Determinants Of Service Innovation Governance Of "Gampil" In Bantul Regency

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Abstract. Many innovations in public services have been released despite no greater inclusivity of benefits. Innovation-related governance provides a framework for how innovation can be managed to demonstrate greater benefits. This study aims to identify the determinants that influence the level of governance of public service innovation in local governments in Indonesia. GAMPIL Innovation in Bantul was selected as the case of study. The results showed that the innovations fulfilled the institutional aspect issues; internal and external actors as well as limited knowledge of the target group about the innovations. Meanwhile, the determinants of public service innovation governance are (1) organizational aspect, especially Leadership Style, (1) individual aspects, (2) individual rather than structural aspect, and (3) Top-down model. It is due to the existing patron-client culture, and relatively new idea of innovation policy for the society

Keywords: Innovation, Innovation Governance, Innovation Governance Determinants

1   Introduction

Public service innovation policies have developed rapidly in many Western countries [8] which then spread to developing countries including Indonesia. By implementing innovation, public organizations will be able to improve the quality of public services [12] and improve service performance [29]. To achieve effectiveness and efficiency, most governments rely on innovations that successfully use resources and technology [20].

The urgency and primacy of public sector innovation has encouraged Governments around the world to implement innovation policies for better public services. Similarly, the Government of Indonesia is also committed to supporting public service innovation through the national regulatory framework. Government Regulation No. 38/2017 on regional innovation regulates how organizations both Ministries, Institutions and Local Governments conduct regional innovation. The scope of the policy includes innovations in governance and public service delivery. The Indonesian National

Competition for Public Service Innovation (KIPP) has been held since 2014 and received an enthusiastic response from Ministries, Institutions and Local Governments. The trend description can be described as follows:

Fig. 1. Inovation Policy KIPP
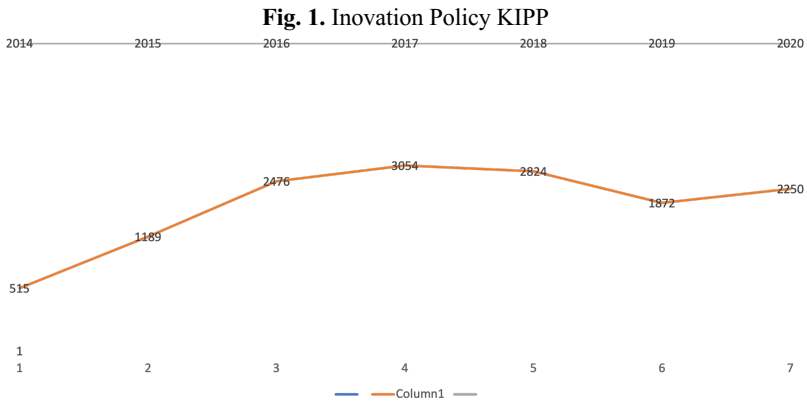
However, empirical facts show that not all innovations proposed by central and regional institutions are well implemented. Not a few policies at the local level are in conflict with higher policies. The report book of the Ministry of Home Affairs shows that there are 3,143 canceled regulations, 1,765 local regulations/regulations revoked/revised by the Minister of Home Affairs, 111 regulations/decisions revoked/revised by the Minister of Home Affairs, and 1,267 local regulations/regulations revoked/revised by the Governor [15]. This reflects that it is possible that among the canceled policies there are policies that hinder innovation. Departing from this phenomenon, this study aims to identify determinant factors that affect the level of public service innovation management in local governments. The GAMPIL innovation which conducted by the Office of Investment and Integrated License of Bantul Regency was selected to be the case of study due to the best innovation in 2023 in Bantul Innovation Competition

2   Theoretical Framework

2.1   Governance of Innovation

The word governance is a general concept expressed to assess efforts to manage various areas of government, governance in innovation, and public administration [23]. The use of the word governance has become widespread across various scientific disciplines [6]. The concept of innovation governance suggests new ideas, management, experiments and practices that can help achieve better coordination and more generalized outcomes. Thus, innovation governance appears very different from innovation in the form of products, services and processes [19]; [4]; [25]. Several public administration theories such as new public service theory, administrative reform, contingency theory, innovation theory, institutional theory, governance theory [10]; [9]; [4]; [6[. [27[,

contribute to generate a relationship between interactive forms of governance and public sector innovation.

Innovation governance is concerned with how innovation is managed in an innovative way, and how an organization moves from an idea to a finished product or service. Understanding and managing innovation is therefore one of the most prevalent issues in public administration studies today [22]; [27].

United Nations (2015) on Innovative Public Service Delivery: Learning from Best Practice detected that governance is a central element in innovative public service delivery [28]. Innovative public service delivery requires strengthening in the governance and capacity of the public sector, most notably the issue of analyzing institutions, policy actors and communities in the governance system. According to the United Nations: 2015, Innovative public service delivery requires several important elements, namely institutional analysis [28]. According to Scott (2014) the three main pillars of institutional analysis are based on: [24]

— Regulative systems, a good regulatory system that can improve and supervise the performance of institutions continuously with various policies as a legal basis.
— Normative systems, the value and compliance of the public service organizing apparatus with various decisions and policies can facilitate the achievement of previously planned goals;
— Cultural cognitive systems, according to Merrill (2015), are usually defined as attitudes, experiences, beliefs, habits, and values, held by people within government organizations and stakeholders [17].

Furthermore, according to Madani (2011), policy actors include internal bureaucratic actors and external actors, consisting of individual and group actors who participate in every conversation and debate about public policy. Internal actors are actors who are the leading sector or who have full power or full responsibility for the policy / activity / program. Meanwhile, external actors are actors who support the formulation or implementation of policies/programs that have been determined [24].

The last is the people in the governance system. According to Karl Ulrich in [3] three key elements for innovation are knowledge, culture, and process. According to Michels (2012), community participation can improve and deepen decision-making in a policy [18]. Meanwhile, Thapa et al. (2015) argued that the biggest challenge of community involvement in public sector innovation lies in the ability (expertise/knowledge) of the community itself [26].

2.2   Determinants of Public Service Innovation

The literature review shows that several researchers have tried to explain the determinants of public sector innovation [13]; [2]; [7]; [5]; [1]. De Vries et al. (2016) outline the drivers of innovation in three categories, namely: environmental, organizational, and individual [13]. First, the environmental category emphasizes that innovation comes from co-evolution as a result of the demands and pressures brought by the

environment. Specifically, some factors in This category includes environmental pressures, inter-organizational relations, relationships, and competition with other organizations.

Meanwhile, the organizational category asserts that innovation comes from the organization's structural and cultural aspects, which include resources (time, finance, and ICT facilities), leadership style, organizational learning, incentives, conflict, and organizational structure. Finally, innovation can also come from individuals. Individuals in organizations have an important role in creating innovation. Several factors encourage individuals to innovate, including employee autonomy, skills and knowledge, creativity, demographic aspects, and commitment. In another study, Amri (2015) demarcated public sector innovation drivers into two categories, namely individual aspects related to leadership and entrepreneurship, and structural aspects related to institutions [2]. From an individual perspective, leaders are seen as entrepreneurs who seek to create public value. While from a structural perspective, organizational resources such as the number of staff and ICT facilities are also able to encourage innovation.

Meanwhile, Bloch and Bugge (2013) separate the drivers of public service innovation into six factors: internal management, internal staff, political driving forces, public organizations, businesses (suppliers, users), and citizens [7]. Furthermore, Arundel et al. (2015) argue that innovation is created through top-down and bottom-up methods [5]. The top-down approach emphasizes that innovation is created by leaders, managers, and politicians, while the bottom-up method asserts that innovation can also be created by employee incentives. Agolla and Lill (2013) define the antecedents of innovation into internal and external factors. Internal factors come from within the organization, and they consist of strategy, climate, leadership, entrepreneurship, and resources [1]. Meanwhile, external factors are drivers of innovation that come from outside the organization, which include political, economic, social, technological, ecological, and legal factors.

3   Methodology

This research uses a qualitative approach with a descriptive research type. This qualitative research process involves important efforts, such as asking questions and procedures, collecting specific data from participants, analyzing data inductively from specific themes to general themes, and interpreting the meaning of the data. The research report has a flexible structure or framework [11].

Researchers chose this approach because the research procedure was carried out by processing data in the form of writing embodied in questions and words produced or spoken from people at the research location that can be observed.

The type of research is descriptive, namely by collecting (classifying), compiling data, analyzing and interpreting. Nazir (2010) explains that the descriptive method is a method of examining the status of a human group, an object, a set of conditions, a thought or a class of events in the present [21].

4   Results and Discussion

The research result which systematically analysed based on the governance performance is as follows:

GAMPIL Service Innovation is an innovation from the Bantul Regency One-Stop Integrated Investment and Licensing Service (DPMPTSP) which has been rolled out since 2022 aimed at Micro, Small and Medium Enterprises (MSMEs) to obtain a Business License Number quickly, easily and free of charge and published on the spot.

4.1   Institutional Aspect

In the regulative system aspect, related to the implementation of the GAMPIL program innovation in Bantul Regency, it is very coherent regarding the regulations / legal basis used because it i s in accordance with predetermined rules. The implementation of this innovation program runs in accordance with predetermined rules, namely using central regulations, namely Ministry Regilatin of PAN-RB No. 30 of 2014 which regulates public service innovation and is further strengthened by Government Regulation No. 38 of 2017. At the local level, the underlying regulation is Bantul Regent Decree No. 606 of 2022 concerning the Determination of Innovations in Bantul Regency in 2022.

Meanwhile, in the aspect of the norm or value system in the level of discipline and compliance of employees in implementing the GAMPIL program innovation at DPMPTSP Bantul Regency also shows no significant obstacles. All ASNs within the Bantul DPMPTSP are very enthusiastic about serving the community of MSME players in accordance with the rules that have been enforced. Likewise, the community as service recipients feel that the services carried out by DPMPTSP Bantul have been carried out well, including in terms of timeliness in making and submitting documents.

Then in the aspect of the Cultural System, which includes attitudes, experiences, beliefs, habits, and values, owned by people in government organizations and stakeholders, can be explained as follows. In implementing the GAMPIL program, the attitude of employees is felt to be optimal in serving the community as service recipients. This can be seen from the suitability of the attitude of employees in serving the community with service edicts that have been written and can be tracked from the results of the Community Satisfaction Survey (SKM) taken at the time the NIB applicant will receive the Business License Number. From the 9 elements of the SKM assessment, it can be seen that the responsiveness value of employees in serving the community is good and responsive and informative in serving.

The experience aspect can be seen from public testimonials about the speed of Business License Number issuance, which on average does not exceed 5 minutes. Meanwhile, from the side of government officials, they can experience working indoors and outdoors. At outdoor times, they feel working under the hot sun when the NIB applicants are street vendors who sell in open places. In terms of habits, people can use their gadgets not only for entertainment, but also for more strategic purposes, namely to take care of licenses through the OSS application that can be downloaded. From the employee side, a new habit is also created, namely working indoors and outdoors. The

value obtained by employees is the value of empathy for people who are still clueless by guiding Business License Number applications, creating emails and passwords, and providing tutorials on how to apply for licenses. Meanwhile, the value obtained by the community is that trust in the government increases with the facilitation of direct permit issuance.

4.2   Policy Actor Aspect

Policy actors according to Madani (2011) state that policy actors include internal bureaucratic actors and internal actors, consisting of individual and group actors who participate in every conversation and debate about public policy. Internal policy actors in the internal scope are intended, namely as actors who are the leading sector or who have full power or full responsibility for the policy / activity / program.

In the formulation and implementation of the GAMPIL program, the internal actor is DPMPTSP Bantul Regency as the leading sector. In the formulation, the Regent of Bantul plays a role in describing the work framework while the business flow is made by DPMPTSP because they understand how the service flow of this program works. In this formulation there are no significant obstacles, the biggest obstacle is the Online Single Submission (OSS) application owned by the Ministry of Investment as the entity providing business license services. If the application system crashes, the system takes down or is hacked, then all license applications on the same day will experience problems. This is usually overcome by recording all applications manually, then the next day entering and verifying the data to be submitted again when the system is running normally. Overall, there are no significant obstacles in the implementation of this GAMPIL innovation.

Meanwhile, external policy actors or actors who support the formulation or implementation of this innovation are the Bantul Regency Office of Cooperatives, Small and Medium Enterprises and Industry, which acts as an inputter of new MSME data that is legalized into the SIBAKUL application (DKUKMPP DIY application system).

The second external actor is the Ministry of Religion which has an interest in the One Million Halal Certificates program. Where there is an acceleration of Halal certification efforts for culinary businesses from the micro business scale.

The other actors are Districts (Kecamatan) and Village Kelurahan). The role of Kecamatan and Kelurahan in the formulation of this innovation program is actually non-existent, but in its application, Kelurahan and Kecamatan have a role as frontline facilitators in the GAMPIL program service

4.3   Community Aspect of Governance

The community plays a very important role in the success of a service. There are 3 things that must be considered about the community in order to support the success of a service, namely: (1) Knowledge; (2) Culture; (3) Process.

In the knowledge aspect, this GAMPIL innovation activity is an electronic-based Pick-Up the Ball (Jemput Bola) population service innovation run by DPMPTSP Bantul Regency to facilitate the community in obtaining Business License documents.

In public services, knowledge owned by the community is an important key to the success of a service innovation. The knowledge possessed by the community regarding this program is still lacking. Basically, DPMPTSP has carried out several activities so that the community knows the various programs carried out by DPMPTSP, such as by conducting periodic socialization in the Sub-district / Village or RT / RW. A significant obstacle is the community, which sometimes has a low level of education, making it difficult to understand about this service innovation program.

Meanwhile, in the aspect of community culture in utilizing technology, it must be familiarized. Along with the times, services applied in almost all Local Government Organizations utilize technology such as the GAMPIL program innovation which is an electronic-based service in its application.

Finally, in the process aspect, community participation in the implementation of the GAMPIL program innovation at DPMPTSP Bantul Regency is quite good, as seen from the data on the increase in people enjoying this service. This data can be monitored from the OSS application dashboard, which is always updated per day. Community participation in providing feedback to DPMPTSP regarding this program service has also been good, it can be seen that there are several responses received through the Community Satisfaction Survey (SKM) and this is certainly very good for the development of this program service innovation in the future.

4.4   Determinants of Service Innovation Governance

There are three aspects to analyze this determinant factor, namely: aspects of policy sources, policy dimensions and policy direction. The explanation is as follows: In the aspect of policy sources, the main factors that determine the emergence of innovation ideas until their implementation are more determined by organizational factors which include resources (time, finance, and ICT facilities), leadership styles, organizational learning, incentives, conflicts, and organizational structures. While environmental factors are very minimal as well as individual initiatives. This innovation idea departs from the data gap between the number of Bantul MSMEs recorded as many as 86,460 businesses, but only 2,600 have a complete Business License Number.

So there needs to be an acceleration of Business License Number issuance to shorten the data gap. After the GAMPIL innovation, the current number of Business License Number. owners is 25,700 as of August 22, 2023.

While in the aspect of policy dimensions, the determining factor is more towards leadership and entrepreneurship (individual) factors than structural factors (resources, ICT). There is an awareness of the core business of direct service to the community so that it must always improve services. Therefore, there must be breakthroughs to improve services. The leader launched one field at least launching one innovation or its development. This policy is enough to color the attitude so that employees focus on carrying out services and do not look right and left to find other activities.

Meanwhile, in the aspect of policy direction, the determinant factor is more top-down, which indicates that the direction of policy initiatives is more from superiors than subordinate initiatives. To be able to have integrity in carrying out direct service tasks and always be a sample of work culture assessment, organizational performance

assessment, and the level of compliance with service standards, DPMPTSP employees must have a standard patron, namely the attitude and integrity of the leadership. Therefore, exemplary hard work, creating innovations are included in it

5   CONCLUSION

The governance of GAMPIL service innovation is institutionally good based on the correct regulatory aspects. In the normative system, the innovation has been obeyed and carried out ccording to their provisions by implementers. And in the aspect of the cultural system, most innovations are supported by the community and do not conflict with the prevailing value system.

Internal implementation actors are competent institutions that are the core implementers of the program, and external actors related to the implementation of the program. The relationship between external and internal actors is good and cooperative.

From the community aspect, knowledge related to the innovations carried out on average still lacks understanding, so further socialization is needed. Likewise with culture, most people are not familiar with IT-based applications, so socialization and training for stakeholders are needed. While in the process aspect, all innovations have been running quite well.

The determinant factor of service innovation governance is internal to the organization, especially the leadership style of the Regional Head or Head of Service supported by human resources. Its characteristics are individual rather than structural, meaning that the determining factor comes more from the leader than the organizational structure. In addition, when viewed from the policy direction, it is top-down. This can be explained that innovation is a new thing and is echoed by The Ministry of PAN-RB, the bureaucratic structure has made community initiatives weak

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