Published by Yayasan Amerta Insan Unggul

DOI: 10.65246

p-ISSN 3063-9840 | e-ISSN 3063-8194

GoodWill Journal of Economics, Management, and Accounting

journal homepage: https://jurnal.amertainstitute.com/index.php/GoodWill/index



Integration of Environmental Auditing into Public Policy

Agung Nugraha[1], Marwah Yusuf[2], Ishak[3]

Program Pascasarjana Magister Ilmu Akuntansi, Sekolah Tinggi Ilmu Ekonomi Makassar Bongaya, Makassar, Indonesia

Email: agung140747@gmail.com; marwah.yusuf@stiem-bongaya.ac.id; ishak.hamzah@stiem-bongaya.ac.id

ARTICLE INFO

Keywords:
Environmental Audit; Public Policy; Husserlian Phenomenology; Integration; Sustainable Development

Publication History:
Received: 20 May 2026
Screening: 05 May 2026
Review: 28 June 2026
Revision requested: 28 July 2026
Revised: 10 August 2026
Accepted: 31 October 2026

ABSTRACT

This study aims to understand the meaning of environmental audit integration into public policy. Environmental audit has a strategic function as a bridge between regulation and environmental management practice, yet its implementation faces obstacles. A qualitative method with Edmund Husserl's phenomenology was employed to explore the subjective experiences of three informants: a QHSE practitioner at PT Charoen Pokphand Indonesia Tbk, a supervisor from the Environmental Agency, and a certified environmental auditor. Data analysis was conducted through epoché, horizontalization, meaning units, and textual-structural descriptions to reveal the essence of the phenomenon. The findings show that the meaning of environmental audit varies according to informants' positions and experiences. Audit is understood as an instrument for ensuring compliance, supervision, and systematic assessment, but its integration into public policy remains unsystematic. Barriers include unclear follow-up mechanisms, overlapping authority, limited resources, and weak coordination. The essence of the phenomenon is the tension between formal compliance and substantive improvement, mediated by power relations, economic interests, and institutional capacity. This study concludes that strengthening regulation, inter-actor coordination, institutional capacity, transparency, and adaptive-participatory audit standards is necessary for environmental audit to truly reinforce public policy and sustainable development.

1. Introduction

Economic development across countries has made significant contributions to social welfare, industrial growth, and technological advancement (Garnaut, 2015). However, these achievements have also generated serious environmental consequences. Climate change, environmental pollution, and biodiversity loss have increasingly developed into a *triple planetary crisis* that threatens the sustainability of human life. This crisis is reflected in rising global temperatures, deforestation, declining water quality, air pollution, and the increasing frequency of hydrometeorological disasters across various regions. Consequently, development can no longer be assessed solely in terms of economic growth but must also consider a country's capacity to maintain a balance between economic development and environmental sustainability.

The Sustainable Development Goals (SDGs) established by the United Nations provide an important framework for addressing these challenges, although their implementation remains complex. Sustainability fundamentally concerns living within ecological boundaries, whereas sustainable development involves improving the quality of economic growth while managing trade-offs among environmental, social, and economic dimensions. Indonesia faces a significant challenge in ensuring policy consistency in achieving the SDGs. Prior to its commitment to the SDGs in 2015, Indonesia's development policies were strongly oriented toward natural resource utilization, contributing to substantial economic growth while also generating considerable deforestation. Following its commitment to the SDGs, Indonesia has increasingly strengthened climate change mitigation and environmental protection. Such efforts require multilevel policy coherence, in which SDG commitments, national legislation, presidential regulations, ministerial regulations, and provincial policies operate synergistically, as well as

DOI: 10.65246

multisectoral coherence among ministries involved in SDG implementation.

As a country endowed with abundant natural resources, Indonesia faces similar tensions between economic development and environmental protection. Industrial activities, mining, plantations, and infrastructure development have contributed substantially to national economic growth but have also generated environmental problems, including deforestation, river pollution, land degradation, coastal ecosystem damage, and social conflict. In response, the Indonesian Government has established various environmental protection and management instruments, including Law No. 32 of 2009 on Environmental Protection and Management, Environmental Impact Assessment (AMDAL), the Company Performance Rating Assessment Program in Environmental Management (PROPER), and environmental audits for business activities with potentially significant environmental impacts. These instruments are intended to ensure compliance with environmental regulations, strengthen environmental governance, and enhance corporate and governmental accountability.

Among these instruments, environmental auditing has a strategic position because it provides a systematic mechanism for assessing organizational compliance, identifying potential pollution risks, evaluating the effectiveness of environmental management systems, and recommending continuous improvements. Environmental audits therefore extend beyond administrative compliance and function as a control mechanism that can provide objective information for government decision-making and environmental policy evaluation. In this sense, environmental auditing serves as a bridge between public policy implementation and environmental management practices at the organizational level. Bedner (2010) emphasizes that environmental auditing constitutes an important pillar in developing governance that is more responsible toward the natural environment.

Environmental auditing is a systematic process for evaluating an organization's environmental performance and can provide important information for public policy decision-making (Saputra & Paranoan, 2024). Nevertheless, its integration into Indonesian public policy continues to face challenges, including limited awareness of the importance of environmental audits, inadequate availability of trained human resources, and regulatory frameworks that do not fully support effective implementation. Hu et al. (2020) reported that only 30% of companies in Indonesia routinely conducted environmental audits, indicating a substantial gap between regulatory expectations and actual environmental management practices.

Law No. 32 of 2009 provides an important legal foundation for environmental protection and management by recognizing a good and healthy environment as a constitutional right of citizens. Articles 65 and 66 provide legal certainty and protection for individuals' rights to a good and healthy environment, while Articles 48–51 establish provisions through which environmental audits can be encouraged, required, and followed up, particularly for high-risk activities and non-compliant business entities. Accordingly, environmental audit results can serve as a basis for governmental decision-making, supervision, enforcement, compliance improvement, and continuous environmental policy development. Environmental auditing can therefore function not merely as an organizational evaluation instrument but also as a public policy instrument for monitoring and improving environmental governance.

However, empirical realities indicate that environmental auditing in Indonesia has not fully achieved its intended control function. In November 2025, the Ministry of Industry reported that 24 companies in the Modern Cikande Industrial Estate, Banten, were exposed to radioactive Cesium-137 (Cs-137), including PT Charoen Pokphand Indonesia Tbk (CPIN). Radiation exposure varied considerably, with several food industries recording exposure rates between 1.6 and 152 microsieverts per hour, while several waste accumulation sites recorded levels of up to 10,000 microsieverts per hour. This situation illustrates the complexity of environmental oversight at the corporate level.

These circumstances reveal a recurring tension between formal administrative compliance and environmental realities experienced by communities. Companies may claim compliance with regulatory and environmental management obligations, while communities continue to experience environmental impacts and inadequate resolution. This gap indicates that environmental auditing challenges are not limited to technical audit procedures but are also associated with public

DOI: 10.65246

governance involving economic, political, and social interests. Investment interests, economic growth, and pressure to accelerate licensing processes may weaken environmental oversight, potentially shifting environmental audits from instruments of control toward instruments of organizational legitimacy.

Structural problems, including information asymmetry and limited law-enforcement capacity at the regional level, further contribute to weak ecological oversight. Mandatory environmental audits may be undermined by inadequate independent validation, while external audit reports can become formal documents intended primarily to satisfy business licensing requirements. This regulatory weakness is compounded by deregulation following policies aimed at simplifying investment licensing, which has reduced the rigidity of AMDAL and periodic environmental oversight (ICEL, 2025). Consequently, the *command-and-control* approach may be weakened, while administrative sanctions and findings of non-compliance do not consistently result in effective deterrent effects.

Previous studies have predominantly focused on measuring corporate compliance with environmental regulations, examining the effects of environmental auditing on organizational performance, or evaluating the implementation of environmental management systems. Most studies employ normative or quantitative approaches that position environmental auditing primarily as a technical organizational control instrument. Thus, an important research gap remains concerning how environmental auditing is integrated into public policy through communication processes, interest negotiation, and power relations among stakeholders. This dimension is essential for explaining why environmental auditing has not fully achieved its environmental control function despite the existence of an established regulatory framework.

The research problem addressed in this study is therefore the limited understanding of how stakeholders interpret, negotiate, and implement the integration of environmental auditing into public policy and how these processes influence the effectiveness of environmental governance. Accordingly, this study aims to examine the integration of environmental auditing into public policy by exploring the subjective experiences and meanings constructed by relevant stakeholders.

This study employs Edmund Husserl's phenomenological approach to investigate stakeholders' subjective experiences in understanding and implementing environmental auditing. The approach emphasizes perception, intentionality, consciousness, constitution of reality, and intersubjectivity. Data analysis follows an interactive model involving data reduction, data presentation, and conclusion drawing. Husserl (1970) concept of *imaginative variation* is employed to explore how environmental auditing may appear differently within stakeholders' consciousness under alternative conditions, including participatory auditing, firm follow-up of audit findings, and greater community involvement.

Theoretically, this study contributes to the environmental governance and auditing literature by shifting attention from the technical and compliance-oriented dimensions of environmental auditing toward the meanings, interactions, and power relations underlying its integration into public policy. Practically, the study provides insights for policymakers, regulators, auditors, corporations, and communities regarding the development of environmental auditing mechanisms that are more communicative, participatory, transparent, and responsive. The novelty of this study lies in its phenomenological examination of environmental audit integration as a socially constructed public policy process rather than merely a technical compliance mechanism. Through this perspective, the study seeks to provide a conceptual reconstruction of environmental auditing that supports more accountable, participatory, and sustainable environmental governance.

2. Literature Review

2.1 Conceptual and Theoretical Foundations

2.1.1 Environmental Audit

Environmental auditing is understood as a systematic, documented, and periodic process for evaluating an organization's environmental performance, particularly its compliance with environmental regulations and internal environmental policies (Saputra & Paranoan, 2024). As an evaluative mechanism, environmental auditing identifies potential environmental risks, assesses the effectiveness of environmental management systems, and provides recommendations for continuous improvement. Consistent with this perspective, ISO 19011 defines auditing as a

DOI: 10.65246

systematic, independent, and documented process for obtaining and objectively evaluating audit evidence to determine the extent to which audit criteria have been fulfilled (ISO, 2018).

In the context of public policy, environmental auditing extends beyond its function as an internal organizational control mechanism. It can serve as a bridge between government policy implementation and environmental management practices at the organizational level by providing information that supports governmental evaluation and policy improvement (Bedner, 2010). Accordingly, environmental auditing in this study is conceptualized not merely as a compliance mechanism but as an instrument through which environmental information, organizational practices, and public policy interact.

2.1.2 Policy Coherence Theory

Policy coherence provides an important theoretical foundation for understanding the integration of environmental auditing into public policy. Policy coherence for sustainable development emphasizes the systematic integration of economic, social, and environmental dimensions throughout the policy process while minimizing trade-offs and strengthening synergies across sectors and levels of government (OECD, 2019).

This perspective distinguishes between vertical or multilevel coherence and horizontal or multisectoral coherence. Vertical coherence concerns alignment among SDG commitments, national legislation, presidential regulations, ministerial regulations, and regional policies, whereas horizontal coherence concerns coordination among ministries and institutions involved in sustainable development. In the context of environmental auditing, policy coherence is important because inconsistent regulations, fragmented institutional responsibilities, and weak coordination may reduce the effectiveness of environmental control mechanisms. Thus, this theory provides an analytical basis for examining how environmental audit findings are connected with policy formulation, implementation, supervision, and enforcement.

2.1.3 Compliance Theory

Compliance Theory is relevant for explaining the relationship between organizational behavior and environmental regulations. Edelman (1992) introduced the concept of symbolic compliance, whereby organizations may establish formal structures, procedures, and documentation to demonstrate compliance with legal requirements without necessarily producing substantive changes in everyday organizational practices.

This perspective is particularly relevant to environmental auditing because formal audit compliance does not necessarily guarantee substantive environmental performance. An organization may possess audit documents and demonstrate administrative compliance while environmental impacts remain experienced by surrounding communities. The distinction between formal compliance and substantive compliance therefore provides an analytical lens for examining whether environmental audits function as genuine control mechanisms or primarily as formal instruments for satisfying regulatory requirements.

2.1.4 Legitimacy Theory

Legitimacy Theory explains how organizational actions are associated with socially constructed expectations concerning appropriate and acceptable behavior. Suchman (1995) conceptualizes legitimacy as a generalized perception or assumption that an entity's actions are desirable, proper, or appropriate within a socially constructed system of norms, values, beliefs, and definitions.

This theory is relevant to the present study because environmental audits may perform a legitimacy function in addition to their technical and compliance functions. When audit reports are primarily used to demonstrate regulatory compliance and obtain recognition from regulators and the public, environmental auditing may shift from substantive environmental control toward organizational legitimacy. Legitimacy Theory therefore helps explain how organizations may use environmental audit outcomes to maintain social acceptance while the substantive environmental improvements expected from auditing may remain limited.

2.1.5 Stakeholder Theory

Stakeholder Theory provides a further theoretical basis for understanding the relationships among actors involved in environmental governance. Freeman (1984) argues that organizational sustainability and success are influenced not only by

DOI: 10.65246

shareholders but also by stakeholders who affect or are affected by organizational activities, including governments, surrounding communities, civil society organizations, and other interested parties.

In the present study, Stakeholder Theory is used to understand communication, power relations, and interest negotiation among government institutions, corporations, environmental auditors, and communities. Environmental audit integration into public policy cannot be understood solely through organizational compliance because its effectiveness also depends on how the interests and experiences of different stakeholders are communicated, negotiated, and incorporated into environmental governance.

2.1.6 Sustainable Development and SDGs

Sustainable development provides the broader normative context connecting environmental auditing with public policy. It emphasizes economic development that maintains a balance among economic, social, and environmental dimensions while considering the needs of future generations (Garnaut, 2015). The Sustainable Development Goals further translate this principle into a global framework consisting of 17 goals, 169 targets, and 232 indicators, with Target 17.14 specifically emphasizing strengthened policy coherence for sustainable development (OECD, 2019).

Within this study, sustainable development functions as an overarching context rather than as an independent variable. It connects environmental auditing, organizational compliance, public accountability, and policy coherence with the broader objective of achieving environmentally sustainable development.

2.1.7 Husserlian Phenomenology

Husserlian phenomenology constitutes the principal methodological and theoretical perspective of this study. Phenomenology seeks to understand phenomena as they are experienced and appear within the consciousness of those who experience them, without prematurely imposing external assumptions or judgments (Husserl, 1960). Key concepts include intentionality, epoché or phenomenological reduction, constitution of meaning, and intersubjectivity (Husserl, 1970).

Epoché and bracketing require the researcher to recognize and suspend personal assumptions and preconceived interpretations in order to approach participants' experiences openly. The ultimate objective is to identify the essence or *eidos* of an experience. In the context of this research, the phenomenological perspective allows environmental audit integration to be examined through the lived experiences and subjective meanings of stakeholders rather than merely through formal regulations or technical audit procedures.

2.2 Review of Empirical Studies

Previous studies demonstrate that environmental auditing has an important relationship with environmental governance but also reveal limitations in its implementation. Saputra and Paranoan (2024) emphasize the role of environmental auditing as an instrument supporting public policy and providing information for decision-making. However, their perspective primarily emphasizes the technical and administrative dimensions of environmental auditing. This leaves room for further examination of how stakeholders experience and interpret the integration of audit findings into public policy.

Hu et al. (2020) reported that only approximately 30% of companies in Indonesia routinely conducted environmental audits. This finding indicates a gap between the expected role of environmental auditing and its implementation at the organizational level. Although this evidence illustrates the extent of environmental audit implementation, it does not sufficiently explain the subjective experiences, interactions, and institutional factors underlying such implementation.

Edelman (1992) discussion of symbolic compliance provides an important conceptual explanation for situations in which formal compliance structures exist without corresponding substantive changes in organizational practices. Although the original context concerns legal compliance in the United States, the concept is relevant to understanding potential discrepancies between administrative environmental compliance and actual environmental conditions in Indonesia.

The policy dimension is further illustrated by ICEL, which highlights the relationship between investment-licensing deregulation and the weakening of environmental oversight, particularly in relation to AMDAL and environmental supervision. This policy perspective demonstrates the structural context in

DOI: 10.65246

which environmental auditing operates but does not explore how stakeholders subjectively experience and interpret these changes in practice.

Taken together, the existing literature demonstrates that environmental auditing has been examined primarily through technical, administrative, regulatory, and policy perspectives. The studies provide important evidence concerning environmental audit implementation, compliance, and regulatory oversight, but limited attention has been given to the lived experiences and meanings constructed by stakeholders involved in environmental auditing and public policy.

2.3 Identification of the Research Gap

The synthesis of the theoretical and empirical literature reveals three principal gaps. First, previous research predominantly conceptualizes environmental auditing as a technical or administrative mechanism for organizational compliance, with less attention to its role as a socially constructed process involving communication, negotiation, and power relations.

Second, existing studies provide limited explanation of the discrepancy between formal environmental compliance and substantive environmental conditions. Compliance Theory and Legitimacy Theory indicate that formal structures may serve symbolic or legitimacy purposes, but the way stakeholders experience and interpret this discrepancy within environmental governance remains insufficiently explored.

Third, previous studies have not adequately examined the integration of environmental auditing into public policy from the perspective of stakeholders' lived experiences. Existing policy-oriented research addresses regulatory structures and environmental oversight, while the phenomenological dimension of how government actors, auditors, corporations, and communities experience and assign meaning to environmental auditing remains underexplored.

Therefore, the research gap lies in the limited understanding of how the integration of environmental auditing into public policy is experienced, interpreted, and constructed through communication, interest negotiation, and power relations among stakeholders. This study addresses this gap by applying Husserlian phenomenology to reveal the meaning and essence of stakeholders' experiences concerning environmental audit integration.

2.4 Development of the Conceptual Framework

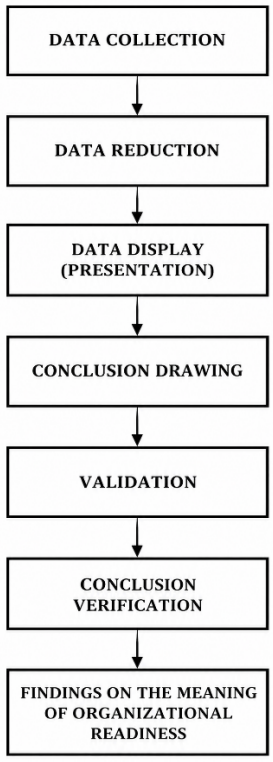


Fig. 1. Conceptual framework

The conceptual framework of this study positions environmental public policy as the

DOI: 10.65246

institutional context within which environmental auditing is implemented. Public policy establishes the regulatory and governance framework for directing development activities toward environmental protection. Environmental auditing subsequently functions as an instrument for evaluating organizational compliance, environmental performance, risks, and weaknesses in environmental management.

The implementation of environmental auditing generates interactions among relevant actors, including government institutions, environmental auditors, corporations, communities, and other stakeholders. These interactions involve communication, coordination, supervision, implementation of audit procedures, and responses to environmental problems. Stakeholder Theory provides the basis for understanding these relationships, while Policy Coherence Theory explains how environmental auditing is connected with policies across governmental levels and sectors.

The experiences generated through these interactions become conscious experiences that are subsequently interpreted and assigned meaning by the actors involved. Compliance Theory helps explain the distinction between formal and substantive compliance, while Legitimacy Theory provides a basis for understanding the possibility that environmental audits may function as instruments of organizational legitimacy rather than substantive environmental control.

The final analytical stage is the phenomenological interpretation of these experiences and meanings. Through Husserlian phenomenology, the researcher seeks not merely to describe what participants report but to identify the deeper meaning and essence of their experiences concerning the integration of environmental auditing into public policy. Thus, the conceptual framework connects environmental public policy, environmental auditing, stakeholder interaction, conscious experience, meaning construction, and the phenomenological identification of the essence of the phenomenon.

2.5 Research Propositions

Because this study employs a qualitative phenomenological design rather than a quantitative design, it does not formulate statistical hypotheses. Instead, the study is guided by research propositions that function as analytical directions for exploring participants' experiences and meanings.

Proposition 1: The integration of environmental auditing into public policy is experienced by stakeholders not merely as a technical compliance process but as a process involving communication, coordination, and negotiation among different interests.

Proposition 2: Differences between formal environmental compliance and substantive environmental conditions are shaped by institutional practices, information asymmetry, regulatory implementation, and the interests of stakeholders involved in environmental governance.

Proposition 3: The meaning assigned to environmental auditing by stakeholders influences how audit findings are understood and utilized as instruments of environmental control, accountability, and public policy improvement.

Proposition 4: The integration of environmental auditing into public policy can be understood more comprehensively by examining stakeholders' lived experiences, consciousness, intersubjective interactions, and the essence of those experiences through a Husserlian phenomenological perspective.

These propositions do not represent statistically testable causal hypotheses. Rather, they guide the exploration of how stakeholders experience, interpret, and construct meaning around environmental auditing and its integration into public policy.

3. Research Methods

3.1 Research Design

This study employs a qualitative research design within an interpretive paradigm using a phenomenological approach. The design was selected to explore how stakeholders experience, understand, and assign meaning to the integration of environmental auditing into public policy, particularly in organizational contexts where environmental and social considerations may not always be adequately addressed.

Qualitative research seeks to understand phenomena experienced by research subjects, including their behavior, perceptions, motivations, and actions, within a natural context and through descriptive accounts expressed in words and language (Moleong, 2017). The interpretive paradigm

DOI: 10.65246

assumes that social reality cannot be adequately understood solely through objective methods but must be examined through the meanings individuals assign to their experiences. It therefore emphasizes contextual understanding of social behavior and enables the researcher to explore participants' subjective experiences through in-depth interviews and interpretive analysis (Hasan et al., 2024).

The phenomenological approach is appropriate because it focuses on understanding the meaning of events and experiences from the perspective of the individuals who experience them (Syarifuddin & Damayanti, 2023). Accordingly, this study does not seek to measure causal relationships among variables but to reveal the meanings, experiences, and essential structures underlying the integration of environmental auditing into public policy.

3.2 Research Context and Setting

The research was conducted from August to September 2026 in Makassar City, Indonesia, with PT Charoen Pokphand Indonesia Tbk serving as the primary organizational setting. The site was selected because the company operates a feed manufacturing facility in Makassar and its activities have potential environmental implications for surrounding communities if environmental auditing is not implemented in accordance with applicable regulations.

The selected setting is therefore considered relevant for examining the integration of environmental auditing into public policy because it provides a context in which organizational environmental management, regulatory oversight, environmental auditing, and community interests intersect. The research setting enables the study to explore stakeholders' perceptions, understandings, experiences, and interpretations concerning environmental auditing and its relationship with public policy.

3.3 Research Participants

Participants were selected using purposive sampling. The selection focused on individuals who possess relevant experience and substantive understanding of the phenomenon under investigation. Participants were considered not merely as sources of information but as social actors whose experiences and perspectives contribute to the construction of knowledge concerning environmental audit integration.

The strategic selection of participants is consistent with the qualitative research principle that informants should be selected based on their relevance to the phenomenon and their capacity to provide in-depth information concerning social realities that may otherwise remain hidden or marginalized (Nyumba et al., 2023).

The participant criteria were as follows:

a. **QHSE personnel responsible for environmental management**, particularly personnel whose responsibilities include managing liquid, solid, and hazardous and toxic waste (B3) in accordance with environmental regulations and supporting the monitoring of workplace environmental parameters.
b. **Officials from the Environmental Agency (DLH) or environmental audit regulators**, particularly those responsible for monitoring, preventing, and controlling water, air, and soil pollution and ecosystem degradation.
c. **Environmental auditors**, specifically individuals identified in the research as IBK Bhayangkara or Edy Susanto, who possess relevant qualifications or CSRS certification.

These criteria were established to ensure that the participants represent the principal stakeholder perspectives relevant to environmental audit implementation and its integration into public policy.

3.4 Data Sources and Data Collection

The study primarily uses qualitative primary data obtained through interviews with relevant stakeholders. Data collection was conducted through semi-structured interviews, supported by field notes and the researcher's reflective journal.

3.4.1 Semi-Structured Interviews

Semi-structured interviews were conducted with relevant stakeholders, including government officials, private-sector employees, and environmental practitioners. This technique allows the researcher to maintain a structured focus while providing sufficient flexibility to explore issues, experiences, and meanings that emerge during the interview process. Kvale (2015) explains that semi-structured interviews provide flexibility for researchers to explore topics that emerge during the interview. In this study, the interviews were directed

DOI: 10.65246

toward understanding participants' perspectives and experiences concerning the integration of environmental auditing into public policy.

3.4.2 Field Notes and Reflective Journal

During data collection, the researcher recorded the context of interviews and relevant social dynamics that emerged throughout the research process. The reflective journal was also used to document the researcher's personal experiences, initial perceptions, assumptions, and reactions to the phenomenon. These records subsequently supported the phenomenological process of reflexivity and bracketing.

3.5 Operationalization of the Phenomenon and Research Instruments

Because this study employs a qualitative phenomenological design, it does not operationalize independent and dependent variables or use standardized measurement scales. Instead, the central phenomenon investigated is the integration of environmental auditing into public policy.

The principal research instrument is the researcher, supported by a semi-structured interview guide, field notes, and a reflective journal. The interview instrument was used to explore participants' experiences, perceptions, interpretations, and meanings concerning environmental auditing and its relationship with public policy.

The phenomenological inquiry focuses on participants' lived experiences rather than numerical measurement. Particular attention is given to the distinction between noema, referring to what is experienced or described by participants, and noesis, referring to how participants perceive, interpret, and assign meaning to their experiences. In this study, noema concerns participants' descriptions of environmental audit integration, while noesis concerns their perspectives, evaluations, interpretations, and personal meanings concerning environmental auditing within public policy.

3.6 Data Analysis Techniques

Data analysis employs a transcendental phenomenological approach derived from Edmund Husserl's phenomenological tradition. The analysis focuses on understanding the meaning and essence of participants' experiences through systematic reflection on consciousness.

The analytical process consists of several stages. First, the researcher conducts epoché, or the suspension of judgments, assumptions, theoretical preconceptions, and the natural attitude. The researcher records personal experiences, beliefs, and assumptions concerning the phenomenon in a reflective journal so that these assumptions can be consciously recognized rather than allowed to dominate the interpretation.

Second, bracketing is maintained throughout the analytical process. When a reaction, judgment, or assumption emerges in response to participants' statements, it is documented in analytical memos and the reflective journal. The purpose is not to eliminate the researcher's subjectivity but to manage it transparently and maintain reflective distance between the researcher's experience and the participants' experiences.

Third, all interviews are transcribed verbatim. The researcher repeatedly reads the transcripts to obtain an overall understanding of the data. Significant statements related directly to the phenomenon are then identified through horizontalization, whereby statements are initially treated with equal analytical importance.

Fourth, significant statements are reduced into meaning units and labeled as closely as possible to participants' own language. Meaning units with similar meanings are subsequently grouped into thematic clusters. These clusters are developed into textural themes, describing what participants experienced, and structural themes, describing how the experiences occurred, including the context and conditions surrounding them.

Fifth, the researcher develops textural and structural descriptions. Textural descriptions represent participants' direct experiences, whereas structural descriptions explain the contextual conditions, relationships, time, and circumstances through which those experiences were formed.

Finally, the two descriptions are synthesized through imaginative variation to identify the essence of the phenomenon. The essence represents the core meaning that captures the fundamental nature of participants' experiences. Throughout this process, epoché and bracketing are maintained to minimize the influence of preconceived assumptions on the synthesis of the phenomenon.

The analysis also distinguishes between

DOI: 10.65246

noema and noesis. Noema refers to the object of experience, namely what QHSE personnel and environmental auditors experience and describe concerning the integration of environmental auditing into public policy. Noesis refers to the attitudes, perspectives, interpretations, and meanings through which participants experience and understand environmental auditing within public policy.

3.7 Validity, Reliability, and Trustworthiness

In qualitative research within an interpretive paradigm, research quality is understood in terms of contextual and intersubjective trustworthiness rather than objective validity independent of values. The credibility of the findings is established through a reflective and dialogical process between the researcher and participants.

Following Moleong (2017), the trustworthiness of qualitative research is assessed through four criteria: credibility, transferability, dependability, and confirmability.

Credibility concerns the extent to which the findings accurately reflect participants' experiences and meanings. In this study, credibility is supported through source triangulation and confirmation of the research findings.

Transferability concerns the extent to which the findings may be meaningfully considered in contexts with similar characteristics. This requires the researcher to provide sufficient contextual information concerning the empirical setting.

Dependability concerns the consistency and traceability of the research process. It is supported through an audit trail documenting the research procedures in sufficient detail to allow the analytical process to be followed.

Confirmability concerns the extent to which the findings are grounded in participants' accounts rather than researcher bias. It is supported through critical reflection on personal assumptions and the systematic documentation of interviews, field notes, and photographs.

The study also recognizes the relevance of environmental awareness and preventive environmental management. Previous findings reported by Hidayati et al. indicate that corporate concern regarding potential environmental impacts and preventive action can reflect environmental performance consistent with ISO 14000:2015 and may also demonstrate the implementation of Corporate Social Responsibility (CSR).

3.8 Ethical Considerations

The research involves participants from organizational, governmental, and professional contexts. Accordingly, ethical considerations are incorporated into the research process, particularly with regard to the treatment of participants' narratives and institutional information.

Participants' experiences and perspectives are treated as confidential research information, and the researcher maintains responsible handling of interview data, field notes, and other research documentation. The phenomenological process also requires the researcher to maintain reflexivity concerning personal assumptions and avoid allowing preconceived judgments to determine the interpretation of participants' experiences.

3.9 Research Procedure

The research procedure consists of several sequential stages. First, the researcher identifies the research problem and establishes the focus on the integration of environmental auditing into public policy. Second, the researcher determines the qualitative interpretive and phenomenological design and identifies relevant participants using purposive sampling. Third, data are collected through semi-structured interviews with QHSE personnel, environmental regulators, and environmental auditors, supported by field notes and a reflective journal. Fourth, interviews are transcribed verbatim and repeatedly reviewed. Fifth, the researcher conducts epoché and bracketing, followed by horizontalization and identification of significant statements. Sixth, significant statements are reduced into meaning units and organized into thematic clusters. Seventh, textural and structural themes and descriptions are developed.

Finally, imaginative variation is used to synthesize the textural and structural descriptions and identify the essence of participants' experiences. Throughout the process, credibility, transferability, dependability, and confirmability are considered to strengthen the trustworthiness of the findings.

3.10 Methodological Limitations

The phenomenological design provides an in-depth understanding of stakeholders' lived experiences but does not seek statistical

DOI: 10.65246

generalization to all organizations or environmental audit practices in Indonesia. The research is also conducted within a specific organizational and geographical context, namely PT Charoen Pokphand Indonesia Tbk in Makassar, which limits the direct transferability of findings to other industrial sectors or regions.

Furthermore, the study relies substantially on participants' narratives and interpretations. Consequently, the findings may be influenced by participants' willingness to disclose experiences and by the researcher-participant interaction during interviews. Although purposive sampling, reflective journaling, bracketing, and the four trustworthiness criteria are employed to strengthen the research process, these methodological characteristics should be considered when interpreting the findings.

4. Results and Discussion

4.1 Research Results

4.1.1 Sample Description and Descriptive Statistics

This study employed a qualitative phenomenological approach to explore the experiences and perspectives of actors involved in environmental auditing and its integration into public policy. Therefore, descriptive statistics in the quantitative sense were not applicable. The study involved three informants representing different institutional perspectives. I1 represented the organizational or auditee perspective as a QHSE/K3 professional at PT CPIN with approximately 15 years of experience, I2 represented the regulatory perspective as a supervisor at the Environmental Agency (DLH) with approximately 10 years of experience, and I3 represented the independent auditing perspective with approximately 30 years of experience as an environmental auditor. The diversity of these institutional positions enabled the study to capture environmental auditing from organizational, regulatory, and independent auditing perspectives, providing a broader understanding of how environmental audits are experienced, interpreted, and connected to public policy.

4.1.2 Data Quality and Preliminary Analysis

Because this study used a qualitative phenomenological design, data quality was not assessed through statistical tests such as normality, reliability, or validity coefficients. Instead, analytical rigor was maintained through Husserlian transcendental phenomenology involving epoché or bracketing, horizontalization, identification of meaning units, development of essential themes, construction of textural and structural descriptions, and synthesis of the essence of participants' experiences. The analysis also distinguished between *noema*, referring to the object of experience, and *noesis*, referring to how the experience was perceived and interpreted. Data credibility was strengthened through source triangulation by comparing the perspectives of organizational, regulatory, and auditing actors. Although the informants occupied different institutional positions, their accounts converged on the importance of environmental auditing for regulatory compliance, the need for effective follow-up mechanisms, inter-institutional coordination, transparency, and the use of audit information in environmental policy.

4.1.3 Main Analytical Results

The phenomenological analysis identified five principal findings. First, environmental auditing functions as a mechanism for ensuring regulatory compliance. I1 described auditing as a process that translates government regulations into organizational environmental policies and management systems, while I2 emphasized supervision as a means of determining whether environmental policies are actually implemented. I3 described auditing as a systematic process involving problem identification, determination of audit criteria, assessment of environmental management and control, establishment of audit objectives, field examination, sampling and testing, and verification. The findings further indicate that environmental documents such as AMDAL do not automatically guarantee substantive compliance. Second, environmental auditing serves as a bridge between public policy and organizational practice because regulatory requirements must be translated into operational environmental management. Third, audit findings can contribute to public policy and decision-making by influencing corrective actions, organizational budgets, government supervision, licensing-related decisions, policy evaluation, sanctions, and incentives. I1 indicated that audit findings generally correspond with government policies, while identified deficiencies may require additional organizational budgets; I2 emphasized that supervision enables government to determine policy

DOI: 10.65246

implementation, with guidance often preceding sanctions; and I3 emphasized the use of audit findings as information for government policy formulation and environmental decisions. Fourth, audit integration provides institutional and organizational benefits through standardization, compliance improvement, corrective actions, sanctions, and potential incentives or administrative facilitation for organizations demonstrating good environmental performance. Fifth, integration remains constrained by unclear follow-up mechanisms, weak sanctions, overlapping authority, inadequate inter-agency coordination, limited human and financial resources, and the failure to translate audit information into concrete programs and policies.

4.1.4 Hypothesis Testing Results / Key Findings

As this study is qualitative and phenomenological, hypothesis testing is not applicable. Instead, the key finding derived from the participants' lived experiences is that environmental auditing has the potential to function as a strategic instrument for public policy evaluation, but its contribution remains incomplete when audit findings are not followed by systematic corrective actions, institutional coordination, and policy feedback. The phenomenological synthesis reveals a tension between formal compliance and substantive environmental improvement, whereby organizations may fulfill formal regulatory requirements while actual environmental outcomes remain dependent on effective supervision, follow-up, institutional coordination, and organizational commitment. Accordingly, the central empirical finding is the existence of an implementation gap between environmental audit information and subsequent public policy action.

4.1.5 Visual Presentation of Results

The principal findings can be represented through the following conceptual sequence: **Environmental Audit → Environmental Findings and Information → Dissemination of Audit Results → Inter-Actor Coordination → Utilization in Policy → Policy Implementation → Monitoring and Evaluation → Follow-Up / Policy Improvement**. This sequence demonstrates that environmental auditing should not be treated as an isolated technical activity but as part of a continuous policy feedback process. Audit findings should become inputs for policy formulation, implementation, monitoring, evaluation, and corrective action, thereby enabling the results of one audit cycle to inform subsequent environmental governance and audit processes.

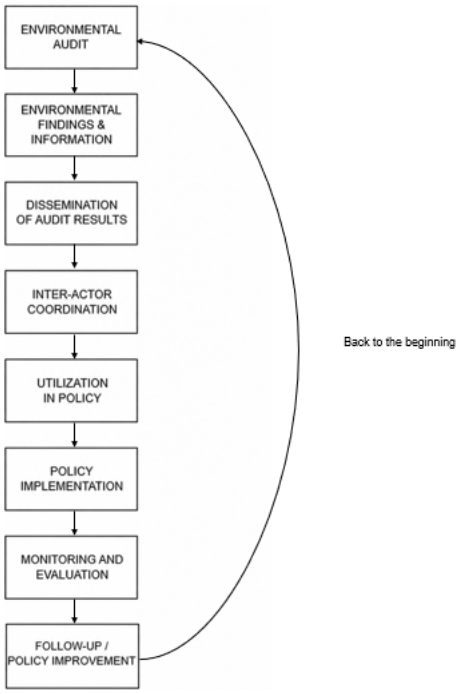


Fig. 2. Conceptual Framework for Environmental Audits

4.2 Research Discussion

4.2.1 Interpretation of Key Findings

The findings demonstrate that environmental auditing performs a dual function as both an

DOI: 10.65246

organizational compliance mechanism and a potential source of information for public policy evaluation. Kestane and Diaconu (2025) emphasize the role of environmental auditing in strengthening environmental governance, while Siregar et al. (2026) highlight the importance of environmental information in environmental decision-making. The present findings extend these perspectives by demonstrating that the value of environmental auditing depends not only on the quality of the audit process but also on what occurs after audit findings are produced. Audit findings become strategically meaningful when they are communicated, coordinated among relevant actors, incorporated into decision-making, and followed by monitoring and corrective action. This finding is consistent with El Amoumri (2026), particularly concerning the implementation gap between formal policy arrangements and practical implementation.

4.2.2 Comparison with Previous Studies

The findings are consistent with previous studies emphasizing environmental auditing, environmental information, stakeholder interaction, and policy implementation. Kestane and Diaconu (2025) emphasize environmental auditing as an instrument for environmental governance, while the present study demonstrates its role in generating structured information regarding compliance and environmental performance. Siregar et al. (2026) emphasize the importance of environmental information for environmental governance, which supports the finding that audit results can become an important source of information for governmental decision-making. The findings are also consistent with El Amoumri (2026), particularly regarding the implementation gap between regulatory requirements and actual practice. Furthermore, the importance of stakeholder interaction corresponds with Freeman (1984), as effective integration of audit findings requires cooperation among government institutions, auditors, organizations, and the public. Li et al. (2023) further support the relevance of public and social pressure in accelerating institutional responses to environmental issues.

4.2.3 Theoretical Contributions

This study contributes to the literature on environmental accounting and public policy by demonstrating that environmental auditing should be understood not only as a technical instrument for regulatory compliance but also as a social practice shaped by power relations, economic interests, and institutional capacity. The findings indicate that Compliance Theory, Legitimacy Theory, Information Asymmetry Theory, Stakeholder Theory, and Policy Coherence Theory complement one another in explaining why environmental auditing has not fully achieved its substantive control function. In particular, the concept of *symbolic compliance* introduced by Edelman (1992) helps explain the gap between administrative compliance and actual environmental improvement, while Legitimacy Theory proposed by Suchman (1995) explains how environmental audit reports may be used to obtain social legitimacy when they are not accompanied by substantive corrective actions. Accordingly, this study extends the theoretical understanding of environmental auditing by positioning it within the interaction between regulatory compliance, organizational legitimacy, information, stakeholder interests, and policy coherence, rather than treating it solely as a technical assessment mechanism.

4.2.4 Practical and Policy Implications

The findings have practical and policy implications for government, regulators, environmental auditors, companies, and the public. Governments and regulators need to establish clear follow-up mechanisms for environmental audit findings, including defined timelines, verification procedures, and appropriate consequences for non-compliance, while strengthening inter-agency coordination through permanent forums involving regulators, auditors, companies, and communities. Environmental audit data should also be integrated into environmental policy information systems, accompanied by consistent incentives for compliant organizations and firm sanctions for violations. For companies, environmental auditing should be treated as a strategic risk-management and improvement instrument rather than merely an administrative obligation, while auditors should maintain independence, objectivity, competence, and participatory communication. Greater transparency and public participation are also necessary to strengthen environmental accountability. These measures are consistent with the study's proposed policy contribution, which emphasizes stronger

DOI: 10.65246

regulation, simplified mechanisms, adaptive audit standards, incentives for compliant auditees, firm enforcement, and cross-sector coordination.

4.2.5 Integration with the Research Gap

This study addresses the research gap concerning the limited integration of environmental audit findings into the public policy cycle. While environmental auditing is commonly associated with regulatory compliance and organizational environmental management, the findings demonstrate that its broader policy value depends on whether audit information is transferred into policy formulation, implementation, monitoring, and evaluation. The principal contribution of this study is therefore the identification of the audit-to-policy implementation gap, in which environmental audits generate relevant information but institutional weaknesses may prevent such information from becoming effective policy action. The study consequently conceptualizes environmental auditing as part of a continuous policy feedback mechanism rather than as an isolated compliance activity, strengthening the connection between environmental audit practice and public policy evaluation.

4.2.6 Acknowledgement of Study Limitations

This study has several limitations that should be considered when interpreting and applying its findings. First, the study involved only three informants representing the auditee, regulator, and independent auditor perspectives, and therefore did not fully capture the experiences of other relevant stakeholders, particularly surrounding communities, environmental NGOs, central-level policymakers, and legislators. Second, the research was conducted in a specific institutional and geographical context, namely PT Charoen Pokphand Indonesia Tbk in Makassar, whose industrial characteristics may differ from those of other sectors and regions. Third, the phenomenological approach focuses on subjective meanings and experiences; consequently, although epoché and bracketing were applied, interpretation cannot be completely separated from researcher subjectivity, and the findings are not intended to quantify the magnitude of the effect of environmental auditing on public policy. In addition, limited access to sensitive internal audit, licensing, and policy documents, together with the relatively short research period from August to September 2026, constrained the depth of exploration.

5. Conclusion

5.1 Summary of Key Findings

This study concludes that the integration of environmental auditing into public policy is a multidimensional process shaped by the positions, experiences, institutional contexts, and interests of the actors involved. The three informants representing the auditee, regulator, and independent auditor perspectives demonstrated different understandings of environmental auditing: as a mechanism for ensuring regulatory compliance, as an instrument of supervision and guidance, and as a systematic, documented, and independent assessment process. The findings further demonstrate that environmental audit results have been utilized in a limited manner, particularly for environmental licensing evaluation and technical supervision, but have not yet been systematically incorporated into the formulation, evaluation, and improvement of environmental public policies. Four major barriers were identified, namely regulatory uncertainty regarding audit follow-up and sanctions, institutional problems involving overlapping authority and weak inter-agency coordination, capacity constraints related to human resources, budgets, and audit data, and cultural barriers involving limited awareness, audit independence, and perceptions of auditing as an administrative burden. The essence of the phenomenon lies in the tension between formal compliance and substantive environmental improvement. Therefore, environmental auditing requires a feedback mechanism linking audit findings, inter-actor coordination, policy utilization, implementation, monitoring, evaluation, and corrective action. The proposed conceptual model positions environmental auditing as the primary input for environmental performance information and emphasizes the feedback loop as a key element for ensuring continuous policy improvement and sustainable environmental management.

5.2 Theoretical Contributions

This study contributes theoretically by extending the understanding of environmental auditing beyond its conventional role as a technical compliance instrument toward its interpretation as a

DOI: 10.65246

social and institutional practice within the public policy process. The findings demonstrate that Compliance Theory, Legitimacy Theory, Information Asymmetry Theory, Stakeholder Theory, and Policy Coherence Theory can complement one another in explaining why environmental auditing does not always produce substantive environmental improvements. In particular, the concept of *symbolic compliance* proposed by Edelman (1992) helps explain the gap between administrative compliance and actual environmental improvement, while Legitimacy Theory (Suchman, 1995) explains how audit reports may function as instruments of organizational legitimacy when they are not followed by substantive corrective action. The study therefore strengthens the theoretical understanding that the effectiveness of environmental auditing is influenced not only by technical audit procedures but also by power relations, economic interests, stakeholder interactions, and institutional capacity.

5.3 Practical and Policy Implications

The findings have practical and policy implications for government, regulators, environmental auditors, companies, and the public. Governments and regulators need to establish clear follow-up mechanisms for environmental audit findings, including defined timelines, verification procedures, and appropriate consequences for non-compliance, while strengthening inter-agency coordination through permanent forums involving regulators, auditors, companies, and communities. Environmental audit data should also be integrated into environmental policy information systems, accompanied by consistent incentives for compliant organizations and firm sanctions for violations. For companies, environmental auditing should be treated as a strategic risk-management and improvement instrument rather than merely an administrative obligation, while auditors should maintain independence, objectivity, competence, and participatory communication. Greater transparency and public participation are also necessary to strengthen environmental accountability. These measures are consistent with the study's proposed policy contribution, which emphasizes stronger regulation, simplified mechanisms, adaptive audit standards, incentives for compliant auditees, firm enforcement, and cross-sector coordination.

5.4 Limitations of the Study

This study has several limitations that should be considered when interpreting and applying its findings. First, the study involved only three informants representing the auditee, regulator, and independent auditor perspectives, and therefore did not fully capture the experiences of other relevant stakeholders, particularly surrounding communities, environmental NGOs, central-level policymakers, and legislators. Second, the research was conducted in a specific institutional and geographical context, namely PT Charoen Pokphand Indonesia Tbk in Makassar, whose industrial characteristics may differ from those of other sectors and regions. Third, the phenomenological approach focuses on subjective meanings and experiences; consequently, although epoché and bracketing were applied, interpretation cannot be completely separated from researcher subjectivity, and the findings are not intended to quantify the magnitude of the effect of environmental auditing on public policy. In addition, limited access to sensitive internal audit, licensing, and policy documents, together with the relatively short research period from August to September 2026, constrained the depth of exploration.

5.5 Directions for Future Research

Future research should expand the number and diversity of informants by involving surrounding communities, environmental NGOs, ministries, other local governments, and legislative institutions to obtain a more comprehensive understanding of environmental audit integration. Multi-site studies involving different industrial sectors and geographical contexts are also recommended to compare variations in regulatory conditions, institutional capacity, and stakeholder relationships. Future researchers may further combine qualitative and quantitative approaches to examine the relationship between environmental auditing, environmental performance, and public policy outcomes. Further investigation is also needed into the implementation of the proposed conceptual model, the role of social media in environmental monitoring, and comparative environmental auditing practices across countries. Such research can strengthen the empirical basis for developing environmental auditing as an instrument that moves beyond formal compliance toward substantive environmental improvement and sustainable

DOI: 10.65246

development.

6. References

Bedner, A. (2010). An elementary approach to the environmental law of Indonesia. *Asia Pacific Journal of Environmental Law*.

Edelman, L. B. (1992). Legal ambiguity and symbolic structures: Organizational mediation of civil rights law. *American Journal of Sociology, 97*(6), 1531–1576. https://doi.org/10.1086/229939

El Amoumri, A. (2026). Bridging the diagnosis-implementation gap in environmental auditing through a systems perspective from Morocco. *Discover Sustainability*. https://link.springer.com/content/pdf/10.1007/s43621-026-02697-w.pdf

Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Pitman/Ballinger.

Garnaut, R. (2015). Indonesia's resources boom in international perspective: Policy dilemmas and options for continued strong growth. *Bulletin of Indonesian Economic Studies*. http://dx.doi.org/10.1080/00074918.2015.1061910

Garnaut, R. (2015). *Dog days: Australia after the boom*. Redback.

Hasan, H., Bora, M. A., Ariani, D., Artiani, L. E., Puspitasari, R., Susilawati, A., Maha Dewi, P., Asroni, A., Yunesman, Merjani, A., & Rahman Hakim, A. (2024). *Metode penelitian kualitatif*. Yayasan Tri Edukasi Ilmiah. https://www.researchgate.net/publication/390932253

Hu, Y., et al. (2020). Drained water quality in sludge treatment wetlands: Effects of earthworm densities and plant species. *Journal of Cleaner Production*. https://doi.org/10.1016/j.jclepro.2019.119128

Husserl, E. (1960). *Cartesian meditations: An introduction to phenomenology* (D. Cairns, Trans.). Martinus Nijhoff.

Husserl, E. (1970). *The crisis of European sciences and transcendental phenomenology* (D. Carr, Trans.). Northwestern University Press.

International Organization for Standardization. (2018). *ISO 19011:2018—Guidelines for auditing management systems*. https://www.iso.org/standard/70017.html

Kestane, A., & Diaconu, L. (2025). *Environmental auditing as a strategic instrument for ecological security: Evidence from Türkiye and the Republic of Moldova*. Zenodo. https://zenodo.org/records/18680533

Li, X., Tang, J., Feng, C., & Chen, Y. (2023). Can government environmental auditing help to improve environmental quality? Evidence from China. *International Journal of Environmental Research and Public Health, 20*(4), Article 2770. https://doi.org/10.3390/ijerph20042770

Moleong, L. J. (2017). *Metodologi penelitian kualitatif* (Edisi revisi). PT Remaja Rosdakarya.

Nyumba, T. O., Wilson, K., Derrick, C. J., & Mukherjee, N. (2023). The art and science of purposive sampling in qualitative research: A critical review and recommendations. *Methods in Ecology and Evolution, 14*(2), 325–337. https://doi.org/10.1111/2041-210X.14059

OECD. (2019). *Policy coherence for sustainable development 2019*. OECD Publishing. https://doi.org/10.1787/a90f851f-en

Saputra, K., & Paranoan, S. (2024). Do cyber security, digitalisation and data visualisation affect the quality of internal environmental audits? *Australasian Accounting, Business and Finance Journal*.

Siregar, I. F., Rasyad, R., & Onasis, D. (2026). Pengukuran environmental audit dalam konteks Indonesia. *Jurnal Akuntansi Kompetif, 9*(1). https://ejournal.kompetif.com/index.php/akuntansikompetif/article/view/2709

Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review, 20*(3), 571–610. https://doi.org/10.5465/amr.1995.9508080331

Syarifuddin, & Damayanti, R. A. (2023). *Penelitian kualitatif untuk pemula: Pendekatan filosofis dan praktis*. K-Media.