

# Transforming Village Governance: What does it Take to Turn into Digital

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Abstract — This study aims to analyze the dynamic managerial capacity of the Village Apparatus to manage village governance based on electronics (village e-Governance) as an approach to achieving the mandate of Law Number 6 of 2014 concerning Villages. This descriptive qualitative research describes in detail the dynamic managerial capacity of village managers in transforming digitally to implement e-governance in villages. There are at least five dynamic managerial capacities of the Mekar Sari village government in e-governance transformation. The five dynamic management capacities for e-governance transformation we found in our analysis—sensing, seizing, innovation, integrative, and empowering capability.

*Keywords* — digital transformation, e-governance, village information system.

## I. INTRODUCTION

This study aims to analyze the dynamic managerial capacity of the Village Apparatus to manage village governance based on electronics (village e-Governance) as an approach to achieving the mandate of Law Number 6 of 2014 concerning Villages. Law Number 6 of 2014 concerning Villages provides villages with broad autonomy to carry out government independently [1]. This law allows villages to explore their potential through the Village Fund. As a form of accountability for these autonomous rights, the National government obliges the village government to submit development plans and realization, work plans and realization, as well as sources and amount of village income to village communities[2]. The village government must submit this information through an information service that can be accessed widely and reported in the Village Deliberation at least once a year[3].

Furthermore, the Village Law requires villages to report this information digitally through the Village Information System (SID) platform. This mechanism is also stipulated in the Village Law, which states that SID is integral to implementing village governance regulations. The law obligates the village government to use the SID facilitated by the district government.

Apart from fulfilling the demands of the law, using SID can also enable village governments to involve all village communities in a transparent, inclusive, and accountable manner in development planning. Villages with autonomous rights must also provide public services to the community in their administrative area. As a kind of autonomy over its bureaucratic administration, the Village Government is also required to oversee village apparatus, from mapping apparatus needs, recruitment announcements, selection at the village level to other personnel management.

The three primary functions of the Village Government, like other governments in a democratic country, should involve as much participation from various stakeholders as possible. This involvement is widely known in the study of government science as governance. The achievement of village government functions following the principles of governance is an ideal expected condition. However, the facts show that governance in Village Government has yet to be fully achieved.

Apart from community involvement in development, governance principles also require that public services be accessed quickly, easily, and fairly [4], [5]. Meanwhile, the performance of village government public services still shows problems in various aspects, such as delays in village apparatus providing services [6], the absence of operational service standards [7], the services provided are uneven [8], and the lack of discipline of village officials [9], which ultimately hampered the implementation of public services [10]. The achievement of governance in various parts of the world, including Indonesia, is more achievable with information technology.

The implementation of technology-based governance has made government, which was originally oriented towards the role of government as a single actor, shift towards collaborative governance [11]. The use of digital enables governance to improve the quality of public services, efficient bureaucratic management, and effective public policy processes.

In line with that, SID is an integral part of administering village governance to fulfill the obligations of the law and achieve ideal governance principles. However, until 2023, out of 1562 villages in Jambi Province only 145 villages had SID. It is known that the District Governments in Jambi Province have not developed a SID specifically intended for villages in each District.

However, based on the results of initial observations conducted through Focus Group Discussion (FGD) activities with the Jambi Provincial Government and several village governments in Jambi Province, it is known that Mekar Sari Village in Muaro Jambi Regency, Jambi Province has used SID as a medium for reporting development realization, service delivery public, the policy-making process to the management of village apparatus.

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Participatory observations in Mekar Sari Village show that this design has succeeded in becoming an example of implementing digital-based governance (e-governance). Through Village SID, public services can be accessed by the community anytime and from anywhere through the Self-Service feature; Village can monitor the presence of village officials widely and in real-time as well as a series of policy formulation and reporting of budget realization in a transparent and participatory manner. The regent of Muaro Jambi said that Mekar Sari Village became a model for other villages within the regency and the entire Province.

The creation of SID infrastructure requires more than just a budget.

Previous research on e-governance is still focused on the study of the development [12], [13] and utilization of various applications [14]–[16] to answer the demands of 'intelligence', including what is then believed to be an innovation [17], [18]. Several other smart governance studies have emphasized the importance of building smart cities to focus not only on technology development but also humans as users [19].

Meanwhile, other studies have touched on dynamic capacity [20], which, unfortunately, is still being monitored through how the government utilizes smart city-supporting applications. Other studies have also touched on the essence of smart governance [21], namely the principle of data openness, but they have also examined the application.

The research has yet to review the main aspects of applying a different work approach to organizations. This study emphasizes the managerial aspects of implementing smart governance, which experiences a transition from changes in work patterns even far to changes in the paradigm of work.

There are at least two things that villages must have to transform digitally. Although no literature explicitly states how the village government can accommodate the egovernance agenda, at least previous studies on e-governance show what is needed for city managers to transform digitally. [22]–[24]. The crucial role of government, or in this study is called the public sector manager, must be able to adapt, integrate and reconfigure internal and external activities, resources, technology, and competencies appropriately to suit changing (dynamic) environmental requirements. They are known as Dynamic Managerial Capabilities.

This research will find out how the dynamic managerial capacity of the Mekar Sari Village government is in digital village transformation by utilizing SID. The article's remaining sections are organized as follows: The article's context will be covered in the first section. Information on techniques like search strategy, interview techniques, and observation techniques will be included under section approaches. Results will be presented, together with the findings and discussion, in the results and discussion section. The article comes to a conclusion at the end.

#### II. METHOD

This descriptive qualitative research describes in detail the dynamic managerial capacity of village managers in transforming digitally to implement e-governance in villages. This study uses primary and secondary data collected from various sources to analyze the dynamic managerial capacity of village managers. This research is built on the development of dynamic managerial capacity theory instruments, which are then adapted to the context of digital transformation in public sector organizations.

The initial step in gathering critical data was to carry out focus group discussions (FGD) with villages and the provincial government to explore key issues and relevant information about SID implementation conditions in Jambi Province. The next data search was structured and semistructured interviews through in-depth face-to-face meetings to gather detailed information with various managers in Mekar Sari Village, such as village heads, village secretaries, heads of affairs, and heads of sections.

The selection of informants was based on consideration of the informants' understanding of the data needed by selecting several representatives of informants who knew vital information to reveal facts about existing phenomena [16]. Besides that, to obtain accurate data, the researcher will ask for references from informants (snowball sampling) who have the knowledge, master issues, and know field data related to managerial aspects of digital e-governance transformation in the village. Various field data obtained from the results of FGDs and interviews are supported by secondary data obtained from multiple sources that can be accessed online, including reports, news, publications, and various social media.

## III. FINDING AND DISCUSSION

The discussion on villages in Indonesia attracts writers from various scientific backgrounds since villages have autonomous authority. The Village Law of 2014 expects villages to become independent in terms of income, development, and improved governance. The village has long been stigmatized as an underdeveloped, underdeveloped, and poor institution. Village autonomy with village funds slowly changes these three, and the village is currently established as the most minor established institution. However, village human resources, in fact, still need improvement in various aspects, especially in terms of governance. The wind of global governance wind is relying on digitalization. Thus egovernance is a trend in the concept of governance today, including the village as a minor institution in Indonesia.

Villages in Indonesia have experienced enormous changes in governance during the past decade. Villages have transformed and adapted to technological advances amidst infrastructure, cost, location, and human resource challenges. This study believes the last challenge is crucial since villages are too focused on procuring material things since that is what they got in the first place.

Digital SID is an alternative infrastructure for egovernance governance that is widely used by villages. Digital SID ultimately provides many benefits and impacts for villages and communities. We summarize the benefits of the SID in three categories: improving the quality of public services, the effectiveness of public policies, and the efficiency of bureaucratic management. These three aspects are aspects of implementing e-governance.

In the last two decades, extensive government bureaucratic reforms have occurred worldwide. And

government organizations are the primary concern of legislators and public leaders. Unfortunately, there are relatively few studies discussing organizational change in public organizations.

As previously mentioned, implementing SID as a form of electronic government experiences obstacles in various aspects. The most dominant element is the need for more capacity of village officials to accommodate the transition from manual to technological processes. It is not uncommon for budgetary stutters to occur in system maintenance. In addition, the implementation of SID is hampered by the lack of participation from stakeholders, especially the community, which is the leading cause of the failure of SID implementation. It is suspected that this has happened because there has been no change in the pattern of digital thinking in society.

In addition, another problem that is no less important than the ineffectiveness of electronic governance is the failure of village governments to interpret the meaning of electronic governance. It's not uncommon for government organizations to fail to understand the primary goal of transformation from manual to digital, not just to present digital infrastructure.

Mekar Sari Village shows the opposite performance, SID was developed with political support from the village head, accommodated by the relevant village apparatus, and used effectively and efficiently by the community. What is happening in Mekar Sari is a form of support for the dynamic managerial capacity of village stakeholders, especially village managers, including village heads, village secretaries, heads of affairs, and section heads.

Dynamic managerial ability is generally defined as the capacity of managers (leaders) to carry out strategic activities with an entrepreneurial approach toward strategic and innovative change [25]. This term refers to the vital role of public and private sector managers in appropriately adapting, integrating, and reconfiguring internal and external activities, resources, technologies, and competencies to suit changing environmental requirements [26].

Dynamic managerial capabilities involve scanning, learning, and interpretive activities such as identifying changing customer needs and latent demands and observing the organizational environment and technological developments (sensing capabilities), making strategic decisions and business models on how to create value for customers and organizations (seizing ability); and reconfiguring organizational capacity to ensure strategic renewal of the organization, and its resources and capabilities, so that it can continue to meet the needs and expectations of a changing environment [25], [26].

Given the almost constant change and competitive pressures in the environment where various actors are involved, dynamic capabilities are further important for value creation and capture. This requires decision-makers to come up with creative ideas related to designing, creating, and introducing new and expanding and improving existing products, processes, services, and technologies (ability to be innovative), as well as thinking in a more comprehensive framework, for example, on an ecosystem scale.

In the process of implementing e-governance, regardless of the indicators, at the end, the Village will have a new

ecosystem new working groups and, culminating in the struggle to build new strategic partnerships and integrate and coordinate activities and technology within and outside the village organization (integrative capabilities and alliance capabilities).

This capability is essential because implementing egovernance requires organizational readiness from the village government, which is led by the village head, village secretary, head of affairs, and head of a section. Readiness in this paper implies the level of readiness, including high organizational willingness to change and increased capacity to implement change.

Based on the discussion above, there are at least five dynamic managerial capacities of the Mekar Sari village government in e-governance transformation. The five dynamic management capacities for e-governance transformation we found in our analysis—sensing, seizing, innovation, integrative, and empowering capability—are described in our results.

According to our research, sensing capability comprises detecting opportunities and problems within the context of the city, keeping an eye on developing problems, new trends, and best practices from other cities, as well as staying current with cutting-edge technology for the transformation of egovernance. Our analysis demonstrates that the role of smart city administrators includes sensing activities.

Sensing includes continuously keeping an eye on project opportunities and best practices in other cities and evaluating what works and what doesn't. This is especially true for village apparatus. The apparatus use both formal and informal networks to determine which initiatives should be prioritized for their community and collaborate closely with many stakeholders.

Seizing capability, which indicates the capacity of village apparatuses to seize opportunities and pursue them, is the second dynamic capability we discovered in the interview data. The need for entrepreneurial thinking to take advantage of and seize new chances was highlighted by every tool. In the context of e-governance, this entails developing and putting into action e-governance agendas, plans, and related e-governance initiatives that put the public good first.

According to the information from our interviews, creating value from administratively and digitally gathered data also falls under the category of seizing capability in the context of e-governance. According to our data, village apparatus either asks the administration to provide new services using the data or makes the data available to other actors, including startups, in order to promote innovation and transparency.

Almost all of the participants, according to our data analysis, believe that innovation capability is a dynamic capability required to foster innovation and creativity in any public institution. The ability to innovate is intimately related to challenging accepted norms, laws, and beliefs, departing from the past, developing fresh concepts, attempting fresh methods, and developing fresh viewpoints. In conclusion, innovation capability relates to the capacity of the village apparatus to reconsider how public administrations operate.

The analysis of the interview data reveals that the improvement of existing processes and services, as well as the

development of new processes and service models, and the adoption of new and innovative technologies that are userfriendly, resource-efficient, and scalable, are key components of village apparatus innovation capability

The integration of departments and agencies horizontally and vertically in a symbiotic manner, the inclusion of new technologies and data across departments, the promotion of citizen involvement in the design of smart services, and the coordination and harmonization of various village egovernance activities, projects, and programs are prominent themes in our data.

Since it is vital to form alliances and cooperate with many actors, integrative competence is crucial to a village's development. According to our research, an ecosystem for village e-governance may be created by bringing together various internal and external actors and promoting sustainable relationships through the use of integrative competence and related negotiation and mediation abilities.

The final dynamic capability that may be seen in the interview data is empowering capability. It speaks to the capacity of the village apparatus to strengthen various actors participating in or impacted by a village's digital transformation. Regardless of whether or not they are active in e-governance projects, civil workers are referred to as empowered in the interviews, as are external players (nearly mainly people and corporations).

## IV. CONCLUSION

This study deepens our understanding of the dynamic managerial skills that village apparatuses need to change into e-governance. We were able to discover a wide range of characteristics through analysis of the interviews with village apparatus, all of which are seen to be necessary conditions for a digitally transformed village.

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