to fail entirely or partially, governments seek ways to enhance and bolster the policy process, particularly throughout the development and implementation phases.

3.2. Local Economy Development

Local economic development is an increasingly pressing issue in the context of globalization and rapid socio-economic change. In recent years, increasing attention has been given to policies and practices that can be adapted to support sustainable economic development at the local level ([Salder, 2023](#)). Local economic development is determined by the role of policy in organizing and building economic capacity in a region. Economic development involves various sectors, such as regional spatial planning, infrastructure development, and equitable social development of society through various government programs.

Recent studies also demonstrate the economic benefits of developing Micro, Small, and Medium Enterprise (MSMEs) policies to enhance the community's economy ([Butolo, 2022](#)). Using economic information data in an integrated system makes it easier to determine economic development policies and more transparent evaluations ([Budiantoro et al., 2023](#)). Utilization of local potential appropriately through various analysis scenarios ([Wulandari & Afriyanni, 2021](#)). However, one of the main challenges in local economic development is the unequal access to resources and opportunities ([Pradana & Mun'im, 2022](#)). Many areas, incredibly remote or less developed, face difficulties attracting investment and creating jobs ([Wear, 2023](#)). Therefore, it is important to identify and address the barriers that hinder economic development in the area. One strategy for implementation is the development of adequate infrastructure, such as transportation and communication, which can improve connectivity and accessibility. In addition, training and education for local workers are also important steps to improve skills and competitiveness. Government policies also play a crucial role in local economic development ([Humalangi et al., 2023](#)). Policies that support innovation, investment, and entrepreneurship can create an environment conducive to economic development.

3.3. Tools of Government Analysis

In the policy context, analytical tools are used to gather data, models, images, and predictions to inform policy formulation (Bali et al., 2021). Furthermore, according to economic research, analytical tools provide a method for systematically evaluating and analyzing economic effects using either traditional or technology-driven approaches (Klevmarken, 2022). These technologies facilitate the manipulation of quantitative data, granting access to processed data to comprehend the available information and gain insights into the decision-making process. These tools can be programs, computer software, or other tools that visually represent the outcomes of the data processing procedure. Local governments can utilize various analytical tools outlined in this document to effectively plan and develop economic strategies. Table 2 presents a compilation of analytical tools from multiple relevant sources.

Table 2. Tools of Government Analysis

Tools	Model Analysis
Regional Input-Output Modeling System (RIMS)	Goods and Service Production
Statistical Software Analysis	Sustainable Metrix
	Multiple Linear Regression
	D-Model (Disaggregated Model)
	Pearson Correlation-Long Short-Term Memory-Recurrent Neural Network (PC-LSTM-RNN)
	Autoregressive Integrated Moving Average (ARIMA), Temporal Convolutional Networks (TCN)
	Error Trend Seasonality (ETS)
	Factor Error Correction Model (FECM)
	K-Nearest Neighbors (KNN)
	Linear Regression
Econometric Model	Structure Equation Modelling
	Data Analysis and Econometric Model
	• Stata
	• R
	• EViews
	Financial Modelling Platforms
	• Excel
	• Quantrix
	• Adaptive Insights
	Data Visualization Tools
Cost and Benefit Analysis	• Tableau
	• Power BI
	• QlikView
	Geospatial Analysis Software
Break Even Analysis	• ArcGis
	• QGIS
	• MapInfo Pro
Economic Indicator	Cost and Benefit Assessment
Simulation Model	Income and Expenditure
	Gross Domestic Product (GDP)
	Dynamic System Model

Tools	Model Analysis
Game Theory	• Modeling Economic Activity • Predicting Outcomes • Understanding Decision Making • Capturing Society Features

Source: Elaborate by Author (2024)

3.3.1. Regional Input-Output Modeling System (RIMS)

The United States Bureau of Economic Analysis (BEA) developed the Regional Input-Output Modeling System (RIMS) to support governments and economists in assessing the potential impact of economic activities on regional economies. Investors, planners, and government authorities use the RIMS results to assess the potential economic implications in a given location. RIMS provides a comprehensive overview of the production and utilization of goods and services inside an industry (BEA, 2020). RIMS employs Interregional Input-Output (IRIO) data in its operations. Instances of its application can be identified in several provinces, including East Java, Central Java, and North Kalimantan, to assess the feasibility of industrial area development based on specific industries. The outcomes are a strategic tool to promote equitable, sustainable, and data-driven economic development (Indryani & Mun'im, 2022). In the policy realm, RIMS outcomes can enhance policy execution or amend policies that are at odds with the policy's aims.

3.3.2. Statistical Software Analysis

Statistics is the process of gathering numerical data and evaluating it to conclude. Technological advancements have altered the outlook of scientists and researchers, enabling them to elucidate certain phenomena using numerical data. SPSS, SAS, STATA, JMP, and MANLAB are statistical software tools commonly employed for analyzing diverse quantitative data analysis models.

3.3.3. Econometric Model

An econometric model is a statistical model that explains the correlation between economic variables in a specific economic phenomenon. This model is constructed with economic data and statistical inference methodologies. The econometric technique enables policymakers and economists to examine diverse policy concerns (Kato, 2023). Furthermore, econometric models forecast future trends by revealing correlations between economic variables. It is widely understood that economic ideas and hypotheses are based on empirical data.

3.3.4. Cost and Benefit Analysis

The policy must ensure its benefits are proportional to expenditures, considering the impact on the entire community. The cost-benefit analysis is often regarded as the appropriate approach for analyzing policy formulation (Joseph et al., 2020). Cost-benefit analysis (CBA) application varies between the public and private sectors. In the private sector, cost-benefit analysis (CBA) involves evaluating economic factors to assess profitability and gauge the level of success. Meanwhile, the public sector CBA scrutinizes the application of “public” as its primary objective. Cost-benefit analysis (CBA) is a decision-making method that evaluates the efficient allocation of resources by weighing the expenses incurred against the desired benefits achieved.

For example, to reduce corruption, cost-benefit analysis (CBA) compares government program budgets with the expected benefits from taxable income, which

helps show possible financial losses for the state (Kusumawardhana et al., 2024). CBA is a decision-making instrument that evaluates resource utilization (as costs) against the optimal attainment of desired outcomes (as benefits).

3.3.5. Break Even Analysis

Break-even analysis (BEA) is a financial calculation that determines whether the total revenue equals the total expenses. It facilitates comprehension of the required income to offset expenses. Government operations employ break-even analysis to streamline strategic planning and budget allocation. Break-even point analysis (BEP) can help the government optimize its budget management. By understanding the break-even points of various programs and initiatives, the government can allocate its budget more efficiently and prevent waste. BEP assesses BUMN's earnings and losses to evaluate financial performance (Nasution et al., 2023).

3.3.6. Economic Indicator

Economic indicators are graphical representations of the stability or development of a specific area, such as a country, province, or regency. These indicators offer valuable insights through statistical analysis (Wang, 2022). The amount encompasses the aggregate production, consumption, and government expenses. Economic indicators serve as reliable tools for evaluating macroeconomic performance, stability, and the overall well-being of the economy. Typically, the government presents these economic data using the Gross Domestic Product (GDP). Gross domestic product (GDP) is a significant economic metric that quantifies the monetary worth of goods and services generated within a country during a specific timeframe.

3.3.7. Simulation Model

This model investigates the comparative profitability of various development options (Boyko et al., 2019). System dynamics refers to the study of systems that undergo continuous changes over time. Furthermore, dynamic systems can analyze previous system behavior and anticipate future patterns to identify the underlying causes of policy resistance, thereby developing more efficient policies. The dynamic systems approach to intricate problems emphasizes the feedback process. The feedback structure is accountable for temporal alterations. For example, Hidayatno et al. (2019) analyzed renewable energy development policies in Indonesia through a dynamic system model, focusing on the dynamics of electricity prices sold by electricity producers to PT. PLN and tax facilities and challenges in implementing regulations such as business schemes and incentives are considered less attractive to investors.

3.3.8. Game Theory

Game theory examines the behavior of individuals and organizations in certain situations and how they can impact economic development. Game theory examines scenarios with conflicts of interest among individuals or groups. In government-conducted market research, game theory examines the behavior of both consumers and producers. Producers must evaluate competitors' actions and their impact on demand and sales when determining the pricing of a new product. This process enables the government to regulate the distribution and inflation rate of the region (AlOmari, 2024).

3.4. Critical Analysis of Government Analysis Tools

The Indonesian government commonly employs analytical tools to enhance economic development, adhering to laws and principles. The Government Planning Agency and other institutions, particularly local governments not affiliated with the Statistics Indonesia, conducted this analysis. Government policies have officially established only a limited number of available analysis tools. As an illustration, the Ministry of Maritime Affairs and Fisheries (KKP) conducts a cost-benefit analysis (CBA) pursuant to the Minister of Maritime Affairs and Fisheries' Decree Number 96/KEPMEN/-KP/2020. Furthermore, the local government can conduct analysis using technologies that lack formalized policies by collaborating with higher education institutions or by offering training and education to existing human resources.

Law 13/2022 pertains to establishing the formation of rules and regulations, and one of the obligatory steps is the first planning phase. The planning phase gathers information from the analysis to inform the formulation of policy, laying the groundwork for policy development. Policy planning encompasses the process of identifying problems, conducting a thorough analysis, and assessing the impacts they have. For instance, diverse technologies like RIMS can evaluate Statistics Indonesia data. RIMS can observe and assess equitable development by determining the extent of income disparity in a given area. The Gini Ratio is a key measure of equitable development. Statistics Indonesia also utilizes economic indicators to assess the Gross Domestic Product (GDP), inflation rates, and unemployment rates. The government uses the results of these analysis tools for program planning and as material for formulating policies. Moreover, selecting statistical analysis methods and software often fails to account for the requisite data complexity and type. While using costly licensed software like SPSS might strain the budget, free alternatives such as R software remain underutilized due to insufficient human resource readiness. Moreover, the outcomes of statistical data frequently elude policymakers' comprehension, leading to their probable disregard.

The ineptitude of local governments' human resources hinders their utilization of these analytical tools. Despite its effectiveness in assigning personnel according to their domains and competencies, the merit system falls short in specific fields regarding human resource competence. Proficient individuals should be assigned technical and analytical tasks to fulfill their responsibilities effectively. Regions with reliable human resources utilize analysis tools to design policies that can enhance the economy. As an example of several regions described previously, the analysis tool helps the government or other organizations design the reliability of a project and determine whether it is economically possible to implement it.

Therefore, applying government analysis tools is crucial in improving the effectiveness of public policies and government management. In this context, analysis tools serve as instruments for collecting and analyzing data, as well as a means to support better decision-making. These tools enable more systematic and structured data collection, providing deeper insights into the social, economic, and environmental conditions. With accurate and up-to-date data, policymakers can formulate policies that are more responsive to society's needs. For example, using analysis tools such as surveys, statistical modeling, and big data analysis can help the government identify priority issues and design targeted interventions.

The application of government analysis tools impacts transparency and accountability. With open and publicly accessible data, the public can monitor government performance. Encourages public participation and increases public trust in government institutions. When the public feels that the government is acting

based on valid and transparent data, they tend to be more supportive of the policies taken. However, despite the many benefits, implementing government analytics tools also faces various challenges. One of the main challenges is the limited availability of both financial and human resources. Many governments, especially in developing countries, may lack sufficient budgets to implement sophisticated analytics tools or train their staff to use them. In addition, the lack of adequate information technology infrastructure can also be a barrier to data collection and processing.

Another challenge is related to data quality. Inaccurate or incomplete data can lead to misleading analysis, which in turn can result in ineffective policies. Therefore, the government must ensure that the data collection system can produce valid information. This includes the need for clear standards in data collection and mechanisms to verify and validate the data obtained. Implementing government analytics tools also requires the involvement of various stakeholders, including civil society, the private sector, and academia. Collaboration between these parties can enrich the analysis process and ensure that diverse perspectives and experiences are incorporated into decision-making. However, governments must also be careful when adopting new technologies, ensuring their use does not pose privacy risks or cause data misuse.

4. Conclusion

These tools offer a comprehensive and graphical representation of the analysis work. Gaining valuable insights to develop strategies and solve underlying problems requires effective communication of data and information. Local governments face challenges in effectively utilizing analytical technologies due to a shortage of dependable human resources for translating diverse data, facts, and information. Regarding initiatives aimed at boosting economic development, information on analytical techniques at the regional and local levels is lacking, except for the data provided by Statistics Indonesia, which serves as a reference. The outcomes derived from utilizing analytical tools depend on the specific requirements and how they are employed.

Every analysis tool possesses its own set of benefits and drawbacks. Using paid tools necessitates allocating government funds for licensing or adopting open-source alternatives. Nevertheless, even with advanced analytical tools, achieving accurate results is contingent upon the skillful operation of skilled human resources. Therefore, this research recommends that local governments determine how to collaborate with educational institutions or explore alternative learning methods to apply these analytical tools in efforts to develop policies for local economic growth.

The primary issue in this study is the absence of comprehensive data and information regarding the utilization of governmental analytical tools at the local level. Government analytical tools cannot serve as a singular solution. Extensive and varied strategies are crucial for understanding the success of utilizing analysis tools in the local economy. Future researchers may consider other analysis tools that are useful for local governments to visualize data and guide local economic development. Technological tools facilitate the rapid and precise extraction of data while broadening the scope of analysis. Furthermore, government analysis tools enhance transparency and accountability while offering a more profound understanding of the significance of quality data.

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