

PUBLIC SERVICE INNOVATION AND REFORM TOWARDS GOOD LOCAL GOVERNANCE

Tunggul Sihombing

Lecture at Public Administration Department – Faculty of Social and Political Science
Universitas Sumatera Utara, Medan Indonesia

ABSTRACT. *At this moment, good governance, qualified public service are the concepts that required for good local governance implementation. So, at Central Tapanuli Regency - North Sumatera (Indonesia) for increasing institutional capacity of Local Government Working Unit from 2009 up to 2011 had been implemented 5 institutional empowering system which occurred by SCBD (Sustainable Capacity Building for Decentralization) Project. Yet, on its implementation, all system got a less responsive actions from local government leaders, so project's result less successfully. This research used qualitative approach with using Alberti and Bertucci theory which explains that innovation and reform on public sector can well succeeded incessantly determined by effective leadership factor. Thereby, on occasion of public service increasing towards good local governance, policies which decided by leaders should be the ones that support innovation and reform implementation in bureaucracy.*

KEYWORDS : *Innovation, Reform, Public Service, Good Local Governance*

INTRODUCTION

The changing that occurred in local, regional and global society on all aspect of living (politic, economy, socio-cultural, technology, etc.) had appeared new needs and requirements from society. This thing compelles bureaucracy to tidy up its organizational aspects significantly. *Good governance (UNDP:1997), reinventing government (Osborne dan Gaebler:2000), banishing bureaucracy (Osborne dan Plastrik:1997), civil society, bureaucracy professionalism (Frederickson:1997) and qualified public services (LAN:1998) are the popular issues and become the popular discourse and all pushed to be realize once pushed and required to be the real thing. Nevertheless, it is not an easy thing to do. One of the aspect that needed is innovation and reform by using political will from government (local government).*

Nowaday, public services quality still becomes the main public issue. National Bureaucracy Reform Team of Ministry for State Apparatus Reforms and Bureaucracy Reform stated that at this moment public services getting decline. Public sector integrity survey result showed that on 2009, integrity index took 6,5 and on 2010 got 5,42. This thing caused by the descent of public sector services quality at several service delivery units. This survey occurred from April – August 2010 at 353 service delivery units which spreaded at 23 central government service delivery units, 6 vertical service delivery units, and 22 municipal service delivery units (Koran Jakarta, November 4, 2010). Meanwhile, according to Public service Deputy on Ministry of State Apparatus Reforms and Bureaucracy Reform, until this day so many government instance, especially in regional government haven't been got one stop service unit. Based on data, from 523 region government, there were about 300 or 70% that have got one stop service unit. Furthermore, from 300 instance, these units haven't been carried out their total function [<http://www.menpan.g0.id/index.php/liputan-media-index/143>].

At the end of 2011, several service providers took the similar survey that has been carried out since 2009. On these customer satisfaction survey (for individual and business sector) and Central Tapanuli Region Government Performance Audit Survey that carried out by Sustainable Capacity Building for Decentralization Project. These surveys result compared and showed that before and after the survey, indicators of business license are still on unfavorable position, waste-water treatment changed from nasty to unfavorable; clean water service from region-run water supply enterprise (PDAM) was still on bad position; public sanitation (MCK) was still on bad position; irrigation development was still on unfavorable position; domestic waste service shifted from bad into unfavorable position. Meanwhile, on Central Tapanuli Region Government Performance Audit Survey showed result that the performance before and after survey was decline. This survey took some indicators as law function at Local Government Working Unit that related on law, institutional and personnel aspect descended 1% from 48,41% to 47.1%, Performance of Local Government Working Unit organizational development that deliver public direct service descended 5.48% from 88.24% to 82.76% (Sihombing:2011;98-99). The customer satisfaction survey result and Central Tapanuli Region Government performance audit survey showed unsuccessful map of SCBD project (both on output and outcome) on apparatus capacity increasing and its institutional aspect in order to deliver public service with finest quality.

Based on data we can note that public service quality on both government instant and region government are still weak. On this context, government political will can be a reference for observing government serious concrete step on bureaucracy reform (Wicaksono, 2006;23). At this moment government and local government service delivery still got many lack and weakness so needed to be reformed and innovation steps to take good local government. Increasing of public service quality and public satisfaction of service delivered were the final goal of bureaucracy innovation and reform. Local government capacity to adapt in public service quality development should be a main factor to enhance public trust.

PUBLIC SERVICE BUREAUCRACY REFORM

On public policy studies, there is incremental decision making theory (Lindblom, 1959) that recommend continous redefinition to an issue, because social problem information always turn up together with society needs growth. So, reform issue needed to be review and completed by proportional restoration.

On ontology context, reform into governance paradigm from government was a mindset and reposition from serve the ruler into public service quality increasing shift (Osborne dan Gaebler, 2000 : 208-212, Denhardt and Denhardt, 2007 : 28-29). A theory on good local governance shows that government existence was a dependent variable to society existenne. It means, government exist just because of society. So framework revision of bureaucrate that still got feudal position must be changed into the awareness that society is tax payer as the source of state revenue that use to pay bureacurat's work. Consequently, bureaucrate shuld be prior public service rather than stand behind the status quo and depend patron-clien culture on public service effort.

Based on decription before, as a simple can be said that bureaucracy role must be reform on public service effort. Osborne and Gaebler (2000), Frederickson (1997), Denhardt and Denhardt (2007) expalined that in a changed society, government apparatus must be change

their behavior into the better pattern based to society dynamics. It means, government from institutional side and apparatus from personal side should be adapt through restructurization, flexibility, responsiveness, and ability to involve on teamwork.

THE ESSENCE OF GOVERNANCE INNOVATION

Role shift in public service delivery from state domination to stakeholders interconnection (market and civil society) that often named by governance nowadays becomes unavoidable thing in this century. The efforts to restore government performance on structure and management aspects continued based on the society demand. Peters (2001) argued that public sector reform which had been occurred since 1980's (end of 1990's in Indonesia) was an outstanding moment. Academically, it was a revolutionary change on structure and management of public sector although on practice hasn't got a maximum result yet.

Experience of some countries showed that introduction of government innovation has given positive results for public sector advantages. *First*, support maximizing resources utility and capacity for public values development for conducting openness culture and participation in government. Then, generally can develop good governance. *Second*, for public image and service improvement, innovation can support governance to reach trust and strengthen society legitimation. *Third*, governance innovation can improve self confidence among apparatus that can be a driving force for self improvement. Innovation can reascend inspiring condition among apparatus. *Fourth*, although innovation limited at governance intervention or micro initiative, it can appear domino effect, which successful effort in one sector can open other innovation in different place. *Fifth*, innovation can result opportunity for sustainable innovation, that support advantage environment for positive change. Innovation can drive new building block on institutional and relationship among government and department levels. (Alberti and Bertucci, in UN, 2006).

Public sector performance especially in Indonesia, still got some critiques. Regime change from New Order hasn't been showed maximum performance yet. Public expectation on clean government, transparent and accountable hasn't been appeared yet. As a fact (Kompas, November 21, 2012 edition, page 5), Ministry of Home Affairs has taken the report from 19 provinces that explained 474 local officers who submitted to the court (95 officer were suspect, 49 officer were accused, and 330 officer were convicted status). Corruption, collusion, and nepotism still marks government practice and public services. Even, these practices still grow in larger scale and aggravate public sector performance (Dwiyanto, 2006). One of the cause was that public sector hasn't been touched by reform wave. Reform effort in Indonesia still got into political institution rather than public management aspect. Some of reform effort have been occurred to transform bureaucracy but has been given the affect for public sector performance, because this effort still limited to structural arrangement that often called "poor structure, rich function". Meanwhile, other aspects of public management really haven't been touched by this policy, especially on innovation culture.

Comparing with private sector, public sector innovation level still left behind. Information technology using in public service delivery was still low. Beside it, also from organizational aspect still hasn't got change that related to dynamic environment demand. Based on Author experience as team leader on SCBD Project on capacity building development in Central Tapanuli - North Sumatera Province, built 5 empowering institutional system as Assets

Management Information System, Finance Management Information System, Personnel Management Information System, One Stop Service Management Information System, and Geographic Management Information System. All system founded of Rp 3,5 billion but the results have no positive respons from echelon 2 officers, so all system failed although they realized that it is important to applicate the system on the work. It is right what Dwiyanto (2006) said that repairing on public sector has a wide implication on economic and politic sphere.

Fundamentally as a new concept, governance innovation meant differently by the public management observers. In one side, governance innovation seen as one approach or development strategy innovation system which can contribute on government performnace increasing (OECD Synthesis Report, 2005). As an institution which grow, it is absolutely needed to have innovation (UN Newsletter, 20014), although there is different meaning about governance innovation, but the main point, paradigm shift from government to governance on public management is an advantage on public management. This step not only stopped on one point, but still needed especially on innovation aspect on governance bodies itself. On this point academic papers will explore governance innovation meaning and its affect for public sector performance.

There are so many definitions of innovation. Drucker for example, defined innovation as “change that creates a new dimension of performance”. Meanwhile, Brannan et.al. (2006) defined innovation as “as the adoption of new practice/policy by an organization; that is, the practice/policy is new to the organization”. On New Oslo Manual noted that innovation is “the implementation of a new or significantly improved product (good or service), or process; a new marketing method; or a new organizational method in business practices, workplace organization or external relation”.

Based on some definitions above, now we can understand that fundamentally on taxonomy innovation divided by 2 aspects : on the context of producing new goods and services including technology application and organization reform. Thereby, there are various innovation, including human resources management and development; public service delivery; communication and information technology application on government activities; decentralization; and so on)

INNOVATION ON PUBLIC SECTOR

In Indonesia, public service delivery process can be illustrated that for accessing on one service, the citizen first must convey needs request to the state. The state processes it into the interaction between politician and policy makers, so service delivery can be formulated. Furthermore, this formulation conveys to government organization (public organization) and carried on to service unit. After that, the service really can be delivered to public. According to Agustino (2005 : 203), high-grade service delivery in Indonesia generally still find some barriers as bad performance on apparatus, discrimination, and paternalistic culture that cause bureaucracy rents. Finally, public service never ends to systematic and rational efforts on supplying public needs, but to the politicians and policy makers. They don't think about what public needs, but to how the budget they proposed can be applied. On the contrary, The New Public Administration which proposed Frederickson (2003 : 10) focused on responsiveness of citizen needs not state needs and service provider organization. It also explained by Osborne and

Gaebler (2005 : 101-2211) that public service effort directed to fulfilling service user demand, not apparatus in bureaucracy, because service orientation is directed to society as the tax payers. It is possible there is bureaucracy domination if only society as the service user faced to a single service provider that availed by government. Hence, although service performance of its institution is underperformance, there is no other option for public except access that service. Service providers on public sector that managed by government wouldn't be worried to be left by their service users. This circumstance absolutely disapprove public service principle i.e. balancing of right and obligation between service providers and service users as arranged by Minister of State Apparatus Reform Decision Number 63/KEP/M.PAN/7/2003 of General Guidance of Public Service Implementation that stated some principles on public service effort as transparency, accountability, conditional, participation, equality on rights and balancing between rights and obligations. Public service principles also included of work facility, infrastructure, equipment, information and communication technology and other supporting aspects.

These several strategic issues which differ between private and public sector often appears pessimism for some parties who assumed that innovation in public sector was an important thing. Innovation on public sector can be well take place and can affect to the work performance, exemplified of transparency and accountability that supported by adequate infrastructure, including political infrastructure (policy). According to Alberti and Bertucci (2006 : 15-17), there are important factors that needed in order innovation on public sector can be sustainability carried out i.e. effective leadership; well educated and well trained public sector employees; organizational culture; promotion of team work and partnership; innovation must be oriented to achieving measurable progress; and it is very importance to include innovation in executive program.

EFFECTIVE LEADERSHIP

Leadership is a main condition for government innovation. Without effective leadership it so difficult to direct government programmes which support innovation process. Leadership not only mean of existing the leadership that support innovation, but also involve innovation strategic direction for all element in organization. Innovation process needs leader who capable to aware many subjects about importance of innovation, capable to direct and personal model who can give the right example that support innovation. It is contradictive with the circumstance in Central Tapanuli which directly agreed provision 5 management information system but the policy wasn't support for applying them. Related to innovation implementation on governance, so the policies which taken by the leaders must be the ones which support technology information innovation on public service delivery as citizen identity card, driver's license, passport, vehicle registration card, family card, birth identity card, marriage registration, company license, and so on. It also occur on electrician payment, telephone, tax and other payment which using information technology as ATM (automatic teller machine), so public shouldn't get a long queue. Thereby public service process more efficient and effective. This things named by Adriwati (2001 : 300) as electronic government (e-gov) which information system that use internet and other digital technology for transaction, public service delivery, communication, coordination and government organization management which cover government to government, government to business, and government to society links. For that, it is urgently needed innovation touch on public service delivery in order to have efficiency, transparency, effectivity, and accountability. Thereby, effective public organization leader

means a leader who basically, radical and fundamentally rethinking work process on government, in such way that becomes more effective, efficient, transparent and accountable. E-government and e-administration are the examples from government process reengineering, examples : meeting invitation by e-mail, not copy invitation letter one by one. Practically, invitation using e-mail more efficient.

Alberti and Bertucci (UN, 2006) explained several principles of innovation in governance i.e. integrated service; decentralization services delivery; utilizing partnership; engaging citizen and taking advantage of information and communication technologies. Integrated services is an idea that combine several kinds of service placed in one certain space : one-stop shop. In Indonesia, integrated service has implemented on one stop service model. This integrated service model would give benefit both for providers and consumer. For provider the benefit is easy way to deliver service and control to requirement which brought by customer. Meanwhile, for customer, the benefit is easy way to receive service without pass red tape as the conventional model had.

Decentralized service delivery focused to getting close service provider to customer on the lowest level, example using card insurance health service that started in Jakarta and now has almost implemented in Indonesia. Decentralization mechanism on service delivery will assure responsiveness and customization on the high level. Partnership basically is a kind of joint or collaboration between private and public sector. Partnership model will give better benefit on resources using and foster efficiency in public service. Engaging citizen means freedom for citizen to involve in public service activity, including input in policy formulation and controlling process. The last aspect is using technology advancement to make citizen easy on access public service. The using of technology in public service delivery becomes one principle to assess governance innovation.

PUBLIC SERVICE AND GOOD LOCAL GOVERNANCE

The effort qualified and consistent public service isn't an easy thing. Several factors often influence rate of quality as communication, control process, and consequence of the process that can be seen on professionals role and interest that potentially exists between society as the client and government as service provider (McKevitt, 1997). Seems like no different with the private sector, service quality that occurred by government also needs evaluation to understand gap between consumer's expectation and service provider. As Zeithaml, Berry dan Parasuraman study (1988) that by knowing with gap analysis, we can see that qualified service provider depends on apparatus performance including ability to receive and understand consumer expectation. In this context, officer's professionalism is an outstanding resources, because it is difficult to control qualified service, not so easier to understand goods as a product which clearly visible and measurable.

One of the important effort to take good governance is fostering work process and administration automatization on office management and using of e-government on public service delivery. The uses of internet on government aspects support e-government that expect to have utility on: public empowerment through information access, increase public service to society, strengthen interaction between private sector and government, restore government management towards to efficiency and transparency. E-government terminology meant as a set concept of whole action or efforts in public service (in central government and local government)

which using telecommunication and information technology in order to optimize efficiency, transparency, effectivity on public service process (Kurniawan, 2006).

With using internet it would appear modes development of services which also possible to rise public participation and affect to make people have self sufficient example in license registration, monitor its process, and doing the process by themselves. With e-government, it is possible to banish the red tape. E-government application aimed to rise public access to government information sources, solve public's complain and equal treatment for all citizen. Purbo (in Hardiansyah, 2011 : 108) said that e-government is not only install the computers in government offices, but also gives wide socio-cultural consequence for government (especially on region government). This happened because electronic government force apparatus to work professionally, clean on work, doesn't corrupt, and so on. Computers cannot be lied and also cannot tolerance tricks. Hence, apparatus in local government must be changed their self-paradigm before it fully applied. One important think that apply e-government is different with assumption that make local government offices take high tech on their work, but aim to use communication and information technology in order to make service delivery close to public as user. Based on the explanation above, there are 2 main points which can be taken for the using of e-government, i.e. *First*, the using of information technology (as internet as an example) is a set of tool. *Second*, the purpose of using information technology makes local government works more efficient. Being the information technology, all process or procedures that exist in local government can be passed more rapidly as long as it use right on the track.

Generally, e-government implementation is convinced will fix government performance in Indonesia. Extended corruption in Indonesia and low-trust foreign investment to Indonesia shows low-quality Indonesia government management. Hence, it needed a kind of government management which prior transparency as an important factor to reduce collusion, corruption and nepotism on government activities. Low transparency will cause difficulty on controlling. One of the solution alternative that can assure transparency is using e-government. This e-government using as an electronic approach system both in private and public sector not only increase transparency, but also efficiency (reduce cost and upgrade effectivity).

On the other hand, there is so many problem on local government in e-government application, as less internet web infrastructure, human resources problem, and so on. However, because e-government has become a public needs for better, faster, easier, more appropriate, fairer service according to citizen expectation (customer) and based on regional autonomy implementation, so e-government is a crucial thing to be implemented. But, as the explain above, so many problem like human resources factor is still an obstacle on it. Actually, e-government is more fundamental than computerization and service automatization. The application intense determined by political will from region government, that means how local government reduce red-tape seriously that identically as same as added cost. Apart from its weaknesses, it can be conclude that e-government is a very urgent thing to bring into reality of good local governance. It also means increasing government service to customer or citizen as sovereignty owner. Innovation and public service reform mean valuable toward good local governance. For maximizing more appropriate, faster, easier, more efficient, more effective, and transparent as the characteristics in local good governance, e-governance is an important tolls to fulfill public expectation.

CONCLUSION

Beginning with the visceral concern to public sector productivity development, especially in public service delivery, the demand of quality increasing or deliver excellent service becomes a particularity challenge for government including local government to improve institutional image. This thing so many criticism which caused identity crises among bureaucracy institutions who view private sector performance is better than public sector in service delivery. On the other hand, society as a citizen-client often cannot rely on public sector in manage some issues as health, education, security, and other services that categorized as pure public goods. The complain of these kind of service delivery often could be responded proportionally and professionally with the result that conductive leading to public administration reform, including on public management domain. In consequence, in Indonesia it is the right time to take government innovation, reform, reinventing and revitalization on public service delivery to customer or citizen. On public service reform, it is not needed hal-way political will, but the totally one and wholeheartedly actions in public service delivery toward reform and e-government based good local governance.

REFERENCE

- Adriwati, 2001. *Bunga Rampai Wacana Administrasi Publik: Menguang Peluang dan Tantangan Administrasi Publik*. Graha Ilmu : Yogyakarta.
- Agustino, Leo. 2005, *Politik dan Otonomi Daerah*. Untirta Press : Serang.
- Anonimous, 2004. *Innovation in Governance and Public Administration for Poverty Reduction* in Newsletter. Issues 1. Number 108. Department of Economic and Social Affairs. United Nations.
- Anonimous. 2006., *Innovation in Governance and Public Administration: Replicating What Work*. Department of Economic and Social Affairs United Nations: New York.
- Benaissa, Hamdan, Zhijian, Z., Deguzman, R.P. , and Reforma, M.A. 1992. *Administrative Reform Towards Promoting Productivity In Bureaucratic Performance*.
- Denhardt, Janet, V. and Robert B. Denhardt, 2007, *The New Public Service*, M.E.Sharpe Inc.: New York.
- Dwiyanto, A. 1995. *Penilaian Kinerja Organisasi Pelayanan Publik*. Fisipol UGM: Yogyakarta.
- _____. 2006. *Reformasi Birokrasi Publik di Indonesia*. Pusat Studi Kependudukan dan Kebijakan, Universitas Gadjah Mada: Yogyakarta.
- _____. 2003. *Reformasi Tata Pemerintahan dan Otonomi Daerah*. Kerjasama Pusat Studi Kependudukan dan Kebijakan UGM, Kemitraan bagi Pembaharuan Tata Pemerintahan di Indonesia, PEG-USAID, Bank Dunia : Yogyakarta.
- Hardiyansyah. 2011. *Kualitas Pelayanan Publik: Konsep, Dimensi, Indikator dan Implementasinya*. Gava Media : Yogyakarta.
- Flynn, Barbara B., Schroeder, Roger G, dan Sakakibara, S., 1995. The Impact of Quality management practices on Performance and Competitive Advantage. *Decision Science*. Vol. 26, No.5, p.659-691.
- Frederickson, George, H. 1984. *Administrasi Negara Baru*. LP3ES : Jakarta.
- Gasperst, Vincent. 2005. *Total Quality Management*. PT. Gramedia Pustaka Utama: Jakarta.
- Gaster, Lucy. 1995. *Quality in Public Service: Manager's Choices*, Open University Press : Buckingham.
- Hirschman, A. 1970. *Exit, Voice and Loyalty*. Havard University Press : Chambridge.

- Hughes, Owen E. 1994. *Public Management and Administration: An Introduction*, Martin's Press : New York, USA.
- Kurniawan, Teguh. 2006. *Hambatan dan Tantangan dalam mewujudkan Good Government di Indonesia*. <http://publications-tk.blogspot.com/>.
- Mayne, John. 2008. "Building on Evaluative Culture for Effective Evaluation and Results Management". *Bioversity International* .Rome, Italy, ILAC Working Paper 8, November, Page :1-14.
- McKevitt, David. 1997. *Managing Core Public Service*. Blackwell Publishers, Oxford, UOED (1990) ,Survey of Public Management Development, Public Management Committee (PUMA) : Paris.
- Mintzberg, H. 2000. *The Structuring of Organizations, A Synthesis of the Research*, Prentice Hall, Inc : Englewood Cliffs.
- Nugroho, Riant. 2011. *Public Policy*., PT. Elex Media Komputindo : Jakarta.
- Osborne, David dan Gaebler, Ted. 2000. *Mewirusahaakan Birokrasi: Mentransformasi Semangat Wirausaha ke Dalam Sektor Publik*. Pustaka Binaman Pressindo : Jakarta.
- Osborne, David and Peter Plastrik. 1997. *Banishing Bureaucracy: The Five Strategies for Reinventing Government*. Hodson-Wesley Publishing Company Inc. : New York.
- Preskill, Hallie & Boyle, Shanelle. 2008. A Multidisciplinary Model of Evaluation Capacity Building: *American Journal of Evaluation*, 29 (4) :443-459.
- Poister, Theodore H. dan Harris, Richard H. 2000. Building Quality Improvement Over The Long Run: Approaches, Results, and Lessons Learned from The PennDOT Experience, *Public Performance and Management Review*, Vol.24 No.2, Desember p.161-176).
- Porter, Michael. 1990. *The Competitive Advantage of Nations*. McMillan : London.
- Richards, D. and Smith, M.J. 2002. *Governance and Public Policy in The United Kingdom*. Oxford University Press : New York
- Santoso Pandji. 2009. *Administrasi Publik: Teori dan Aplikasi Good Governance*. PT Refika Aditama : Bandung.
- Sihombing, Tunggal, dan Remus, H. Pardede. 2011. *Final Report executive Summary*, Pemerintah Daerah Kabupaten Tapanuli Tengah : Pandan.
- Saraph, J.V., Benson, P.G., and Schroeder, R.G. 1989. An Instrument for Measuring the Critical Factor of Quality Management, *Decision Science*, Vol.20. No.4.
- Tjokrowinoto, Bintoro. 1999. *Pembangunan: Dilema dan Tantangan*. Pustaka Pelajar : Jogjakarta.
- Wicaksono, Kristian Widya. 2006. *Administrasi dan Birokrasi Pemerintah* : Graha Ilmu : Yogyakarta.
- Zeithmal, V., Berry, L. dan Parasuraman, A. 1988. Communication and Control Process in The Delivery of Service Quality, *Journal of Marketing*, Vol.52, pp.35-48.
- _____. 1990. *Delivering Quality Service*. The Free Press : New York.
- Kepmenpan Nomor : 63/Kep/M.PAN/7/2003 Tentang Pedoman Umum Penyelenggaraan Pelayanan Publik.
- Kompas, 28 Desember 2009.
- Kompas, 21 Nopember 2012.
- [http://www.menpan.go.id/index.php/liputan-media-index/143-kualitas-pelayanan-publik-rendah\[16-3-2011\]](http://www.menpan.go.id/index.php/liputan-media-index/143-kualitas-pelayanan-publik-rendah[16-3-2011])